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RICHLAND PARISH POLICE JURY  
RAYVILLE, LOUISIANA

FINANCIAL REPORT

December 31, 1999

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

Release Date 09-20-00

**HILL, INZINA & COMPANY**

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# HILL, INZINA & COMPANY

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## INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

Police Jurors  
Richland Parish Police Jury  
Rayville, Louisiana

We have audited the accompanying primary government financial statements of Richland Parish Police Jury, as of and for the year ended December 31, 1999, as listed in the table of contents. These financial statements are the responsibility of the management of Richland Parish Police Jury. 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 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 preparation. 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 Richland Parish Police Jury, as of December 31, 1999, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

However, the primary government financial statements, because they do not include the financial data of component units of Richland Parish Police Jury, do not purport to, and do not, present fairly the financial position of Richland Parish Police Jury, as of December 31, 1999, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 31, 2000, on our consideration of Richland Parish Police Jury's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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

*Hill, Myrta & Co.*

May 31, 2000

PRIMARY GOVERNMENT FINANCIAL STATEMENTS

(COMBINED STATEMENTS - OVERVIEW)

RICHLAND PARISH POLICE JURY  
RAYVILLE, LOUISIANA

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS  
December 31, 1999  
With Comparative Totals for December 31, 1998

	<u>Governmental Fund Types</u>			
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
<b>ASSETS AND OTHER DEBITS</b>				
Assets:				
Cash	\$ 57,413	\$ 664,928	\$ 127,374	\$ -
Receivables	234,777	504,029	-	1,058
Due from other funds	54,061	249,996	-	-
Restricted cash	7,827	-	-	-
Fixed assets	-	-	-	-
Other debits:				
Amount to be provided for retirement of general long-term debt	-	-	-	-
 Total assets and other debits	 <u>\$ 354,078</u>	 <u>\$ 1,418,953</u>	 <u>\$ 127,374</u>	 <u>\$ 1,058</u>

<u>Fiduciary Fund Type</u>	<u>Account Groups</u>		<u>Totals - (Memorandum Only)</u>	
	<u>General Fixed Assets</u>	<u>General Long-Term Debt</u>	<u>December 31,</u>	
<u>Agency</u>			<u>1999</u>	<u>1998</u>
\$ 139,369	\$ -	\$ -	\$ 989,084	\$ 1,174,539
45,816	-	-	785,680	730,377
-	-	-	304,057	226,212
-	-	-	7,827	7,649
-	6,186,456	-	6,186,456	5,968,675
<u>-</u>	<u>-</u>	<u>503,511</u>	<u>503,511</u>	<u>629,420</u>
<u>\$ 185,185</u>	<u>\$ 6,186,456</u>	<u>\$ 503,511</u>	<u>\$ 8,776,615</u>	<u>\$ 8,736,872</u>

(continued)

RICHLAND PARISH POLICE JURY  
RAYVILLE, LOUISIANA

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS (Continued)  
December 31, 1999  
With Comparative Totals for December 31, 1998

	<u>Governmental Fund Types</u>			
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
<b>LIABILITIES, EQUITY, AND OTHER CREDITS</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 53,032	\$ 194,214	\$ -	\$ 1,058
Payroll deductions payable	34,967	-	-	-
Due to other funds	58,195	56,516	-	-
Due to component unit	-	-	-	-
Payable from restricted assets:				
Due to other funds	7,827	-	-	-
Capital leases payable	-	-	-	-
General obligation bonds payable	-	-	-	-
Compensated absences payable	-	-	-	-
Total liabilities	<u>\$ 154,021</u>	<u>\$ 250,730</u>	<u>\$ -</u>	<u>\$ 1,058</u>
<b>Equity and other credits:</b>				
Investment in general fixed assets	\$ -	\$ -	\$ -	\$ -
<b>Fund balances:</b>				
Reserved for Richland Parish Hospital Service Districts	-	-	127,374	-
Unreserved and undesignated	<u>200,057</u>	<u>1,168,223</u>	<u>-</u>	<u>-</u>
Total equity and other credits	<u>\$ 200,057</u>	<u>\$ 1,168,223</u>	<u>\$ 127,374</u>	<u>\$ -</u>
 Total liabilities, equity, and other credits	 <u>\$ 354,078</u>	 <u>\$ 1,418,953</u>	 <u>\$ 127,374</u>	 <u>\$ 1,058</u>

See notes to financial statements.



Fiduciary Fund Type	Account Groups		Totals - (Memorandum Only)	
	General Fixed Assets	General Long-Term Debt	December 31, 1999      1998	
Agency				
\$ 3,666	\$ -	\$ -	\$ 251,970	\$ 235,047
-	-	-	34,967	27,843
181,519	-	-	296,230	218,563
-	-	-	-	23,125
-	-	-	7,827	7,649
-	-	462,827	462,827	584,648
-	-	17,510	17,510	22,356
-	-	23,174	23,174	22,416
<u>\$ 185,185</u>	<u>\$ -</u>	<u>\$ 503,511</u>	<u>\$ 1,094,505</u>	<u>\$ 1,141,647</u>
\$ -	\$ 6,186,456	\$ -	\$ 6,186,456	\$ 5,968,675
-	-	-	127,374	127,374
-	-	-	1,368,280	1,499,176
<u>\$ -</u>	<u>\$ 6,186,456</u>	<u>\$ -</u>	<u>\$ 7,682,110</u>	<u>\$ 7,595,225</u>
<u>\$ 185,185</u>	<u>\$ 6,186,456</u>	<u>\$ 503,511</u>	<u>\$ 8,776,615</u>	<u>\$ 8,736,872</u>

RICHLAND PARISH POLICE JURY  
RAYVILLE, LOUISIANA

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

Year Ended December 31, 1999

With Comparative Totals for Year Ended December 31, 1998

	<u>General</u>	<u>Special Revenue</u>	<u>Totals - (Memorandum Only) Year Ended December 31,</u>	
			<u>1999</u>	<u>1998</u>
Revenues:				
Taxes	\$ 215,398	\$ 2,674,934	\$ 2,890,332	\$ 2,842,109
Licenses and permits	71,360	-	71,360	51,953
Intergovernmental	197,942	481,345	679,287	863,456
Fees, charges, and commissions for services	17,230	2,242	19,472	20,335
Fines and forfeitures	4,556	186,877	191,433	149,234
Interest and miscellaneous	18,705	77,476	96,181	127,743
	<u>\$ 525,191</u>	<u>\$ 3,422,874</u>	<u>\$ 3,948,065</u>	<u>\$ 4,054,830</u>
Expenditures:				
Current:				
General government:				
Legislative	\$ 88,560	-	\$ 88,560	\$ 90,900
Judicial	42,980	170,324	213,304	210,010
Executive	16,072	-	16,072	8,089
Elections	18,481	-	18,481	21,071
Finance and administrative	59,792	-	59,792	14,458
Other	171,807	-	171,807	137,986
Public safety	149,343	-	149,343	118,636
Public works	-	2,984,852	2,984,852	2,983,230
Health and welfare	7,569	22,005	29,574	30,634
Culture and recreation	-	368,551	368,551	445,689
Economic development and assistance	18,205	-	18,205	30,766
Debt service	8,175	-	8,175	5,807
	<u>\$ 580,984</u>	<u>\$ 3,545,732</u>	<u>\$ 4,126,716</u>	<u>\$ 4,097,276</u>

(continued)

RICHLAND PARISH POLICE JURY  
RAYVILLE, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES (Continued)  
Year Ended December 31, 1999  
With Comparative Totals for Year Ended December 31, 1998

	<u>General</u>	<u>Special Revenue</u>	<u>Totals - (Memorandum Only) Year Ended December 31,</u>	
			<u>1999</u>	<u>1998</u>
Excess (deficiency) of revenues over expenditures	\$( 55,793)	\$( 122,858)	\$( 178,651)	\$( 42,446)
Other financing sources:				
Proceeds of capital leases	4,934	42,820	47,754	198,457
Operating transfers in (out)	15,137	( 15,137)	-	-
Sale of fixed assets	-	-	-	248,085
	-----	-----	-----	-----
Excess (deficiency) of revenues and other financing sources over expenditures	\$( 35,722)	\$( 95,175)	\$( 130,897)	\$ 404,096
Fund balances - beginning	<u>235,779</u>	<u>1,263,398</u>	<u>1,499,177</u>	<u>1,095,080</u>
Fund balances - ending	<u>\$ 200,057</u>	<u>\$ 1,168,223</u>	<u>\$ 1,368,280</u>	<u>\$ 1,499,176</u>

See notes to financial statements.

RICHLAND PARISH POLICE JURY  
RAYVILLE, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -  
(NON-GAAP BUDGETARY BASIS) - GENERAL AND SPECIAL REVENUE FUNDS  
Year Ended December 31, 1999

	<u>Budget</u>	<u>General Actual</u>	Variance - Favorable (Unfavorable)
Revenues:			
Taxes	\$ 168,500	\$ 196,617	\$ 28,117
Licenses and permits	64,400	71,293	6,893
Intergovernmental	170,250	192,327	22,077
Fees, charges, and commissions for services	17,500	15,518	( 1,982)
Fines and forfeitures	7,000	4,436	( 2,564)
Interest and miscellaneous	13,500	24,307	10,807
	<u>\$ 441,150</u>	<u>\$ 504,498</u>	<u>\$ 63,348</u>
Expenditures:			
Current:			
General government:			
Legislative	\$ 91,086	\$ 90,428	\$ 658
Judicial	32,121	41,580	( 9,459)
Executive	16,391	15,730	661
Elections	25,230	22,652	2,578
Finance and administrative	73,526	53,792	19,734
Other	198,151	170,165	27,986
Public safety	176,620	128,046	48,574
Public works	-	-	-
Health and welfare	6,875	6,815	60
Culture and recreation	-	-	-
Economic development and assistance	19,516	18,271	1,245
Debt service	9,846	8,175	1,671
	<u>\$ 649,362</u>	<u>\$ 555,654</u>	<u>\$ 93,708</u>

Special Revenue

<u>Budget</u>	<u>Actual</u>	Variance - Favorable <u>(Unfavorable)</u>
\$ 2,229,050	\$ 2,628,033	\$ 398,983
-	-	-
475,535	484,850	9,315
4,800	2,242	( 2,558)
133,634	176,010	42,376
35,103	157,567	122,464
<u>\$ 2,878,122</u>	<u>\$ 3,448,702</u>	<u>\$ 570,580</u>

\$ -	\$ -	\$ -
203,345	175,221	28,124
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
3,454,241	2,951,007	503,234
43,600	22,178	21,422
498,114	363,668	134,446
-	-	-
-	-	-
<u>\$ 4,199,300</u>	<u>\$ 3,512,074</u>	<u>\$ 687,226</u>

(continued)

RICHLAND PARISH POLICE JURY  
RAYVILLE, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -  
(NON-GAAP BUDGETARY BASIS) - GENERAL AND SPECIAL REVENUE FUNDS  
Year Ended December 31, 1999

	<u>Budget</u>	<u>General Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Excess (deficiency) of revenues over expenditures	\$( 208,212)	\$( 51,156)	\$ 157,056
Other financing sources (uses):			
Operating transfers in (out)	( 8,965)	15,137	24,102
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$( 217,177)	\$( 36,019)	\$ 181,158
Fund balances - beginning (non-GAAP and GAAP budgetary basis)	<u>235,779</u>	<u>235,779</u>	<u>-</u>
Fund balances (deficit) - ending (non-GAAP budgetary basis)	<u>\$ 18,602</u>	\$ 199,760	<u>\$ 181,158</u>
Adjustments to generally accepted accounting principles:			
Revenue accruals		25,630	
Due from other funds accruals		-	
Expenditure accruals		<u>( 25,333)</u>	
Fund balances - ending (GAAP basis)		<u>\$ 200,057</u>	

See notes to financial statements.

<u>Special Revenue</u>		
<u>Budget</u>	<u>Actual</u>	Variance - Favorable <u>(Unfavorable)</u>
\$( 1,321,178)	\$( 63,372)	\$ 1,257,806
<u>( 132,098)</u>	<u>( 15,137)</u>	<u>116,961</u>
\$( 1,453,276)	\$( 78,509)	\$ 1,374,767
<u>1,263,398</u>	<u>1,263,398</u>	<u>-</u>
<u>\$( 189,878)</u>	\$ 1,184,889	<u>\$ 1,374,767</u>
	( 9,694)	
	( 18,681)	
	<u>11,709</u>	
	<u>\$ 1,168,223</u>	

RICHLAND PARISH POLICE JURY  
RAYVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 1999

Note 1. Organization and Summary of Significant Accounting Policies

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

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

The parish is located in northeast Louisiana and its population is approximately 20,400. Approximately 575 miles of roads are maintained by the parish. The Jury employs approximately 100 people.

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

Basis of Presentation:

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



## NOTES TO FINANCIAL STATEMENTS

### Financial Reporting Entity:

As the governing authority of the parish, for reporting purposes, Richland Parish Police Jury is the financial reporting entity for Richland Parish. The financial reporting entity consists of (a) the primary government (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.

GASB Statement No. 14 established criteria for determining which component units should be considered part of Richland Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
  - a. the ability of the 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 Jury.
2. Organizations for which the Jury does not appoint a voting majority but are fiscally dependent on the 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 Jury has determined that the following component units are part of the reporting entity:

NOTES TO FINANCIAL STATEMENTS

<u>Component Unit</u>	<u>Fiscal Year End</u>	<u>Criteria Used</u>
Fifth Judicial District Attorney	12-31	2 and 3
Fifth Judicial District Judges	12-31	2 and 3
Northside Utility District No. 2	12-31	1
Richland Parish Hospital Service Districts No. 1, 1A, 1B, and 1C	9-30	1 and 2
Start-Girard Fire Protection District	12-31	1
Archibald-Alto Fire Protection District	12-31	1
Holly Ridge Fire Protection District	12-31	1
Mangham Fire Protection District	12-31	1
Richland Parish Communications District	12-31	1
Richland Parish Fire Protection District No. 8	12-31	1
Richland Parish Sales and Use Tax Commission	6-30	2
Ward One Rural Fire Protection District	12-31	1

The Jury has chosen to issue financial statements of the primary government (Jury) only; therefore, none of the previously listed component units are included in the accompanying financial statements. The financial impact on the financial statements of the omission of the component units is unknown.

GASB Statement No. 14 provides for the issuance of primary government financial statements that are separate from those of the reporting entity. However, the primary government's (Jury's) 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 (Jury).

Considered in the determination of component units of the reporting entity were Richland Parish Sheriff, Richland Parish Clerk of Court, Richland Parish Tax Assessor, Richland Parish School Board, District Attorney and Judges for the Fifth Judicial District, and the various municipalities and nonprofit entities in the parish. It was determined that these governmental and nonprofit entities are not component units of Richland Parish Police Jury reporting entity because (with the exception of the District Attorney and Judges for the Fifth Judicial District) they have separately elected governing bodies, are legally separate, and are fiscally independent of the Jury. They are considered by the Jury to be separate autonomous entities and issue financial statements separate from those of Richland Parish Police Jury reporting entity.

## NOTES TO FINANCIAL STATEMENTS

### Fund Accounting:

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

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

Funds of the Jury are classified into two categories: governmental 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:

Governmental funds are used to account for all or most of the Jury's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. Governmental funds include:

General Fund - the general operating fund of the Jury and accounts for all financial resources, except those required to be accounted for in other funds.

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

Debt Service Fund - accounts for transactions relating to resources retained and used for the payment of principal and interest on those long-term obligations recorded in the General Long-Term Debt Account Group.

Capital Projects Fund - accounts for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds.

## NOTES TO FINANCIAL STATEMENTS

### Fiduciary fund:

The fiduciary fund is used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the Jury. The fiduciary fund is:

*Agency Fund* - accounts for assets that the Jury holds on behalf of other funds as their agent. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

### Basis of Accounting:

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and the fiduciary fund are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by all governmental and fiduciary funds. The modified accrual basis of accounting recognizes revenues when both "measurable" and "available." Measurable means the amount can be determined and available means collectible within the current period or soon enough thereafter to pay current liabilities. Also, under the modified accrual basis of accounting, expenditures are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported as expenditures in the year due.

Transfers between funds that are not expected to be repaid (and any other financing source/use) are accounted for as other financing sources (uses) and are recorded when the transaction occurs.

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

## NOTES TO FINANCIAL STATEMENTS

### Budgets and Budgetary Accounting:

Preliminary budgets for the ensuing year are prepared by the Secretary/Treasurer during October of each year. During November, the finance committee reviews the proposed budgets and makes changes as it deems appropriate. Notice of the location and the availability of the proposed budgets for public inspection and the date of the public hearing to be conducted on the budgets are then advertised in the official journal. Prior to its regular December meeting, the Jury conducts a public hearing on the proposed budgets in order to receive comments from residents. Changes are made to the proposed budgets based on the public hearing and the desires of the Jury as a whole. The budgets are then adopted during the Jury's regular December meeting and notice of adoption, which includes budget summaries, is published in the official journal.

The Jury adopted annual budgets for the General Fund and Special Revenue Funds on December 22, 1998. The annual budgets were prepared on a non-GAAP budgetary basis of accounting. All budget amendments were approved by the Jury. Budgets were amended at various times throughout the year approving additional revenues and expenditures for the funds. The budget comparison statements included in the accompanying financial statements include the original adopted budgets (non-GAAP budgetary basis) and all subsequent amendments. All annual appropriations lapse at fiscal year end.

### Encumbrances:

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the Jury.

### Cash:

Cash includes amounts in demand deposits and interest-bearing demand deposits. Under state law, the Jury may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

## NOTES TO FINANCIAL STATEMENTS

### Uncollectible Allowance:

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

### Short-Term Interfund Receivables/Payables:

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

### Fixed Assets:

Fixed assets of governmental funds are recorded as expenditures at the time purchased or constructed, and the related assets are capitalized (reported) in the General Fixed Assets Account Group. Public domain or infrastructures are not capitalized. These assets are immovable and of value only to the Jury. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or if donated, at their estimated market value on the date donated.

### Accumulated Compensated Absences:

Full-time employees of the Jury earn from five to ten days of both annual and sick leave each anniversary year of employment, depending on length of service. Employees may accumulate annual leave up to a maximum of 20 days and sick leave up to a maximum of 60 days. Upon resignation, retirement, or excess accumulation, employees are compensated for accumulated annual leave at the employee's current rate of pay. Employees are not compensated for nonvesting accumulated sick leave upon termination of employment.

## NOTES TO FINANCIAL STATEMENTS

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

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

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

### Long-Term Obligations:

Long-term obligations expected to be financed from governmental funds are reported in the General Long-Term Debt Account Group. Expenditures for principal and interest payments for long-term obligations are recognized in the governmental funds when due.

### Fund Equity - Reserved:

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

### Interfund Transactions:

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

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

## NOTES TO FINANCIAL STATEMENTS

### Revenue Recognition - Ad Valorem and Sales Taxes:

Ad valorem taxes attach as an enforceable lien on property as of the date the tax rolls are filed with the recorder of mortgages which, by law, must be on or before November 15 of each year. Billed taxes become delinquent on January 1 of the following year. Richland Parish Sheriff bills and collects the Jury's property taxes using the assessed values determined by Richland Parish Tax Assessor. Revenues from ad valorem taxes are recognized when levied.

Sales/use taxes collected and held by other governments at year end on behalf of the Jury and those collected by other governments and remitted to the Jury within 60 days after December 31 for preceding months are recognized as revenue. The sales/use taxes are collected by Richland Parish Sales and Use Tax Commission and remitted to the Jury.

### Total Columns on Combined Statements - Overview:

Total columns on the combined statements are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position 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.

### Comparative Data:

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



NOTES TO FINANCIAL STATEMENTS

Note 2. Revenues and Expenditures - Budget and Actual (Non-GAAP Budgetary Basis)

The following individual funds' total actual revenues and other sources failed to meet total budgeted revenues and other sources for the year ended December 31, 1999:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>	<u>Percentage Unfavorable Variance</u>
Off-Duty Officers	\$ 300	\$ 168	\$ 132	44.0%
Library	<u>403,718</u>	<u>398,110</u>	<u>5,608</u>	1.4%
Totals	<u>\$ 404,018</u>	<u>\$ 398,278</u>	<u>\$ 5,740</u>	

Note 3. Deposits with Financial Institutions

At December 31, 1999, the Jury had cash (bank balances) as follows:

Demand deposits	\$ 127,374
Interest-bearing demand deposits	869,367
Petty cash	<u>170</u>
	<u>\$ 996,911</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities were held in the name of the pledging fiscal agent bank in a holding or custodial bank that was mutually acceptable to both parties.

## NOTES TO FINANCIAL STATEMENTS

At December 31, 1999, the Jury had \$1,016,406 in deposits (collected bank balances). These deposits were secured from risk by \$200,000 of federal deposit insurance and \$816,406 of pledged securities held by the custodial bank or its agent in the name of the Jury (GASB Category 2). The securities pledged on the Jury's behalf do not meet the following requirements to be valid against the FDIC:

1. Approval by the financial institution's board of directors or loan committee.
2. An official record of the depository institution since it was executed.

There were no repurchase or reverse repurchase agreements at December 31, 1999.

### Note 4. Receivables

A summary of receivables at December 31, 1999, is as follows:

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Agency</u>	<u>Totals</u>
Taxes:					
Ad valorem	\$ 206,841	\$ 430,516	\$ -	\$ -	\$ 637,357
Beer	2,537	-	-	-	2,537
Sales	-	-	-	45,103	45,103
Gross receipts	1,427	-	-	-	1,427
Licenses and permits	377	-	-	-	377
Intergovernmental:					
Severance taxes	13,422	-	-	-	13,422
Parish transportation	-	37,795	-	-	37,795
Grants	-	16,421	1,058	-	17,479
Driver's license fees	2,910	-	-	-	2,910
Civil defense	6,743	-	-	-	6,743
Other	6	-	-	-	6
Fees, charges, and com- missions for services	70	-	-	-	70
Fines and forfeitures	444	18,824	-	-	19,268
Miscellaneous	-	473	-	713	1,186
	<u>\$ 234,777</u>	<u>\$ 504,029</u>	<u>\$ 1,058</u>	<u>\$ 45,816</u>	<u>\$ 785,680</u>

NOTES TO FINANCIAL STATEMENTS

Note 5. Taxes

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

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
General corporate purposes	7.57	7.57	Perpetual
Health unit	1.17	1.17	April, 2008
Library	6.67	6.67	April, 2008

The parish has no principal ad valorem taxpayers (those whose percentages of total assessed valuation is 5 percent and greater).

Total ad valorem taxes levied for 1999 were \$637,356. As of December 31, 1999, no amounts were due from prior year tax levies.

During the year ended December 31, 1999, sales taxes of 1½% were levied as follows:

<u>Rate</u>	<u>Purpose</u>	<u>Expiration Date</u>
1%	constructing, overlaying, improving, repairing, and maintaining public roads and bridges, and purchase and maintenance of equipment used in connection therewith	December 31, 2004
½%	constructing, improving and maintaining public drains and drainage facilities, and purchase and maintenance of equipment used in connection therewith	December 31, 2004

Note 6. Due From/To Other Funds

A summary of amounts due from/to other funds at December 31, 1999, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Agency	\$ 34
Road Maintenance	Agency	120,990
Road Maintenance	General	11,995
Road Maintenance	Drainage Maintenance	48,535
Drainage Maintenance	Agency	60,494
General	Payroll	15,285
Payroll	General	38,743
Drainage Maintenance	Road Maintenance	<u>7,981</u>
		<u>\$ 304,057</u>

NOTES TO FINANCIAL STATEMENTS

Note 7. Changes in Fixed Assets

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

	Balance January 1, <u>1999</u>	<u>Additions</u>	Reclassi- <u>fications</u>	<u>Retirements</u>	Balance December 31, 1999
Land	\$ 273,340	\$ 4,632	\$ -	\$ -	\$ 277,972
Buildings	1,398,942	-	-	-	1,398,942
Equipment and furniture	2,605,945	90,333	487,102	-	3,183,380
Under capital lease	1,147,962	47,756	(487,102)	-	708,616
Construction in progress	-	48,918	-	-	48,918
Library books, etc.	<u>542,486</u>	<u>38,795</u>	<u>-</u>	<u>(12,653)</u>	<u>568,628</u>
Totals	<u>\$5,968,675</u>	<u>\$ 230,434</u>	<u>\$ -</u>	<u>\$( 12,653)</u>	<u>\$6,186,456</u>

Note 8. Changes in General Long-Term Debt

The following is a summary of long-term obligation transactions for the year ended December 31, 1999:

	Capital <u>Leases</u>	General Obligation <u>Bonds</u>	Compensated <u>Absences</u>	<u>Totals</u>
Balance - January 1, 1999	\$ 584,648	\$ 22,356	\$ 22,416	\$ 629,420
Additions	47,755	-	758	48,513
Retirements	<u>(169,576)</u>	<u>( 4,846)</u>	<u>-</u>	<u>(174,422)</u>
Balance - December 31, 1999	<u>\$ 462,827</u>	<u>\$ 17,510</u>	<u>\$ 23,174</u>	<u>\$ 503,511</u>

The Jury records items under capital lease as fixed assets and the related obligation in the General Long-Term Debt Account Group. At December 31, 1999, the Jury had 13 equipment capital leases in effect with original recorded amounts of \$708,615. The following is a schedule of future minimum lease payments together with the present value of the net minimum lease payments as of December 31, 1999:

NOTES TO FINANCIAL STATEMENTS

<u>Year Ending</u>		
<u>December 31,</u>		
2000		\$ 143,547
2001		138,082
2002		133,638
2003		89,328
2004		<u>22,159</u>
Total minimum lease payments		\$ 526,754
Amounts representing interest		<u>( 63,927)</u>
Present value of net minimum lease payments		<u>\$ 462,827</u>

Bonds payable at December 31, 1999, are comprised of the following individual issue:

\$60,000 1982-B General Obligation Bonds - due in annual installments ranging from \$1,013 to \$6,411 through June 15, 2002. Interest at 10.60% to 10.70% is payable June 15 and December 15 of each year. Principal payments due June 15 of each year are as follows:

2000	\$5,315	2002	\$6,411
2001	5,784		

The annual requirements to amortize bonded debt outstanding as of December 31, 1999, including interest payments of \$2,927 are as follows:

<u>Year Ending</u>		
<u>December 31,</u>		
2000		\$ 6,904
2001		6,779
2002		<u>6,754</u>
		<u>\$ 20,437</u>

At December 31, 1999, employees of the Jury had accumulated and vested \$23,174 of employee leave benefits, which was computed in accordance with GASB Codification Section C60. This amount is recorded within the General Long-Term Debt Account Group.

NOTES TO FINANCIAL STATEMENTS

Note 9. Operating Leases

As of December 31, 1999, the Jury has entered entered into 14 equipment operating leases having initial or remaining noncancellable terms in excess of one year.

The minimum annual commitments under these leases are as follows:

Year Ending <u>December 31,</u>	
2000	\$ 217,644
2001	153,949
2002	<u>72,972</u>
Total	<u>\$ 444,565</u>

Note 10. Pension Plan and Other Pension Liabilities

Plan Description:

Substantially all employees of Richland Parish Police Jury are members of Parochial Employees' Retirement System of Louisiana (the "System"), a 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 Jury are members of Plan A.

All permanent employees, working at least 28 hours per week who are paid wholly or in part from parish funds, and all elected parish officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to three percent of their final-average salary for each year of creditable service. However, for those employees who were members of the supplemental plan only before January 1, 1980, the benefit is equal to one percent of final-average salary plus \$24 for each year of supplemental-plan-only service earned before January 1, 1980, plus three percent of final-average salary for each year of service credited after the revision date.

## NOTES TO FINANCIAL STATEMENTS

Final-average salary is the employee's average salary over the 36 consecutive or joined months that produces the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to Parochial Employees' Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (225)928-1361.

### Funding Policy:

Under Plan A, members are required by state statute to contribute 9.5 percent of their annual covered salary and the Jury is required to contribute at an actuarially determined rate. The current rate is 7.75 percent of annual covered payroll. Contributions to the System also include one-fourth of one percent (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the Jury are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Jury's contributions to the System under Plan A for the years ended December 31, 1999, 1998, and 1997, were \$81,058, \$78,599, and \$75,873, respectively, equal to the required contributions for each year.

### Other Pension Liabilities:

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

NOTES TO FINANCIAL STATEMENTS

Note 11. Changes in Agency Fund

A summary of changes in assets and liabilities follows:

	Balance January 1, <u>1999</u>	<u>Additions</u>	<u>Reductions</u>	Balance December 31, 1999
Assets:				
Cash in bank	\$ 166,744	\$ -	\$( 27,375)	\$ 139,369
Accounts receivable	<u>7,506</u>	<u>38,310</u>	<u>-</u>	<u>45,816</u>
 Total assets	 <u>\$ 174,250</u>	 <u>\$ 38,310</u>	 <u>\$( 27,375)</u>	 <u>\$ 185,185</u>
Liabilities:				
Accounts payable	\$ 1,425	\$ 2,241	\$ -	\$ 3,666
Due to other funds	<u>172,825</u>	<u>8,694</u>	<u>-</u>	<u>181,519</u>
	 <u>\$ 174,250</u>	 <u>\$ 10,935</u>	 <u>\$ -</u>	 <u>\$ 185,185</u>

Note 12. Criminal Court Fund Balance

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

As of January, 1996, the Criminal Court Fund began paying salaries and related costs of District Attorneys in lieu of the General Fund transferring amounts on a monthly basis to cover these costs. The remaining balance at each year end in the Criminal Court Fund, since the transfers have ceased being made, have not been material in relation to the financial statements as a whole.

Note 13. Fund Balance Reservation

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



## NOTE TO FINANCIAL STATEMENTS

### Note 14. On-Behalf Payments for Salaries

For the year ended December 31, 1999, the Jury recognized revenue and expenditures of \$10,800 in salary supplements from State of Louisiana paid directly to justices of the peace and constables.

### Note 15. Contingencies and Risk Management

The Jury is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Jury carries commercial insurance for all risks of loss, including worker's compensation and employee health and accident insurance. Settlements have not exceeded insurance coverage for the current year or the three prior years.

The Jury has been named as the defendant in five lawsuits which are pending as of the date of this report. The lawsuits have arisen principally in the normal course of operations and all relate to risks which are commercially insured. The Jury's exposure over and above its policy limits is unknown by the Jury's legal counsel in three of the cases and the Jury's legal counsel feels that there is no loss exposure in the remaining two cases. The financial statements contain no provision for any losses that may result from these litigations.

The Jury participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the Jury has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectibility of any related receivable at December 31, 1999, may be impaired. In the opinion of the Jury's management, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

### Note 16. Commitments

On October 22, 1999, the Jury was awarded a Rural Development Grant of \$11,538 for the purpose of installing a fire alarm system in the courthouse. As of the date of this report, no expenditures have been incurred in relation to this project. The contracted time frame for completion of this project is on or before August 30, 2000.

An application for approval to incur debt and borrow \$100,000 for the purpose of constructing a new motor vehicle office was submitted to the State Bond Commission. The Commission formally approved the application on August 19, 1999. As of the date of this report, the loan for \$100,000 has been made with a local financial institution and

## NOTES TO FINANCIAL STATEMENTS

bids have been requested but not formally accepted by the Jury.

In 1999, the Jury was awarded a Community Development Block Grant of \$578,935 for the purpose of acquiring land, constructing fire stations, and acquiring equipment. As of the date of this report, \$53,549 has been expended of the grant funds for land acquisitions, administration, and engineering. The bid for construction of the fire stations was awarded by the Jury on May 2, 2000.

COMBINING FINANCIAL STATEMENTS

### SPECIAL REVENUE FUNDS

Account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes:

Road Maintenance Fund - constructing, maintaining, and repairing public roads and bridges in the parish.

Drainage Maintenance Fund - maintaining drainage canals and ditches in the parish and for acquiring, maintaining, and/or operating drainage machinery and equipment.

Health Unit Fund - constructing, equipping, maintaining, and operating a health unit for the parish.

Off-Duty Officers Fund - payment of witness fees to off-duty officers.

Library Fund - equipping, maintaining, and operating a library for the parish.

Criminal Court Fund - provides partial funding for the general operating costs of the criminal court, to include transcriptions, statements, costs of the petit and grand juries, attendance fees, and certain costs of the district judges and the district attorney.

RICHLAND PARISH POLICE JURY  
RAYVILLE, LOUISIANA

SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
December 31, 1999

	<u>Road Maintenance</u>	<u>Drainage Maintenance</u>	<u>Health Unit</u>
ASSETS			
Cash	\$ 52,631	\$ 114,102	\$ 356,444
Receivables	54,216	473	58,434
Due from other funds	<u>181,520</u>	<u>68,476</u>	<u>-</u>
Total assets	<u>\$ 288,367</u>	<u>\$ 183,051</u>	<u>\$ 414,878</u>
LIABILITIES AND EQUITY			
Liabilities:			
Account payables	\$ 117,723	\$ 22,630	\$ 2,660
Due to other funds	<u>7,981</u>	<u>48,535</u>	<u>-</u>
Total liabilities	\$ 125,704	\$ 71,165	\$ 2,660
Equity:			
Fund balances - unreserved and undesignated	<u>162,663</u>	<u>111,886</u>	<u>412,218</u>
Total liabilities and equity	<u>\$ 288,367</u>	<u>\$ 183,051</u>	<u>\$ 414,878</u>

<u>Off-Duty Officers</u>	<u>Library</u>	<u>Criminal Court</u>	<u>Totals</u>
\$ 1,661	\$ 126,997	\$ 13,093	\$ 664,928
-	372,082	18,824	504,029
-	-	-	249,996
<u>\$ 1,661</u>	<u>\$ 499,079</u>	<u>\$ 31,917</u>	<u>\$ 1,418,953</u>
\$ -	\$ 24,037	\$ 27,164	\$ 194,214
-	-	-	56,516
\$ -	\$ 24,037	\$ 27,164	\$ 250,730
<u>1,661</u>	<u>475,042</u>	<u>4,753</u>	<u>1,168,223</u>
<u>\$ 1,661</u>	<u>\$ 499,079</u>	<u>\$ 31,917</u>	<u>\$ 1,418,953</u>

RICHLAND PARISH POLICE JURY  
RAYVILLE, LOUISIANA

SPECIAL REVENUE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES  
Year Ended December 31, 1999

	<u>Road Maintenance</u>	<u>Drainage Maintenance</u>	<u>Health Unit</u>
Revenues:			
Taxes	\$ 1,497,926	\$ 756,861	\$ 56,927
Intergovernmental	395,918	-	17,496
Fees, charges, and commissions for services	-	-	-
Fines and forfeitures	-	-	-
Interest and miscellaneous	35,291	14,815	13,774
	<u>\$ 1,929,135</u>	<u>\$ 771,676</u>	<u>\$ 88,197</u>
Expenditures:			
Current:			
General government:			
Judicial	\$ -	\$ -	\$ -
Public works	2,044,387	940,465	-
Health and welfare	-	-	22,005
Culture and recreation	-	-	-
	<u>\$ 2,044,387</u>	<u>\$ 940,465</u>	<u>\$ 22,005</u>
Excess (deficiency) of revenues over expenditures	\$( 115,252)	\$( 168,789)	\$ 66,192
Other financing sources:			
Proceeds of capital leases	42,820	-	-
Operating transfers in (out)	<u>103,333</u>	<u>( 103,333)</u>	<u>( 2,560)</u>
Excess (deficiency) of revenues and other financing sources over expenditures	\$ 30,901	\$( 272,122)	\$ 63,632
Fund balances (deficit) - beginning	<u>131,762</u>	<u>384,008</u>	<u>348,586</u>
Fund balances - ending	<u>\$ 162,663</u>	<u>\$ 111,886</u>	<u>\$ 412,218</u>

<u>Off-Duty Officers</u>	<u>Library</u>	<u>Criminal Court</u>	<u>Totals</u>
\$ -	\$ 363,220	\$ -	\$ 2,674,934
-	67,931	-	481,345
-	2,242	-	2,242
-	1,073	185,804	186,877
168	11,734	1,694	77,476
<u>\$ 168</u>	<u>\$ 446,200</u>	<u>\$ 187,498</u>	<u>\$ 3,422,874</u>
\$ 4,463	\$ -	\$ 165,861	\$ 170,324
-	-	-	2,984,852
-	-	-	22,005
-	368,551	-	368,551
<u>\$ 4,463</u>	<u>\$ 368,551</u>	<u>\$ 165,861</u>	<u>\$ 3,545,732</u>
\$( 4,295)	\$ 77,649	\$ 21,637	\$( 122,858)
-	-	-	42,820
-	( 12,000)	( 577)	( 15,137)
\$( 4,295)	\$ 65,649	\$ 21,060	\$( 95,175)
<u>5,956</u>	<u>409,393</u>	<u>( 16,307)</u>	<u>1,263,398</u>
<u>\$ 1,661</u>	<u>\$ 475,042</u>	<u>\$ 4,753</u>	<u>\$ 1,168,223</u>



SUPPLEMENTARY INFORMATION

RICHLAND PARISH POLICE JURY  
RAYVILLE, LOUISIANA

SCHEDULE OF JURORS' COMPENSATION  
Year Ended December 31, 1999

The schedule of compensation paid to jurors is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the jurors is included in the legislative expenditures of the General Fund. In accordance with Louisiana Revised Statute 33:1233, the Jury has elected the monthly payment method of compensation. Under this method, the jurors receive \$600 per month each as follows:

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

# HILL, INZINA & COMPANY

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

Police Jurors  
Richland Parish Police Jury  
Rayville, Louisiana

We have audited the primary government financial statements of Richland Parish Police Jury, as of and for the year ended December 31, 1999, and have issued our report thereon dated May 31, 2000. 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 Jury's primary government 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 no instances of noncompliance that are required to be reported under *Government Auditing Standards*. We also noted certain immaterial instances of noncompliance that we have reported to management of Richland Parish Police Jury, in a separate letter dated May 31, 2000.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Jury's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the primary government financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. 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 Jury's ability to record, process, summarize, and report financial data consistent with the

assertions of management in the financial statements. The reportable conditions are described in the accompanying schedule of findings as items 1999-1, 1999-2, and 1999-3.

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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we consider the reportable conditions described above to be material weaknesses. We also noted other matters involving the internal control over financial reporting that we have reported to management of Richland Parish Police Jury, in a separate letter dated May 31, 2000.

This report is intended solely for the information and use of management, others within the organization, Police Jurors, and federal awarding agencies and it is not intended to be and should not be used by anyone other than these specified parties.

*Hill, Prigmore & Co.*

May 31, 2000

RICHLAND PARISH POLICE JURY  
RAYVILLE, LOUISIANA

SCHEDULE OF FINDINGS  
For the Year Ended December 31, 1999

We have audited the primary government financial statements of Richland Parish Police Jury as of and for the year ended December 31, 1999, and have issued our report thereon dated May 31, 2000. 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. Our audit of the financial statements as of December 31, 1999, resulted in an unqualified opinion.

Section I - Summary of Auditor's Reports

Report on Compliance and Internal Control Material to the Financial Statements

Compliance

Compliance Material to Financial Statements  Yes  No

Internal Control

Material Weaknesses  Yes  No      Reportable Conditions  Yes  No

Section II- Financial Statement Findings

1999-1      Inadequate Segregation of Duties (finding was cited in first audit conducted by our firm as of and for the two years ended December 31, 1992)

Criteria:              Adequate segregation of duties is essential to a proper internal control structure.

Condition:            The segregation of duties is inadequate to provide effective internal control.

Cause:                 The condition is due to economic and space limitations.

Effect:                Not determined.

Recommendation:    No action is recommended.

Management's  
response and  
planned cor-  
rective action:

We concur in the finding, but it is not economically feasible nor does space allow for corrective action to be taken.

1999-2 Purchase Orders (finding was cited in first audit conducted by our firm as of and for the two years ended December 31, 1992)

Criteria:

Per the Jury's procedure manual for improvements and maintenance of public works, all purchases made by the purchasing agent and/or assistant purchasing agent shall be made by purchase order. Each purchase order shall be sequentially numbered by printer. Each purchase order shall show name and address of vendor, description of materials purchased, quantity, unit, unit price, extended price, and total price. The purchase order shall also reflect the purpose of purchase and location of materials used. Each purchase order shall include the month, day, and year and shall be recorded at the time of issuance. Each purchase order shall be signed by the purchasing agent and/or assistant purchasing agent. Each purchase order shall include comparative budget information which shall be entered at the time of purchase.

Condition:

Purchase orders are being issued subsequent to the actual purchase as noted by comparison of the invoice dates to the purchase order dates.

Context:

Five applicable purchase orders (totaling \$1,456) were noted as being incorrectly issued out of a total of 16 individual transactions (totaling \$15,100) for which purchase orders should have been issued.

Cause:

Jury employees have not accepted the value of such documentation.

Effect:

Documentation for affected expenditures is inadequate.

Recommendation:

We recommend that the Jury promptly address this matter in a memorandum to all Jury employees.

Management's  
response and  
planned cor-  
rective action:

We concur in the finding. The Jury President and Secretary/Treasurer will address this matter immediately in a memorandum to all Jury employees.

1999-3 Evidence of Receipt (finding was cited in first audit conducted by our firm as of and for the two years ended December 31, 1992)

Criteria: Employees responsible for receiving goods/services should sign the supporting document as evidence that the goods/services were actually received.

Condition: Supporting documentation is not being signed by the employee responsible for receiving the goods/services.

Context: Inadequate documentation of the receipt of goods/services was noted in 10 (totaling \$10,702) of 57 (totaling \$33,576) individual purchases examined.

Cause: Jury employees have not accepted the value of such documentation.

Effect: Documentation for affected expenditures is inadequate.

Recommendation: We recommend that the Jury promptly address this matter in a memorandum to all Jury employees.

Management's  
response and  
planned cor-  
rective action:

We concur in the finding. The Jury President and Secretary/Treasurer will address this matter immediately in a memorandum to all Jury employees.

RICHLAND PARISH POLICE JURY  
RAYVILLE, LOUISIANA

SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS  
For the Year Ended December 31, 1999

Section I - Compliance and Internal Control Material to Financial Statements

1998-1 Inadequate Segregation of Duties

Adequate segregation of duties is essential to proper internal control.

Unresolved - 1999-1.

1998-2 Budgeting

Budgets should be periodically monitored and necessary amendments adopted under the provisions of the Local Government Budget Act.

No Longer applicable.

1998-3 Purchase Orders

Purchase orders should be timely prepared for all approved requisitions of all funds. The purchase orders should be detailed as to the actual items purchased, signed by the proper authority, and issued before the actual purchase.

Unresolved - 1999-2.

1998-4 Evidence of Receipt

Employees responsible for receiving goods/services should sign the supporting document as evidence that the goods/services were actually received.

Unresolved - 1999-3.



Section II - Management Letter

1998-1 Expenditure Restrictions

Wages or salaries should not be advanced to or bonuses paid to employees.

Resolved.

1998-2 Personnel Policy

Employees should not be allowed to accumulate annual leave in excess of the stated policies.

Resolved.

1998-3 Asset Management

The Jury is to maintain records of its general fixed assets and movable property.

Unresolved - 1999-1.

1998-4 Monitoring of Collateral Pledged to Secure Deposits

The amount of security shall at all times be equal to 100% of the amount of collected funds on deposit to the credit of the Jury except that portion of deposits insured by FDIC.

Unresolved - 1999-2.

1998-5 Repayment of Amounts Due to Other Funds

Deposits to and expenditures from the individual funds should be restricted to those amounts authorized by state statues, tax propositions, and budget ordinances.

Unresolved - 1999-3.

1998-6 Selling of Indebted Equipment

Leased equipment should not be sold until all obligations of the lease agreement have been met.

Resolved.

1998-7 Payment of Monthly Operating Lease  
Payments in Excess of Contracted  
Monthly Payments

Statements received for monthly lease payments should be compared to the original lease agreements to verify that the correct amount is being billed by the lessor.

Resolved.

# HILL, INZINA & COMPANY

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Police Jurors  
Richland Parish Police Jury  
Rayville, Louisiana

We have audited the primary government financial statements of Richland Parish Police Jury, as of and for the year ended December 31, 1999, and have issued our report thereon dated May 31, 2000. We conducted our audit in accordance with generally accepted principles and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

As part of our examination, we have issued our report on the financial statements, dated May 31, 2000, and our report on internal control and compliance with laws, regulations, contracts, and grants, dated May 31, 2000.

During the course of our examination, we became aware of the following matters which represent immaterial deviations of compliance or suggestions for improved internal control.

## 1999-1 Asset Management

Criteria: LSA-RS 24:515 and /or 39:321-332, as applicable, require that the Jury maintain records of its general fixed assets and movable property.

Condition: General fixed assets and movable property inventory is being maintained on the assets acquired with the Road Maintenance, Drainage Maintenance, and Jury office funds but such inventory does not include all of the required data (serial number, original cost, date acquired, etc.).

Cause: Sufficient time has not been taken to complete the records.

Effect: Assets of the Jury are susceptible to being lost, stolen, misplaced, etc.

Recommendation: Time should be taken and a responsible party assigned to completing the inventory records.

Management's  
response and  
planned correc-  
tive action:

We concur in the finding and will assign a responsible party to complete the inventory records.

1999-2 Monitoring of Collateral Pledged to Secure Deposits

**Criteria:** The amount of security shall at all times be equal to 100% of the amount of collected funds on deposit to the credit of the Jury except that portion of the deposits insured by the FDIC. The pledged securities must meet certain requirements to be valid against the FDIC.

**Condition:** The Secretary/Treasurer is not monitoring the collateral pledged to secure deposits of the Jury but is relying entirely upon the monitoring by the pledging financial institution. The financial institution confirmed to the auditors that the pledged securities do not meet all of the requirements to be valid against the FDIC.

**Cause:** The Secretary/Treasurer is not aware of the importance of such monitoring or the possible severe consequences to the Jury. The financial institution complies with the FDIC regulations regarding pledging; however, the financial institution's board of directors does not address individual public entities or securities.

**Effect:** If the financial institution fails at a time when the collateral pledged to secure the deposits of the Jury are inadequate or do not meet the requirements to be valid against the FDIC, the Jury might only have the right to share with other creditors in the pro rata distribution of the institution's assets.

**Recommendation:** The financial institution should be requested to make a monthly reporting to the Jury of the collateral pledged to secure the deposits of the Jury and to ensure that the pledged securities meet the requirements to be valid against the FDIC.

**Management's response and planned corrective action:** We concur in the finding and will request such monthly reporting and requirements to be met by the financial institution.

1999-3 Repayment of Amounts Due to Other Funds

**Criteria:** Deposits to individual funds should be restricted to those amounts authorized by state statutes, tax propositions, and budget ordinances.

**Condition:** Amounts have been recorded as payable to other funds resulting from amounts being deposited into an incorrect fund, coding errors, etc.

**Cause:** Errors were made when completing records and making deposits.

Effect: The affected individual funds should have access to the amounts to which they are entitled.

Recommendation: As funds become available, amounts due to other funds should be repaid.

Management's response and planned corrective action: We concur the finding and as funds become available, amounts due to other funds will be repaid.

#### 1999-4 Monitoring of State Grants

Criteria: Funds must be expended for approved outlined and itemized projects as agreed upon in the letter of commitment from the state or submit a written request for any variations or changes in the proposed project expenditures.

No grant monies will be used for reimbursement of any costs incurred prior to the effective date of the grant agreement.

Condition: Request was made and approved for \$5,000 of grant funds to reimburse repairs and maintenance to a fire truck owned by a component unit. The grant agreement was originally approved for purchasing fire fighting equipment.

\$2,475 of expenditures on a grant originally approved for \$10,000 were disallowed because the costs were incurred by a component unit prior to the effective date of the grant agreement.

Cause: Monitoring procedures are not effective.

Effect: The Jury is at risk of not receiving projected reimbursements of expenditures.

Recommendation: Monitoring procedures should be put into place to avoid exception to reimbursement on expenditures not approved in the letter of commitment or for those expenditures outside the time period of the agreement.

Management's  
response and  
planned correc-  
tive action:

We concur in the finding and will place more effective monitoring procedures into place.

We recommend that management address the foregoing issues as an improvement to operations and the administration of public programs. We are available to further explain the suggestions or to help implement the recommendations.

*Hill, Arzoo & Co.*

May 31, 2000