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**WINN PARISH POLICE JURY
Winnfield, Louisiana**

**Primary Government Financial Statements
and Independent Auditor's Reports
As of and for the Year Ended December 31, 1997
With Supplemental Information Schedules**

REISSUED

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

Herbie W. Way
Certified Public Accountant

Release Date 6/26/98
AUG 12 1998

WINN PARISH POLICE JURY
Winnfield, Louisiana

Primary Government Financial Statements
and Independent Auditor's Reports
As of and for the Year Ended December 31, 1997
With Supplemental Information Schedules

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HERBIE W. WAY
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INDEPENDENT AUDITOR'S REPORT

WINN PARISH POLICE JURY
Winnfield, Louisiana

I have audited the accompanying primary government financial statements of the Winn Parish Police Jury, as of and for the year ended December 31, 1997, as listed in the foregoing table of contents. These financial statements are the responsibility of management of the police jury. 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 generally accepted governmental auditing standards contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the primary government financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the primary government financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall primary government financial statement presentation. 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 referred to above present fairly, in all material respects, the financial position of the primary government of the Winn Parish Police Jury, as of December 31, 1997, 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 the Winn Parish Police Jury, do not purport to, and do not, present fairly the financial position of the Winn Parish Police Jury as of December 31, 1997, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

WINN PARISH POLICE JURY
Winnfield, Louisiana
Audit Report, December 31, 1997

As discussed in Note 13 to the financial statements, the District Attorney for the Eight Judicial District (Winn Parish) has initiated an investigation into the operations of the Winn Parish Housing Authority. The investigation is in its initial stages and the ultimate outcome of the investigation cannot presently be determined. Accordingly, no provision for any liability that may result has been made in the financial statements.

In accordance with *Government Auditing Standards*, I have also issued a report dated June 20, 1998, on my consideration of internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

My audit was made for the purpose of forming an opinion on the primary government financial statements of the Winn Parish Police Jury. The accompanying supplemental information schedules listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the primary government financial statements of the Winn Parish Police Jury. Such information has been subjected to the procedures applied in the audit of the primary government financial statements and, in my opinion, is fairly stated in all material respects in relation to the primary government financial statements taken as a whole.

Herbie W. Way

Herbie W. Way
Alexandria, Louisiana
June 20, 1998

WINN PARISH POLICE JURY
Winnfield, Louisiana
ALL FUND TYPES AND ACCOUNT GROUPS

Combined Balance Sheet, December 31, 1997

	GOVERNMENTAL FUND TYPE		ACCOUNT GROUPS		TOTAL (MEMORANDUM ONLY)
	GENERAL FUND	SPECIAL REVENUE FUNDS	GENERAL FIXED ASSETS	GENERAL LONG-TERM DEBT	
ASSETS AND OTHER DEBITS					
Assets:					
Cash and cash equivalents	\$406,722	\$829,488			\$1,236,210
Receivables	385,649	990,053			1,375,702
Land, buildings, and equipment			\$3,092,346		3,092,346
Other debits - amount to be provided for retirement of general long-term debt				\$4,733	4,733
TOTAL ASSETS AND OTHER DEBITS	\$792,371	\$1,819,541	\$3,092,346	\$4,733	\$5,708,992
LIABILITIES AND FUND EQUITY					
Liabilities:					
Accounts payable	\$110,775	\$152,193			\$262,968
Deferred revenues		9,856			9,856
Compensated absences payable				\$1,564	1,564
Lease/purchases payable				3,169	3,169
Total liabilities	110,775	162,049	NONE	4,733	277,557
Fund Equity:					
Investment in general fixed assets			\$3,092,346		3,092,346
Fund balances:		210,536			210,536
Reserved for incomplete contracts	681,595	1,446,957			2,128,552
Unreserved - undesignated					
Total Fund Equity	681,595	1,657,493	3,092,346	NONE	5,431,435
TOTAL LIABILITIES AND FUND EQUITY	\$792,371	\$1,819,541	\$3,092,346	\$4,733	\$5,708,992

The accompanying notes are an integral part of this statement.

WINN PARISH POLICE JURY
Winnfield, Louisiana
GOVERNMENTAL FUND TYPE

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

	GENERAL FUND	SPECIAL REVENUE FUNDS	CAPITAL PROJECT FUND - JOYCE/ ST. MAURICE WATER SYSTEM	TOTAL (MEMORANDUM ONLY)
REVENUES				

Taxes:				
Ad valorem	\$156,540	\$530,393		\$686,933
Sales and use		692,545		692,545
Licenses and permits	66,138			66,138
Intergovernmental revenues:				
Federal funds	128,227	534,323	\$283,961	946,511
State funds	936,079	456,024		1,392,103
Local funds	24,795	39,719		64,514
Fees, charges, and commissions for services	2,826	69,906		72,732
Fines and forfeitures		139,127		139,127
Use of money - interest earnings	7,446	29,039		36,484
Miscellaneous	868	9,800		10,668
	-----	-----	-----	-----
Total revenues	1,322,919	2,500,874	283,961	4,107,755
	-----	-----	-----	-----
EXPENDITURES				

Current:				
General government:				
Legislative	75,384			75,384
Judicial	172,692	329,972		502,664
Elections	28,940			28,940
Finance and administration	126,079	67,801		193,880
Other	6,103	297,594		303,697
Public safety	227,094	64,712		291,806
Public works	76,326	1,223,139		1,299,465
Health and welfare	62,388	414,277		476,665
Culture and recreation	95,955	245,353		341,308
Economic development	7,292			7,292
Capital outlay			283,961	283,961
Debt service		12,790		12,790
	-----	-----	-----	-----
Total expenditures	878,253	2,655,637	283,961	3,817,852
	-----	-----	-----	-----

(Continued)

The accompanying notes are an integral part of this financial statement.

WINN PARISH POLICE JURY
Winnfield, Louisiana
GOVERNMENTAL FUND TYPE

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

	GENERAL FUND	SPECIAL REVENUE FUNDS	CAPITAL PROJECT FUND - JOYCE/ ST. MAURICE WATER SYSTEM	TOTAL (MEMORANDUM ONLY)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$444,666	(\$154,763)	NONE	(\$289,903)
OTHER FINANCING SOURCES (Uses)				
Sale of assets		191,756		191,756
Operating transfers in	(191,756)			(191,756)
Operating transfers out				
Total other financing sources (uses)	(191,756)	191,756	NONE	NONE
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	252,910	36,994	NONE	289,903
FUND BALANCES AT BEGINNING OF YEAR	428,685	1,620,499	NONE	2,049,184
FUND BALANCES AT END OF YEAR	\$681,595	\$1,657,493	NONE	\$2,339,087

(Concluded)

The accompanying notes are an integral part of this statement.

WINN PARISH POLICE JURY
Winnfield, Louisiana
GOVERNMENTAL FUND TYPE - GENERAL AND SPECIAL REVENUE FUNDS

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

	GENERAL FUND			SPECIAL REVENUE FUNDS		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES						
Taxes:						
Ad valorem	\$155,147	\$155,147		\$515,726	\$515,726	
Sales and use				687,698	687,698	
Licenses and permits	65,195	65,195				
Intergovernmental revenues:						
Federal funds	125,225	125,225		526,018	534,323	\$8,304
State funds	917,222	917,222		415,945	415,945	
Local funds	26,511	26,511		3,052	3,052	
Fees, charges, and commissions for services						
				66,819	71,829	5,010
Fines and forfeitures				160,000	139,127	(20,873)
Use of money and property	7,634	8,034	\$400	24,693	31,539	6,846
Miscellaneous	293	293		7,731	7,747	16
Total revenues	1,297,227	1,297,627	400	2,407,682	2,406,985	(697)
EXPENDITURES						
Current:						
General government:						
Legislative	69,125	69,125				
Judicial	172,352	172,900	(548)	266,745	330,628	(63,883)
Elections	31,828	31,820	8			
Finance and administration	120,342	122,570	(2,228)	21,381	20,631	750
Other general government	6,150	6,150		266,710	266,348	362
Public works				1,265,388	1,267,880	(2,492)
Public safety	209,450	214,457	(5,007)	83,232	68,093	15,139
Health and welfare	129,275	129,275		407,650	415,904	(8,254)
Economic development						
Culture and recreation	87,402	87,402		240,074	240,009	65
Total expenditures	825,924	833,698	(7,774)	2,551,181	2,609,493	(58,312)
EXCESS (Deficiency) OF REVENUES						
OVER EXPENDITURES	471,303	463,928	(7,375)	(143,499)	(202,508)	(59,009)

(Continued)

The accompanying notes are an integral part of this statement.

WINN PARISH POLICE JURY
 Winnfield, Louisiana
 GOVERNMENTAL FUND TYPE - GENERAL AND SPECIAL REVENUE FUNDS

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

	GENERAL FUND			SPECIAL REVENUE FUNDS		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
OTHER FINANCING SOURCES (Uses)						
Operating transfers in				107,000	191,756	84,756
Operating transfers out	(174,124)	(191,756)	(17,632)			
Total other financing sources (uses)	(174,124)	(191,756)	(17,632)	107,000	191,756	84,756
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	297,179	272,172	(25,007)	(36,499)	(10,752)	25,747
FUND BALANCES AT BEGINNING OF YEAR	105,929	105,929		828,992	828,992	
FUND BALANCES AT END OF YEAR	\$403,108	\$378,101	(\$25,007)	\$792,493	\$818,240	\$25,747

(Concluded)

The accompanying notes are an integral part of this statement.

WINN PARISH POLICE JURY
Winnfield, Louisiana

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

INTRODUCTION

The Winn Parish Police Jury is the governing authority for Winn 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 January 2000.

Louisiana Revised Statute 33:1236 gives the police jury various powers in regulating and directing the affairs of the parish and its inhabitants. The more notable of those 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 within the parish. The districts perform functions, such as fire protection, water distribution, sewerage collection and disposal, drainage control, library facilities, and health care facilities.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the Winn Parish Police Jury is the financial reporting entity for Winn 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) 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 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 police jury has chosen to issue financial statements of the primary government (police jury) only; therefore, none of the component units that comprise the reporting entity are included in the accompanying 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).

WINN PARISH POLICE JURY
Winnfield, Louisiana
Notes to the Primary Government Financial Statements
(Continued)

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 fixed assets and general long-term debt) 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.

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 fund types used by the police jury are described as follows:

Governmental Fund Types:

General Fund -- is the general operating fund of the police jury. It accounts for all activities except those required to be accounted for in other 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. Those revenues are legally restricted, either by tax proposition or grant agreement, to expenditures for specified purposes such as road and drainage maintenance, fire protection, etc.

C. GENERAL FIXED ASSETS AND LONG-TERM DEBT

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 account group. All purchased fixed assets are valued at cost where historical records are available and at estimated cost where no historical records are available.

WINN PARISH POLICE JURY
Winnfield, Louisiana
Notes to the Primary Government Financial Statements
(Continued)

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 domain or infrastructure general fixed assets consisting of roads, bridges and drainage systems are not capitalized, as these assets are immovable and of value only to the police jury. No depreciation is recognized on general fixed assets.

Long-term debt expected to be financed from governmental funds are accounted for in the general long-term debt account group. Only that portion expected to be financed from expendable available financial resources is reported as a liability of a governmental fund. The two account groups are not funds. They are concerned only with the measurement of financial position, not with measurement of results of operations.

D. 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 and the fiduciary fund type agency funds. 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:

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 47:1994 requires that the tax roll 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 and use taxes are recognized in the month received by the police jury's collection agents, the Winn Parish School Board Sales and Use Tax Office and the Louisiana Department of Public Safety and Corrections - Office of Motor Vehicles.

WINN PARISH POLICE JURY
Winnfield, Louisiana
Notes to the Primary Government Financial Statements
(Continued)

Fines and forfeitures are recognized in the period they are collected by the parish sheriff.

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, federal and state grants, sales and use taxes, fines and forfeitures, and licenses and permits are treated as susceptible to accrual.

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 debt, 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 and increases in long-term debt are accounted for as other financing sources (uses) and are recognized when the underlying events occur.

Deferred Revenues

Deferred revenues arise when resources are received by the police jury before it has legal claim to the revenue, as when grant funds are received before qualifying expenditures are incurred. In subsequent periods, when the police jury establishes legal claim to the funds, the liability for deferred revenue is removed from the balance sheet and the revenue is recognized.

E. BUDGET PRACTICES

Preliminary cash basis budgets for the ensuing year are prepared by the treasurer beginning in October. The finance committee reviews the proposed budgets and makes changes as it deems appropriate. The availability of the proposed budgets for public inspection and the date of the public hearing on the budgets are then advertised in the official journal. During its regular December meeting, the jury holds a public hearing on the proposed budgets in order to receive comments from citizens. 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 regular December meeting, and notice is published in the official journal.

WINN PARISH POLICE JURY
Winnfield, Louisiana
Notes to the Primary Government Financial Statements
(Continued)

During the year, the police jury receives monthly budget comparison statements which are used as a tool to control the operations of the parish. The treasurer presents necessary budget amendments to the jury when he determines that actual operations are differing materially from those anticipated in the original budget. The jury in regular session reviews the proposed amendments, makes necessary changes, and formally adopts the amendments. The adoption of amendments is included in jury minutes published in the official journal.

The police jury exercises budgetary control at the functional level. Within functional levels, the treasurer has the authority to make amendments as necessary. The police jury does not utilize encumbrance accounting in its budget practices. Unexpended appropriations lapse at year end and must be re-appropriated in the next year's budget to be expended.

Budget comparison statements included in the accompanying primary government financial statements include the original adopted budgets and all subsequent amendments. The following reconciles the excess of revenues and other sources over expenditures and other uses as shown on budgetary comparison financial statements to the same amounts shown on GAAP basis financial statements:

	<u>General Fund</u>	<u>Special Revenue Funds</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses (cash basis) Statement C	\$272,170	(\$10,752)
Adjustments:		
Revenues/Receivables (net)	25,294	93,890
Expenditures/Payables (net)	<u>(44,555)</u>	<u>(46,145)</u>
Excess (deficiency) of revenues and other uses over expenditures and other sources (GAAP basis) Statement B	<u>\$252,910</u>	<u>\$36,994</u>

F. ENCUMBRANCES

Encumbrances accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is not employed for other commitments of the police jury. However, outstanding purchase orders are taken into consideration before expenditures are incurred in order to assure that applicable appropriations are not exceeded.

G. CASH AND CASH EQUIVALENTS

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.

WINN PARISH POLICE JURY
Winnfield, Louisiana
Notes to the Primary Government Financial Statements
(Continued)

H. INVENTORIES

Inventories, consisting of office supplies and road maintenance materials are considered expenditures when purchased; therefore, physical inventories are not taken. Inventories on hand at December 31, 1997, are considered immaterial; therefore, they have not been included in the financial statements.

I. COMPENSATED ABSENCES

Police Jury -- employees earn 10 days of annual and 6 days sick leave each year, depending on their length of service. Vacation leave does not accumulate. Sick leave may be accumulated to a maximum of 12 days; however, accumulated sick leave is forfeited upon termination of employment.

Registrar of Voters -- the registrar of voters and the chief deputy of Winn Parish are employees of the State of Louisiana, Department of Elections and Registration, and are paid in part by the police jury. Employees accrue and accumulate annual and sick leave in accordance with state law and administrative regulations. The leave is accumulated without limitation; however, upon separation of employment, classified personnel or their heirs are compensated for accumulated annual leave not to exceed 300 hours.

Library -- employees earn from 12 to 21 days of vacation leave each year depending on their length of service and professional training. Vacation leave accumulates with up to 10 days being carried forward at the end of the calendar year. Employees shall be paid for any accumulated annual leave upon dismissal or resignation. Employees earn 12 days of sick leave each year which may be accumulated to a maximum of 30 days. Sick leave is forfeited upon termination of employment.

Criminal Court -- employees of the Eighth Judicial District Criminal Court earn from 10 to 20 days of vacation leave and 45 days of sick leave each year, depending on their length of service. Vacation and sick leave does not accumulate, and employees are not paid for unused leave upon termination of employment.

The cost of current leave privileges as provided by the aforementioned policies, computed in accordance with GASB Codification Section C60, is recognized as a current-year expenditure in the governmental funds when leave is actually taken. The cost of leave privileges not requiring current resources is recorded in the general long-term debt account group.

J. 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.

WINN PARISH POLICE JURY
Winnfield, Louisiana
Notes to the Primary Government Financial Statements
(Continued)

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. All other interfund transfers are reported as operating transfers.

K. TOTAL COLUMNS ON COMBINED STATEMENTS

Total columns on the combined statements are captioned Memorandum Only (overview) 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.

L. SALES TAX

Voters of Winn Parish on January 15, 1994, approved a one-half of one per cent sales and use tax with the net proceeds of the tax to be dedicated and used first to establish, construct, acquire, maintain, improve, and operate a solid waste collection and disposal system for Winn Parish, with the balance to be used for the purpose of maintaining and supporting the Winn Parish Courthouse. The tax, collected by the Winn Parish School Board, was approved for a period of ten (10) years beginning March 1, 1994.

2. FUND DEFICITS

The Eighth Judicial District Criminal Court Funds has a deficit of \$20,004 in unreserved-undesignated fund balance at December 31, 1997. The police jury intends to eliminate this deficit through controlling expenditures and operating transfers from the General Fund.

3. CASH AND EQUIVALENTS

At December 31, 1997, the police jury has cash and equivalents (book balances, net of overdrafts) as follows:

Petty cash	\$300
Interest bearing demand deposits	932,315
Time and certificates of deposit	<u>303,595</u>
Total	<u>\$1,236,210</u>

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.

WINN PARISH POLICE JURY
Winnfield, Louisiana
Notes to the Primary Government Financial Statements
(Continued)

Cash and cash equivalents (bank balances) totaling \$1,245,191 are secured by \$226,505 of federal deposit insurance (GASB Category 1), and \$1,018,686 of securities held in the trust department of the fiscal agent bank, but not in the name of the police jury (GASB Category 3). Because the pledged securities are held in the trust department of the fiscal agent bank in the name of the fiscal agent bank rather than in the name of the police jury, they are considered uncollateralized under the provisions of GASB Codification 150.163(b); however, Louisiana Revised Statute 39:1229 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.

4. RECEIVABLES

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

Class of Receivable	General Fund	Special Revenue Funds	Total
Taxes:			
Ad valorem	\$151,609	\$513,449	\$665,058
Sales and use		51,027	51,027
Licenses and permits	944		944
Intergovernmental revenues:			
Federal	5,207	305,493	310,700
State	225,968	105,609	331,576
Other	1,921	14,476	16,397
Total	\$385,649	\$990,053	\$1,375,702

5. CHANGES IN GENERAL FIXED ASSETS

The following schedule presents changes in general fixed assets for the year ended December 31, 1997:

	Balance at Beginning of Year	Additions	Deletions	Balance at End of Year
Land	\$21,495			\$21,495
Buildings	1,287,741			1,287,741
Equipment, furniture, and fixtures	1,074,109	259,956	(5,535)	1,328,530
Library books	431,006	37,854	(14,279)	454,581
Total	\$2,814,351	\$297,810	(\$19,814)	\$3,092,346

At December 31, 1997, approximately \$2,627,216 or 84.96 per cent of the general fixed assets are recorded at estimated historical costs and \$465,130 or 15.04 per cent are valued at actual historical cost.

WINN PARISH POLICE JURY

Winnfield, Louisiana

Notes to the Primary Government Financial Statements

(Continued)

6. PENSION PLANS

Substantially all employees of the police jury are members of the Parochial Employees Retirement System of Louisiana ("system"), a multiple-employer, public employee retirement system (PERS), controlled and administered by a separate board of trustees. The system is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. Employees of the police jury are members of Plan A.

All permanent employees working at least 28 hours per week who are paid wholly or in part from 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 credited service, at or after age 55 with 25 years of credited service, or at any age with at least 30 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3 per cent of their final compensation multiplied by the employee's years of credited service. However, for those employees who were members of the supplemental plan only prior to January 1, 1980, the benefit is equal to 1 per cent of final compensation, plus \$24 for each year of supplemental plan only service earned prior to January 1, 1980. Final compensation is the employee's monthly earnings during the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of credited service stated previously and who do not withdraw their employee contributions, may retire at the ages specified previously and receive the benefit accrued to their date of termination. The system also provides death and disability benefits. Benefits are established by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employees' Retirement System, Post office Box 14619, Baton Rouge, LA 70898-4619, or by calling (504) 928-1361.

Under Plan A, members are required by state statute to contribute 9.5 percent of their annual covered salary and the employer is required to contribute at an actuarially determined rate. The current rate is 8.0 percent of annual covered payroll. Contributions to the System 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 the 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 employers are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation of the prior fiscal year. The employer contributions to the System under Plan A for the years ending December 31, 1997, 1996, and 1995, were \$57,671, \$43,703 and \$50,561, respectively, equal to the required contributions for each year.

7. COMPENSATED ABSENCES

At December 31, 1997, employees of the police jury have accumulated and vested \$1,564 of employee leave benefits, which were computed in accordance with GASB Codification Section C60. This amount is recorded within the general long-term debt account group.

WINN PARISH POLICE JURY
Winnfield, Louisiana
Notes to the Primary Government Financial Statements
(Continued)

8. LEASE/PURCHASES

During 1994, the police jury entered into a four year lease/purchase agreement for the acquisition of a dump truck. The agreement requires 48 monthly payments of \$1,066. The obligation is paid from the Road Maintenance Special Revenue Fund. Title to the property transfers to the police jury at the end of the agreement.

The following is a schedule of future minimum payments under the agreements together with the present value of the minimum payments as of December 31, 1997:

<u>Year End December 31,</u>	<u>Lease/ Purchases</u>
1998	\$3,197
Less - amount representing interest	<u>(28)</u>
Present value of net minimum lease payments	<u>\$3,169</u>

9. CHANGES IN LONG-TERM DEBT

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

	<u>Lease/ Purchases</u>	<u>Compensated Absences</u>	<u>Total</u>
Beginning Balance	\$15,428	\$1,499	\$16,927
Additions		1,311	1,311
Deductions	(12,259)	(1,245)	(13,504)
Ending Balance	<u>\$3,169</u>	<u>\$1,564</u>	<u>\$4,733</u>

10. INDUSTRIAL REVENUE BONDS

The parish has issued revenue bonds to provide revenue for constructing, acquiring and installing certain industrial facilities. The funding to pay the bonds is provided solely from sales, leases, or other revenues of the various facilities. The bonds do not constitute an indebtedness or pledge of the general credit of the police jury and are not included in the accompanying financial statements.

11. LITIGATION

At December 31, 1997, the police jury is involved in several lawsuits. In the opinion of the police jury's legal counsel, the potential for claims in excess of insurance coverage is remote or undeterminable. No provision for any liability that may result from settlement of these lawsuits has been made in the accompanying financial statements.

WINN PARISH POLICE JURY
Winnfield, Louisiana
Notes to the Primary Government Financial Statements
(Continued)

12. FOOD STAMP PROGRAM

The Food Stamp Program is operated by the police jury under an agreement with the Louisiana Department of Social Services - Office of Food Stamps. Under this program, the police jury is responsible for the issuance of food stamps to eligible participants in the parish. The value of food stamps on hand, received, and issued is not recorded in the accompanying statements. Activity for the year ended December 31, 1997, follows:

Balance at December 31, 1996		\$741,024
Received		<u>582,000</u>
Total available		1,323,024
Deductions:		
Issued to recipients	(\$1,025,364)	
Transferred to othe issuing offices	(256,250)	
Returned to Office of Food Stamps	<u>(41,410)</u>	<u>(1,323,024)</u>
Balance at December 31, 1997		<u><u>NONE</u></u>

During 1997, the Louisiana Department of Social Services, Office of Family Support, notified the police jury that the State, due to implementation of an Electronic Benefit Transfer Program, was terminating the food stamp issuance agreement with the police jury.

13. SUBSEQUENT EVENT

In June of 1998, the District Attorney for the Eighth Judicial District (Winn Parish) initiated an investigation of the operations of the Winn Parish Housing Authority (Authority), a special revenue fund of the police jury. The Authority, created by the police jury and administered through its appointed executive director, operates the Section 8 - Housing Voucher Program (CFDA No. 14.177) in Winn Parish, a federally funded housing assistance program through the United States Department of Housing and Urban Development.

The investigation is in its initial stages and the ultimate outcome of the investigation cannot presently be determined. Accordingly, no provision for any liability that may result has been made in the financial statements.

Additional Information of Value

WINN PARISH POLICE JURY
Winnfield, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULES
For the Year Ended December 31, 1997

SPECIAL REVENUE FUNDS

ROAD MAINTENANCE FUND -- accounts for the maintenance of roads and bridges in the parish with revenues provided by state and federal grants and parish ad valorem taxes.

HEALTH UNIT FUND -- accounts for the operations of the parish health unit with revenues provided by state grants and parish ad valorem taxes.

LIBRARY FUND -- accounts for the operations and maintenance of the parish library system with revenues provided by state grants, parish ad valorem taxes, and self-generated revenues.

CRIMINAL COURT FUND -- accounts for operations of the criminal court system of the parish. Financing is provided by fines and forfeitures imposed by the district court and district attorney conviction fees in criminal cases. Expenditures are made from the fund on a motion of the district attorney and approval of the district judges. The statute also requires one-half of the fund balance remaining at December 31 of each year be transferred to the General Fund of the parish.

HOUSING AUTHORITY FUND -- accounts for funds provided by the United States Department of Housing and Urban Development, through the Section 8 Housing Voucher Program (CFDA No. 14.177). The federal grant is used to develop viable urban communities by providing decent housing, a suitable living environment, and expanding economic opportunities, principally for persons of low and moderate income.

SALES TAX FUND -- accounts for the maintenance and operation of a solid waste collection and disposal system for Winn Parish, with the balance to be used for the purpose of maintaining and supporting the Winn Parish Courthouse. Financing is provided by a one-half cent sales and use tax.

COMMUNICATIONS DISTRICT FUND -- accounts for the operation and maintenance of the Winn Parish Communications District created by Louisiana Revised Statute 33:9101 et seq. Financing is provided by service fees charged telephone users in the parish.

**WINN PARISH POLICE JURY
WINNFIELD, LOUISIANA
GOVERNMENTAL FUND TYPE - SPECIAL REVENUE FUNDS**

**PRIMARY GOVERNMENT COMBINING SCHEDULES
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 1997**

WINN PARISH POLICE JURY
Winnfield, Louisiana
GOVERNMENTAL FUND TYPE - SPECIAL REVENUE FUNDS

Combining Balance Sheet, December 31, 1997

	ROAD	HEALTH UNIT	LIBRARY	CRIMINAL COURT	HOUSING AUTHORITY
ASSETS					
Cash and cash equivalents	\$51,593	\$423,144	\$28,541		\$11,249
Receivables	\$553,264	143,892	227,392	\$9,483	
Interfund receivables					
TOTAL ASSETS	\$604,857	\$567,036	\$255,933	\$9,483	\$11,249
LIABILITIES AND FUND EQUITY					
Liabilities:					
Accounts payable	\$20,486	\$5,217	\$26,150	\$29,486	\$1,393
Interfund payables					9,856
Deferred revenues					
Total liabilities	20,486	5,217	26,150	29,486	11,249
Fund Equity:					
Fund balances (deficit):					
Reserved for incomplete contracts					
unreserved - undesignated	584,371	561,819	229,783	(20,004)	
Total Fund Equity	584,371	561,819	229,783	(20,004)	NONE
TOTAL LIABILITIES AND FUND EQUITY	\$604,857	\$567,036	\$255,933	\$9,483	\$11,249

SALES TAX	COMMUNICATIONS DISTRICT	TOTAL
\$228,967	\$85,994	\$829,488
51,028	4,994	990,053
\$279,995	\$90,988	\$1,819,541
\$69,460		\$152,193
		9,856
69,460	NONE	162,049
210,536		210,536
	90,988	1,446,957
210,536	90,988	1,657,493
\$279,995	\$90,988	\$1,819,541

WINN PARISH POLICE JURY
Winnfield, Louisiana
GOVERNMENTAL FUND TYPE - SPECIAL REVENUE FUNDS

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

	ROAD MAINTENANCE	HEALTH UNIT	LIBRARY	CRIMINAL COURT	HOUSING AUTHORITY
REVENUES					
Taxes:					
Ad valorem	\$182,119	\$133,810	\$214,464		
Sales and use					
Intergovernmental revenues:					
Federal funds	305,493		3,725		\$225,105
State funds	391,881	21,397	42,746		
Local funds			\$3,052	\$36,667	
Fees, charges, and commissions for services			10,275		
Fines and forfeitures				139,127	
Use of money - interest earnings	4,999	9,764	5,595		40
Miscellaneous	1,288		2,053		
Total revenues	885,780	164,970	281,910	175,794	225,145
EXPENDITURES					
Current:					
General government:					
Judicial				329,972	
Elections					
Finance and administration	2,758	600	725	41,172	
Other	7,082	5,217	8,361		
Public safety					
Public works	798,006				
Health and welfare		189,132			225,145
Culture and recreation			245,353		
Debt service	12,790				
Total expenditures	820,636	194,949	254,439	371,144	225,145
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	65,144	(29,979)	27,471	(195,350)	NONE
OTHER FINANCING SOURCES (Uses)					
Operating transfers in	NONE	NONE	NONE	191,756	NONE
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	65,144	(29,979)	27,471	(3,593)	NONE
FUND BALANCES AT BEGINNING OF YEAR	519,227	591,798	202,312	(16,410)	NONE
FUND BALANCES (Deficits) AT END OF YEAR	\$584,371	\$561,819	\$229,783	(\$20,004)	NONE

SALES TAX	COMMUNICATIONS DISTRICT	TOTAL
		\$530,393
\$692,545		692,545
		534,323
		456,024
		39,719
	\$59,631	69,906
		139,127
4,999	3,642	29,039
5,900	559	9,800
703,444	63,832	2,500,874
		329,972
22,546		67,801
276,934		297,594
	64,712	64,712
425,133		1,223,139
		414,277
		245,353
		12,790
724,613	64,712	2,655,637
(21,169)	(880)	(154,763)
NONE	NONE	191,756
(21,169)	(880)	36,994
231,705	91,868	1,620,499
\$210,536	\$90,988	\$1,657,493

WINN PARISH POLICE JURY
Winnfield, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULE
For the Year Ended December 31, 1997

COMPENSATION PAID POLICE JURORS

The schedule of compensation paid to police jurors is presented in compliance with House Concurrent Resolution No. 54 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 33:1233, the police jury has elected the monthly payment method of compensation. Under this method, jurors receive \$600 per month, while the president receives an additional \$100 per month for performing the additional duties of the office.

Crain, Delane	\$7,200
Flowers, Sameul E.	7,200
Hamilton, Edward L.	7,200
Kuhn, Alden, Jr.	7,200
Lasyone, Earl	7,200
Martin, Todd H	7,200
Tarver, Lamar	<u>8,400</u>
Total	<u>\$51,600</u>

**OTHER REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

The following pages contain reports on internal control structure and compliance with laws and regulations required by *Government Auditing Standards*, issued by the Comptroller General of the United States. The reports are based solely on the audit of the financial statements.

HERBIE W. WAY
CERTIFIED PUBLIC ACCOUNTANT

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

WINN PARISH POLICE JURY
Winnfield, Louisiana

I have audited the primary government financial statements of the Winn Parish Police Jury as of and for the year ended December 31, 1997, and have issued my report thereon dated June 20, 1998. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

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

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the 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.

WINN PARISH POLICE JURY
Winnfield, Louisiana
Compliance and Internal Control Report
(Continued)

Prior Audit Findings

The audit for the year ended December 31, 1996, disclosed no instances of noncompliance that were required to be reported under *Government Auditing Standards* or matters involving the internal control over financial reporting and its operation that were considered to be material weaknesses.

General

This report is intended for the information of the Winn Parish Police Jury. However, this report is a matter of public record and its distribution is not limited.

Herbie W. Way

Herbie W. Way
Alexandria, Louisiana
June 20, 1998

OTHER REPORTS REQUIRED BY

OFFICE OF MANAGEMENT AND BUDGET (OMB) CIRCULAR A-133

The following pages contain reports on the schedule of federal financial assistance, consideration of internal control, and compliance with laws and regulations required by OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, the *Single Audit Act*, and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.

HERBIE W. WAY
CERTIFIED PUBLIC ACCOUNTANT

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

WINN PARISH POLICE JURY
Winnfield, Louisiana

I have audited the compliance of Winn 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 each of the major federal programs for the year ended December 31, 1997. Winn Parish Police Jury's major federal programs are 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 each of its major federal programs is the responsibility of the police jury's management. My responsibility is to express an opinion on the 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, *Audits of States, Local Governments, and Nonprofit 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 police jury's compliance with those requirements and performing other procedures as we considered necessary in the circumstances. I believe that my audit provides reasonable a reasonable basis for my opinion. My audit does not provide a legal determination on the police jury's compliance with those requirements.

In my opinion, the police jury complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 1997.

WINN PARISH POLICE JURY
Winnfield, Louisiana
A-133 Compliance Report
(Continued)

Internal Control over Compliance

The management of the 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 the police jury's internal control over compliance with requirements that could have a direct and material effect on a major program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance 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 noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. 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 audit committee, management, and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

Herbie W. Way

Herbie W. Way
Alexandria, Louisiana
June 20, 1998

WINN PARISH POLICE JURY
 Winnfield, Louisiana
 Schedule of Expenditures of Federal Awards
 For the Year Ended December 31, 1997

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM NAME	CFDA NUMBER	GRANT NUMBER	ISSUES/ EXPENDITURES
UNITED STATES DEPARTMENT OF AGRICULTURE			
Passed through Louisiana Department of Social Services:			
Food Stamp Program	10.551	22-127-1	\$1,025,364
State Administrative Matching Grants for Food Stamp Program	10.561	22-127-1	5,183
Passed through Louisiana Department of Education - Summer Feeding Program			
Passed through Louisiana Department of Treasury - Schools and Roads - Grants to States	10.559	SF0037	40,393
	10.665		305,493
Total United States Department of Agriculture			1,376,432
UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Direct program - Section 8 Housing Voucher Program			
Passed through Louisiana Division of Administration - Office of the Governor - Community Development Block Grants - Small Cities Program	14.177	LA48V257004008	225,105
	14.219	1015056	283,961
Total United States Department of Housing and Urban Development			509,066
UNITED STATES DEPARTMENT OF JUSTICE			
Passed the Louisiana Commission on Law Enforcement and Administration of Criminal Justice - Juvenile Justice and Delinquency Program			
	16.540	W-95-8-002	72,024
UNITED STATES DEPARTMENT OF THE INTERIOR			
Passed through Louisiana Department of the Treasury - Payments in-lieu-of taxes			
	12.000		10,627
United States Department of Education			
Passed through the Louisiana Department of Culture and Recreation - State Library of Louisiana - Public Library Construction and Technology Enhancement (LSCA - Title II)			
	84.154		3,725
Total Issues/Expenditures			\$1,971,874

Notes to the Schedule:

- The police jury follows the modified accrual basis of accounting in preparing the schedule. This method is consistent with the preparation of the police jury's financial statements.
- The police jury participated in the Food Stamp Program (CFDA 10.550), a non-cash award program.

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS

WINN PARISH POLICE JURY
Winnfield, Louisiana

1. FINANCIAL STATEMENT ITEMS

- A. The audit contained an unqualified opinion on the financial statements, but contained an emphasis of a matter relating to an uncertainty resulting from an investigation initiated by the Winn Parish District Attorney into the operations of the Winn Parish Housing Authority. See auditor's report and notes to the financial statements for additional information.
- B. The audit contained no reportable conditions.
- C. The audit contained no material weaknesses.

2. SINGLE AUDIT ITEMS

- A. The audit contained no reportable conditions in internal controls over major programs.
- B. The audit contained no reportable conditions that were considered to be material weaknesses in internal control over major programs.
- C. The audit contained an unqualified opinion on the Schedule of Expenditures of Federal Awards of the Winn Parish Police Jury at December 31, 1997, and that the Schedule is fairly presented in all material respects in relation to the financial statements taken as a whole.
- D. The audit report contained no findings required to be reported under Section 510(a) of OMB Circular A-133, except as discussed in 1-A, above.
- E. The following Federal awards (Type A programs) were considered as major programs of the entity since, as evidenced by the accompanying Schedule of Expenditures of Federal Awards, their expenditures were \$300,000 or more:
 - 1. Food Stamp Program - CFDA No. 10.550
 - 2. Schools and Roads - Grants to States - CFDA No. 10.665
- F. The dollar threshold between Type A programs and Type B programs is \$300,000.

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS

WINN PARISH POLICE JURY
Winnfield, Louisiana

1. FINANCIAL STATEMENT ITEMS

- A. The audit contained an unqualified opinion on the financial statements, but contained an emphasis of a matter relating to an uncertainty resulting from an investigation initiated by the Winn Parish District Attorney into the operations of the Winn Parish Housing Authority. See auditor's report and notes to the financial statements for additional information.
- B. The audit contained no reportable conditions.
- C. The audit contained no material weaknesses.

2. SINGLE AUDIT ITEMS

- A. The audit contained no reportable conditions in internal controls over major programs.
- B. The audit contained no reportable conditions that were considered to be material weaknesses in internal control over major programs.
- C. The audit contained an unqualified opinion on the Schedule of Expenditures of Federal Awards of the Winn Parish Police Jury at December 31, 1997, and that the Schedule is fairly presented in all material respects in relation to the financial statements taken as a whole.
- D. The audit report contained no findings required to be reported under Section 510(a) of OMB Circular A-133, except as discussed in 1-A, above.
- E. The following Federal awards (Type A programs) were considered as major programs of the entity since, as evidenced by the accompanying Schedule of Expenditures of Federal Awards, their expenditures were \$300,000 or more:
 - 1. Food Stamp Program - CFDA No. 10.550
 - 2. Schools and Roads - Grants to States - CFDA No. 10.665
- F. The dollar threshold between Type A programs and Type B programs is \$300,000.

WINN PARISH POLICE JURY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(CONTINUED)

- G. The auditor, in lieu of making the low risk determination of this auditee, performed the Single Audit in accordance with Section 520(i) and selected the previously identified Type A programs as major programs. These programs comprised approximately 67.49 percent of the total expenditures of Federal awards.
 - H. The Schedule of Expenditures of Federal Awards was prepared on the modified accrual basis of accounting.
- 3. The Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* contained no reportable conditions relating to compliance with laws, regulations, contracts, and grants applicable to each of its major federal programs.
 - 4. The Report on Compliance with Requirements Applicable to each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133 contained no reportable conditions required to be reported under Section 510(a).

Herbie W. Way

Herbie W. Way
Alexandria, Louisiana
June 20, 1998