

**JEFFERSON DAVIS PARISH POLICE JURY  
JENNINGS, LOUISIANA**

**ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED DECEMBER 31, 2003**

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 7-14-04

JEFFERSON DAVIS PARISH POLICE JURY  
Jennings, Louisiana

FINANCIAL REPORT  
AND OTHER REPORTS  
DECEMBER 31, 2003

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JEFFERSON DAVIS PARISH POLICE JURY  
Jennings, Louisiana

ANNUAL FINANCIAL REPORT  
AND OTHER REPORTS  
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# **EDWARD L. KRIELOW**

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## **INDEPENDENT AUDITORS' REPORT**

To the Jefferson Davis Parish Police Jury  
Jennings, Louisiana

I have audited the accompanying primary government financial statements of the Jefferson Davis Parish Police Jury, as of and for the year ended December 31, 2003, as listed in the table of contents. These financial statements are the responsibility of the Jefferson Davis Parish Police Jury's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 presentation. I believe that my audit provides a reasonable basis for my opinion.

A primary government is a legal entity or body politic and includes all funds, organizations, institutions, agencies, departments, and offices that are not legally separate. Such legally separate entities are referred to as component units. In my opinion, the primary government financial statements present fairly, in all material respects, the financial position of the primary government of the Jefferson Davis Parish Police Jury as of December 31, 2003, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

However, the primary government financial statements, because they do not include the financial data of component units of the Jefferson Davis Parish Police Jury, do not purport to, and do not, present fairly the financial position of the reporting entity of the Jefferson Davis Parish Police Jury, as of December 31, 2003, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, I have also issued a report dated June 28, 2004 on my consideration of the Jefferson Davis Parish Police Jury's internal control over financial reporting and 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 my audit.

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

*Edward L. Krielow*  
Certified Public Accountant

Jennings, Louisiana  
June 28, 2004

## JEFFERSON DAVIS PARISH POLICE JURY

Jennings, Louisiana

## ALL FUND TYPES AND ACCOUNT GROUPS

Combined Balance Sheet as of December 31, 2003

	Governmental Fund Types				Account Groups		Total (Memorandum Only)
	General Fund	Special Revenue Funds	Capital Projects Fund	Debt Service Fund	General Long Term Term Debt	General Fixed Assets	
<b>ASSETS AND OTHER DEBITS</b>							
Cash and cash equivalents	\$ 376,786	\$ 2,772,301	\$ 7,734	\$ 41,851	\$ -	\$ -	\$ 3,198,672
Cash held for protested taxes	34,930	155,186	-	434	-	-	190,550
Investments	-	582,984	-	-	-	-	582,984
Receivables, net of allowance for doubtful accounts	74,390	373,606	60,908	-	-	-	508,904
Due from other funds	121,111	-	15,000	-	-	-	136,111
Due from other component units	4,000	-	-	-	-	-	4,000
Inventory	4,044	-	-	-	-	-	4,044
Land, buildings, and equipment	-	-	-	-	-	10,636,098	10,636,098
Amounts available in debt service fund	-	-	-	-	41,293	-	41,293
Amounts to be provided for long term debt	-	-	-	-	185,707	-	185,707
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<b>\$ 615,261</b>	<b>\$ 3,884,077</b>	<b>\$ 83,642</b>	<b>\$ 42,285</b>	<b>\$ 227,000</b>	<b>\$ 10,636,098</b>	<b>\$ 15,488,363</b>
<b>LIABILITIES AND FUND EQUITY</b>							
<b>Liabilities:</b>							
Accounts payable	\$ 84,506	\$ 329,500	\$ 25,908	\$ -	\$ -	\$ -	\$ 439,914
Contracts payable	-	3,000	-	-	-	-	3,000
Retainage payable	14,875	1,839	-	-	-	-	16,714
Protested taxes payable	34,930	155,186	-	434	-	-	190,550
Payroll deductions and withholdings payable	118,912	-	-	-	-	-	118,912
Deferred Revenues	20,002	66,578	-	558	-	-	87,138
Due to other funds	-	136,111	-	-	-	-	136,111
General long-term debt	-	-	-	-	227,000	-	227,000
<b>Total Liabilities</b>	<b>\$ 273,225</b>	<b>\$ 692,214</b>	<b>\$ 25,908</b>	<b>\$ 992</b>	<b>\$ 227,000</b>	<b>\$ -</b>	<b>\$ 1,219,339</b>
<b>Fund Equity:</b>							
Investment in general fixed assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,636,098	\$ 10,636,098
<b>Fund balances:</b>							
Unreserved - undesignated	342,036	3,191,863	-	-	-	-	3,533,899
Reserved for capital projects	-	-	57,734	-	-	-	57,734
Reserved for debt service	-	-	-	41,293	-	-	41,293
<b>Total Fund Equity</b>	<b>\$ 342,036</b>	<b>\$ 3,191,863</b>	<b>\$ 57,734</b>	<b>\$ 41,293</b>	<b>\$ -</b>	<b>\$ 10,636,098</b>	<b>\$ 14,269,024</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 615,261</b>	<b>\$ 3,884,077</b>	<b>\$ 83,642</b>	<b>\$ 42,285</b>	<b>\$ 227,000</b>	<b>\$ 10,636,098</b>	<b>\$ 15,488,363</b>

The accompanying notes are an integral part of this statement.

## JEFFERSON DAVIS PARISH POLICE JURY

Jennings, Louisiana

## GOVERNMENTAL FUND TYPES

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances  
For the Year Ended December 31, 2003

	General Fund	Special Revenue Funds	Capital Project Fund	Debt Service Fund	Total (Memorandum Only)
<b>REVENUES</b>					
Taxes:					
Ad valorem	\$ 403,309	\$ 1,439,532	\$ -	\$ 23,864	\$ 1,866,705
Other taxes, penalties, and interest	4,920	-	-	-	4,920
Licenses and permits	194,433	-	-	-	194,433
Intergovernmental revenues:					
Federal funds:					
Federal grants	164,069	931,764	48,585	-	1,144,418
State funds:					
Parish transportation funds	-	314,995	-	-	314,995
State revenue sharing (net)	143,035	49,373	-	-	192,408
Parish equalization funds	778,498	-	-	-	778,498
Other	406,608	185,184	-	-	591,792
Local funds - other	14,355	136,667	-	-	151,022
Fees, charges, and commissions for services	18,953	-	-	-	18,953
Fines and forfeitures	7,787	2,204,142	-	-	2,211,929
Use of money and property	9,510	61,519	24	-	71,053
Other revenues	35,850	313,531	50	-	349,431
<b>Total revenues</b>	<b>\$ 2,181,327</b>	<b>\$ 5,636,707</b>	<b>\$ 48,659</b>	<b>\$ 23,864</b>	<b>\$ 7,890,557</b>
<b>EXPENDITURES</b>					
General government:					
Legislative	\$ 153,033	\$ -	\$ -	\$ -	\$ 153,033
Judicial	139,943	2,033,634	-	-	2,173,577
Elections	44,586	-	-	-	44,586
Finance and administrative	242,697	-	-	712	243,409
Other	364,828	714,892	30,432	-	1,110,152
Public safety	276,522	1,111,188	-	-	1,387,710
Public works	372,365	1,375,732	32,585	-	1,780,682
Health and welfare	157,801	433,017	-	-	590,818
Culture and recreation	96,314	-	-	-	96,314
Economic development and assistance	24,350	-	-	-	24,350
Capital Outlay	-	84,901	-	-	84,901
Debt service:					
Principal payments	-	-	-	22,000	22,000
Interest payments	-	-	-	10,829	10,829
<b>Total expenditures</b>	<b>\$ 1,872,439</b>	<b>\$ 5,753,364</b>	<b>\$ 63,017</b>	<b>\$ 33,541</b>	<b>\$ 7,722,361</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$ 308,888</b>	<b>\$ (116,657)</b>	<b>\$ (14,358)</b>	<b>\$ (9,677)</b>	<b>\$ 168,196</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Operating transfers in	\$ 7,333	\$ 509,664	\$ -	\$ 18,371	\$ 535,368
Operating transfers (out)	(505,000)	(28,685)	-	(1,683)	(535,368)
Transfers to other governments	(33,667)	-	-	-	(33,667)
<b>Total other financing sources (uses)</b>	<b>\$ (531,334)</b>	<b>\$ 480,979</b>	<b>\$ -</b>	<b>\$ 16,688</b>	<b>\$ (33,667)</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	<b>\$ (222,446)</b>	<b>\$ 364,322</b>	<b>\$ (14,358)</b>	<b>\$ 7,011</b>	<b>\$ 134,529</b>
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<b>522,021</b>	<b>2,870,002</b>	<b>72,092</b>	<b>34,282</b>	<b>3,498,397</b>
Residual equity transfers in (out)	42,461	(42,461)	-	-	-
<b>FUND BALANCES AT END OF YEAR</b>	<b>\$ 342,036</b>	<b>\$ 3,191,863</b>	<b>\$ 57,734</b>	<b>\$ 41,293</b>	<b>\$ 3,632,926</b>

The accompanying notes are an integral part of this statement.

**JEFFERSON DAVIS PARISH POLICE JURY**  
Jennings, Louisiana  
**GENERAL AND SPECIAL REVENUE FUNDS**

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances  
Budget and Actual (Non-GAAP Basis)

For the Year Ended December 31, 2003

	General Fund			Special Revenue Funds		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES</b>						
Taxes:						
Ad valorem	\$ 403,308	\$ 403,309	\$ 1	\$ 1,439,522	\$ 1,439,530	\$ 8
Other taxes, penalties, and interest	3,912	3,912	-	-	-	-
Licenses and permits	176,890	176,892	2	-	-	-
Intergovernmental revenues:						
Federal funds:						
Federal grants	164,358	164,358	-	941,729	941,730	1
State funds:						
Parish transportation funds	-	-	-	315,651	315,652	1
State revenue sharing (net)	143,035	143,035	-	49,373	49,373	-
Parish equalization funds	768,200	768,201	1	-	-	-
Other	392,667	392,668	1	194,786	194,790	4
Local funds - other	4,355	4,355	-	154,897	154,899	2
Fees, charges, and commissions for services	19,422	19,423	1	-	-	-
Fines and forfeitures	7,787	7,787	-	773,593	773,593	-
Use of money and property	9,314	9,505	191	32,915	61,519	28,604
Other revenues	41,355	41,355	-	321,182	321,185	3
Total revenues	\$ 2,134,603	\$ 2,134,800	\$ 197	\$ 4,223,648	\$ 4,252,271	\$ 28,623
<b>EXPENDITURES</b>						
General government:						
Legislative	\$ 153,800	\$ 153,801	\$ (1)	\$ -	\$ -	\$ -
Judicial	143,299	143,304	(5)	645,320	645,323	(3)
Elections	42,620	42,622	(2)	-	-	-
Finance and administrative	244,125	244,128	(3)	-	-	-
Other	374,724	374,728	(4)	696,664	696,519	145
Public safety	238,460	238,463	(3)	1,043,766	1,044,031	(265)
Public works	357,489	357,490	(1)	1,380,182	1,377,213	2,969
Health and welfare	152,196	152,198	(2)	433,017	433,017	-
Culture and recreation	97,100	97,102	(2)	-	-	-
Economic development and assistance	26,700	26,702	(2)	-	-	-
Capital Outlay	-	-	-	84,900	84,901	(1)
Total expenditures	\$ 1,830,513	\$ 1,830,538	\$ (25)	\$ 4,283,849	\$ 4,281,004	\$ 2,845
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	\$ 304,090	\$ 304,262	\$ 172	\$ (60,201)	\$ (28,733)	\$ 31,468
<b>OTHER FINANCING SOURCES (USES)</b>						
Operating transfers in	\$ 7,334	\$ 7,334	\$ -	\$ 509,663	\$ 509,664	\$ 1
Operating transfers (out)	(505,000)	(505,000)	-	(28,685)	(28,685)	-
Transfers to other governments	(33,667)	(33,667)	-	-	-	-
Total other financing sources (uses)	\$ (531,333)	\$ (531,333)	\$ -	\$ 480,978	\$ 480,979	\$ 1
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	\$ (227,243)	\$ (227,071)	\$ 172	\$ 420,777	\$ 452,246	\$ 31,469
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	446,480	446,480	-	2,855,647	2,855,647	-
Residual equity transfer in (out)	23,416	23,417	1	(23,416)	(23,417)	(1)
<b>FUND BALANCES AT END OF YEAR</b>	\$ 242,653	\$ 242,826	\$ 173	\$ 3,253,008	\$ 3,284,476	\$ 31,468

The accompanying notes are an integral part of this statement.



**JEFFERSON DAVIS PARISH POLICE JURY**  
Jennings, Louisiana  
**CAPITAL PROJECT AND DEBT SERVICE FUNDS**

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances  
Budget and Actual (Non-GAAP Basis)

For the Year Ended December 31, 2003

	Capital Projects Fund			Debt Service Fund		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES</b>						
Taxes:						
Ad valorem	\$ -	\$ -	\$ -	\$ 23,864	\$ 23,864	\$ -
Intergovernmental revenues:						
Federal funds:						
Federal grants	22,676	22,676	-	-	-	-
Use of money and property	25	25	-	-	-	-
Other Revenues	50	50	-	-	-	-
Total revenues	<u>\$ 22,751</u>	<u>\$ 22,751</u>	<u>\$ -</u>	<u>\$ 23,864</u>	<u>\$ 23,864</u>	<u>\$ -</u>
<b>EXPENDITURES</b>						
General government:						
Other	\$ 12,712	\$ 12,712	\$ -	\$ 712	\$ 712	\$ -
Public Works	10,051	10,051	-	-	-	-
Capital Outlay	14,345	14,346	(1)	-	-	-
Debt service						
Principal payments	-	-	-	22,000	22,000	-
Interest payments	-	-	-	10,829	10,829	-
Total expenditures	<u>\$ 37,108</u>	<u>\$ 37,109</u>	<u>\$ (1)</u>	<u>\$ 33,541</u>	<u>\$ 33,541</u>	<u>\$ -</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>\$ (14,357)</u>	<u>\$ (14,358)</u>	<u>\$ (1)</u>	<u>\$ (9,677)</u>	<u>\$ (9,677)</u>	<u>\$ -</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Operating transfers in	\$ -	\$ -	\$ -	\$ 18,371	\$ 18,371	\$ -
Operating transfers (out)	-	-	-	(1,683)	(1,683)	-
Total other financing sources (uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,688</u>	<u>\$ 16,688</u>	<u>\$ -</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	<u>\$ (14,357)</u>	<u>\$ (14,358)</u>	<u>\$ (1)</u>	<u>\$ 7,011</u>	<u>\$ 7,011</u>	<u>\$ -</u>
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<u>22,092</u>	<u>22,092</u>	<u>-</u>	<u>16,241</u>	<u>16,241</u>	<u>-</u>
<b>FUND BALANCES AT END OF YEAR</b>	<u>\$ 7,735</u>	<u>\$ 7,734</u>	<u>\$ (1)</u>	<u>\$ 23,252</u>	<u>\$ 23,252</u>	<u>\$ -</u>

The accompanying notes are an integral part of this statement.

**JEFFERSON DAVIS PARISH POLICE JURY**  
Jennings, Louisiana

Notes to the Financial Statements  
As of and for the Year ended December 31, 2003

**INTRODUCTION**

The Jefferson Davis Parish Police Jury is the governing authority for Jefferson Davis Parish and is a political subdivision of the State of Louisiana. The police jury is governed by 13 jurors representing the various districts within the parish. The jurors serve four-year terms, which expire on January 14, 2008.

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

Jefferson Davis Parish occupies 650 square miles with a population of approximately 31,400. The police jury maintains approximately 604 miles of roads, 132 paved and 472 gravel. Police jury offices are located in the parish courthouse in Jennings with road maintenance facilities located at five primary locations within the parish.

The accounting and reporting policies of the primary government of the Jefferson Davis Parish Police Jury conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of the Louisiana Revised Statutes 24:517 and to the guides set forth in the *Louisiana Governmental Audit Guide*, and to the industry audit guide, *Audits of State and Local Governmental Units*, published by the American Institute of Certified Public Accountants. Our examination was also made in accordance with the provisions of *Government Auditing Standards*, promulgated by the United States Comptroller General, as they pertain to financial and compliance audits.

The following is a summary of the more significant accounting policies.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. REPORTING ENTITY**

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

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

**JEFFERSON DAVIS PARISH POLICE JURY**  
Jennings, Louisiana

Notes to the Financial Statements  
As of and for the Year ended December 31, 2003

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

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

<u>Component Unit</u>	<u>Fiscal Year End</u>	<u>Criteria Used</u>
Jefferson Davis Parish Library	December 31	1, 1a and 3
Mosquito Abatement District No. 1	December 31	1, 1a and 3
Airport District No. 1	April 30	1, 1a and 3
Consolidated Gravity Drainage District No. 1	December 31	1, 1a and 3
Welsh Gravity Drainage District No. 1	December 31	1, 1a and 3
Gravity Subdrainage District A of Gravity Drainage District No. 1	December 31	1, 1a and 3
Gravity Drainage Districts:		
No. 5	December 31	1, 1a and 3
No. 6	December 31	1, 1a and 3
No. 7	December 31	1, 1a and 3
No. 9	December 31	1, 1a and 3
Grand Marais Drainage District	December 31	1, 1a and 3
Nezpique Drainage District	December 31	1, 1a and 3
Broadmore Drainage District	December 31	1, 1a and 3
Sewerage District No. 1	December 31	1, 1a and 3
Jefferson Davis Parish Central Waterworks	December 31	1, 1a and 3
Waterworks Districts:		
No. 1	December 31	1, 1a and 3
No. 4	December 31	1, 1a and 3
No. 5	December 31	1, 1a and 3
Hospital District #1	December 31	1, 1a and 3
Roanoke Recreation District #1	December 31	1, 1a and 3
Jefferson Davis Parish Sheriff's Office	June 30	1b and 3
Jefferson Davis Parish Water & Sewer Commission #1	December 31	1, 1a and 3

**JEFFERSON DAVIS PARISH POLICE JURY**  
Jennings, Louisiana

Notes to the Financial Statements  
As of and for the Year ended December 31, 2003

The police jury has chosen to issue financial statements of the primary government (police jury) only; therefore, none of the previously listed component units are included in the accompanying financial statements.

These primary government (police jury) financial statements include all funds, account groups, and organizations for which the police jury maintains the accounting records. The Thirty-First Judicial District Criminal Court Fund for which the police jury maintains the accounting records is considered part of the primary government (police jury).

GASB Statement 14 provides for the issuance of primary government financial statements that are separate from those of the reporting entity. However, the primary government's (police jury) financial statements are not a substitute for the reporting entity's financial statements. The police jury has chosen to issue financial statements of the primary government only. As such, these financial statements are not intended to and do not report on the reporting entity but rather are intended to reflect only the financial statements of the primary government (police jury).

Considered in the determination of component units of the reporting entity were the Clerk of Court, Tax Assessor, School Board, Sanitary Landfill Commission, the District Attorney for the Thirty-First Judicial District, and the various municipalities in the parish. It was determined that these governmental entities are not component units of the Jefferson Davis Parish Police Jury reporting entity. All are governed by independently elected officials except the Landfill Commission which has Commissioners appointed by the member governments (see Note 16). The police jury, primary government, neither appoints governing boards nor designates management, the entities are legally separate, and are fiscally independent of the Jefferson Davis Parish Police Jury. They are considered by the police jury to be separate, autonomous governments and issue financial statements separate from those of the Jefferson Davis Parish Police Jury reporting entity.

#### B. BASIS OF PRESENTATION

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

#### C. FUND ACCOUNTING

The accounts of the police jury are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets liabilities, fund equity, revenues and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into four generic fund types and two broad fund categories. A description of the fund types and account groups used by the police jury follows.

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**Governmental Funds**

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

**General Fund**

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

**Special Revenue Funds**

Used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

**Capital Projects Funds**

Used to account for the revenues and expenditures associated with building and site improvements.

**Debt Service Funds**

Used to account for annual payments of principal and interest on long-term general obligation debt.

**Account Groups**

**General Fixed Asset Account Group**

Used to record the police jury's fixed assets

**General Long-Term Debt Account Group**

Used to record the police jury's long-term liabilities.

**D. BASIS OF ACCOUNTING**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by all governmental funds. The governmental funds use the following practices in recording revenues and expenditures:

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**Revenues**

Ad valorem taxes and the related state revenue sharing (which is based on population and homesteads in the parish) are recorded as revenue in the budgetary period the taxes are intended to finance. Ad valorem taxes are assessed on a calendar year basis, become due on November 15, of each year, and become delinquent after December 31. The taxes are generally collected in December of the current year and January and February of the ensuing year.

Federal and state aid and grants are recorded when the parish is entitled to the funds.

Interest income on time deposits is recorded when the interest has been earned.

Substantially all other revenues are recognized in the accounting period in which they become available and measurable. Revenues received within 60 days of year-end are considered available.

**Expenditures**

Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable.

**Other Financing Sources (Uses)**

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

**E. BUDGET PRACTICES**

The proposed budget for the fiscal year ended December 31, 2003, was made available for public inspection at the police jury office on December 15, 2002. A public hearing was held on December 30, 2002, for suggestions and comments from taxpayers, and the proposed budget was formally adopted by the police jury on December 30, 2002. Amendment to the budget was made on December 30, 2003. The budget, which included proposed expenditures and the means of financing them for the General Fund and all special revenue funds, was published in the official journal ten days prior to the public hearing.

The budget is prepared on a cash basis of accounting. Formal budget accounts are integrated into the accounting system during the year as a management control device, and the budget is amended with the approval of the police jury when necessary. Unexpended appropriations lapse at year end and must be reappropriated in the next year's budget to be expended. Formal encumbrance accounting is not utilized by the Police jury. Budget amounts included in the accompanying financial statements include the original adopted budget amounts and all subsequent amendments. The reconciliation of amounts reported on Page 5 and 6 to amounts reported on Page 4 is as follows:

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	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses - Page 5 and 6	\$ (227,071)	\$ 452,246	\$ (14,358)	\$ 7,011
Add:				
Current-year receivables	74,390	373,606	60,908	-0-
Current-year residual equity transfer	-0-	42,461	-0-	-0-
Current-year amounts due from other funds	121,110	-0-	15,000	-0-
Prior-year payables	73,779	226,673	-0-	-0-
Prior-year amounts due to other funds	-0-	113,455	-0-	-0-
Prior-year residual equity transfer	23,416	-0-	-0-	-0-
Less:				
Current-year residual equity transfer	42,461	-0-	-0-	-0-
Current-year payables	99,379	334,336	25,908	-0-
Current-year amounts due to other funds	-0-	136,111	-0-	-0-
Prior-year receivables	47,775	350,255	35,000	-0-
Prior-year amounts due from other funds	98,455	-0-	15,000	-0-
Prior-year residual equity transfer	-0-	23,417	-0-	-0-
Excess (deficiency) of revenues and other sources over expenditures and other uses - Page 4	<u>\$ (222,446)</u>	<u>\$ 364,322</u>	<u>\$ (14,358)</u>	<u>\$ 7,011</u>

The reconciliation of amounts reported on Page 5 and 6 as fund balance at end of year to amounts reported as cash and cash equivalents reported on Page 3 is as follows:

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>
Fund balance at end of year- Page 5 and 6	\$ 242,826	\$ 3,284,476	\$ 7,734	\$ 41,298
Add:				
Payroll deduction	118,912	-0-	-0-	-0-
Cash on hand	54,932	221,765	-0-	992
Other adjustments	-0-	4,229	-0-	-0-
Less:				
Inventory on hand	4,045	-0-	-0-	-0-
Investments	-0-	582,983	-0-	-0-
Other adjustments	909	-0-	-0-	5
Cash and cash equivalents- Page 3	<u>\$ 411,716</u>	<u>\$ 2,927,487</u>	<u>\$ 7,734</u>	<u>\$ 42,285</u>

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

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money-market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the police jury may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

**G. INVESTMENTS**

Investments are limited by R.S. 33:2955 and the police jury's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

**H. INVENTORIES**

Inventories are valued at the lower of cost (first-in, first-out) or market. Inventories in the governmental funds consist of expendable supplies held for consumption. The expenditures are recognized when the items are consumed.

**I. FIXED ASSETS AND LONG-TERM OBLIGATIONS**

Fixed assets of governmental funds are recorded as expenditures at the time purchased or constructed, and the related assets are capitalized (reported) in the general fixed assets account group. Public domain or infrastructures are not capitalized. Interest costs incurred during construction are capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost, or estimated historical cost if historical cost is not available. Assets with estimated costs amounted to approximately \$1,744,012.

Long-term obligations expected to be financed from governmental funds are accounted for in the general long-term debt account, not in the governmental funds.

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

**J. COMPENSATED ABSENCES**

Employees of the police jury earn one week of vacation leave after six months of employment and two weeks each year thereafter. Employees also earn five days of sick leave each year. All leave must be taken during the year earned. Upon resignation, unused leave is forfeited. There are no accumulated and vested benefits relating to vacation and sick leave that require disclosure to conform with generally accepted accounting principles.

**K. TOTAL COLUMNS ON COMBINED STATEMENTS**

Total columns on the combined statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations



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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. RISK MANAGEMENT**

The police 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 police jury manages these losses through the purchase of commercial insurance.

**2. CASH AND CASH EQUIVALENTS**

At December 31, 2003, the police jury has cash and cash equivalents (book balances) totaling \$3,389,222, as follows:

Cash held for protested taxes	\$ 175,622
On hand (undeposited checks)	87,138
Demand deposits	2,357,960
Time deposits	<u>768,502</u>
 Total	 <u>\$ 3,389,222</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 are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Cash and cash equivalents (bank balances) at December 31, 2003, are secured as follows:

Bank Balance	<u>\$ 3,473,391</u>
Insured (FDIC)	\$ 431,481
Uninsured, Uncollateralized:	
Pledged securities held by pledging Bank's agent in Bank's name	<u>3,041,910</u>
Total	<u>\$ 3,473,391</u>

Even though the pledged securities are considered uncollateralized-uninsured under the provisions of GASB Statement 3, 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 has failed to pay deposited funds upon demand.

**3. INVESTMENTS**

At December 31, 2003, the police jury has investments totaling \$582,984. The carrying amount approximates the fair value. These investments consist of time deposits that are secured by a pledge of securities from the underlining financial institution. These are considered uninsured-uncollateralized (Category 3) under the provisions of GASB statement 3.

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**4. RESTRICTED ASSETS**

Restricted assets were applicable to the following at December 31, 2003:

	Capital Projects Fund	Debt Service
Cash	\$ 7,734	\$ 42,285
Receivables, net of allowance for doubtful accounts	60,908	-0-
Due from other funds	15,000	-0-
Total	\$ 83,642	\$ 42,285

The capital projects amounts are to be used in the construction of the Jefferson Davis Parish County Agent Office, improvements for SubRoad District #2, Silverwood sewer improvements and improvements and maintenance for Fire District #6. The debt service funds are restricted to the payment of bond and loan principal, interest and related debt financing costs only.

**5. RECEIVABLES**

The following is a summary of receivables at December 31, 2003:

	General Fund	Special Revenue Funds	Capital Projects Funds	Debt Service Funds
<u>Class of Receivable</u>				
Intergovernmental-Grants:				
Federal	\$ 35,184	\$ 13,876	\$ 25,908	\$ -0-
State	14,875	2,169	-0-	-0-
Intergovernmental-Other	13,812	134,424	35,000	-0-
Other receivables	10,519	223,137	-0-	-0-
Sub-total	\$ 74,390	\$ 373,606	\$ 60,908	\$ -0-
Less: Allowance for doubtful accounts	-0-	-0-	-0-	-0-
Total	\$ 74,390	\$ 373,606	\$ 60,908	\$ -0-

Due to past collection history and short duration of outstanding amounts, no allowance for doubtful accounts has been established.

When the police jury assumed the Section 8 program in 1994 from the Acadia-Vermilion Community Action Program (AVCAP), \$83,880 belonging to the program was retained and spent by AVCAP. On September 21, 2000, a stipulated judgement was rendered in favor of the police jury and against Assist Agency, the successor to AVCAP, for the recovery of these funds. Assist Agency has agreed to comply with the judgement, and as a result, a receivable was established to record the reimbursable amount. According to this agreement, Assist Agency would pay a sum of ten to fifteen thousand dollars of unrestricted funds by January 1, 2001 to the police jury. As of December 31, 2003 the police jury has not received the sum agreed upon. In addition, under this agreement, the Assist Agency agreed to pay \$500 per month until the debt is paid in full. The police jury has received the scheduled payments. For the year ended December 31, 2003, the police jury received \$6,000 from Assist Agency

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as payment toward this debt. The remaining debt owed by Assist Agency to the police jury is \$64,380 included in the special revenue fund receivables above.

On December 18, 1997, the district attorney signed an agreement to pay the police jury \$100,000 to help defray the cost of building a new county agent office so that more office space could be provided to the district attorney. The first \$50,000 payment was received as scheduled in 1997. An additional \$15,000 was paid to the police jury in 2001, leaving a receivable of \$35,000. The district attorney paid expenses for office furnishings and other items that is normally an expense to the police jury. As of December 31, 2003, the police jury has not yet reached a final verification of the expense in return for the \$35,000 owed by the district attorney.

**6. INTERFUND ASSETS/LIABILITIES**

Individual fund balances due from/to other funds at December 31, 2003, are as follows:

<u>Fund</u>	<u>Due From Other Funds</u>	<u>Due to Other Funds</u>
General Fund	\$ 121,111	\$ -0-
Special Revenue Funds:		
Court House Maintenance	-0-	19,227
Criminal Court	-0-	86,904
Fire District #1	-0-	18,000
Section 8 Housing	-0-	1,980
Special Revenue	-0-	10,000
Capital Projects Funds:		
County Agent Project	15,000	-0-
Total	<u>\$ 136,111</u>	<u>\$ 136,111</u>

**7. CHANGES IN FIXED ASSETS**

The changes in general fixed assets follows:

	<u>Balance January 1, 2003</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance December 31, 2003</u>
Land	\$ 218,397	\$ 15,000	\$ -0-	\$ 233,397
Buildings	4,900,221	-0-	-0-	4,900,221
Equipment and furniture	4,941,912	646,598	86,030	5,502,480
Total	<u>\$10,060,530</u>	<u>\$ 661,598</u>	<u>\$ 86,030</u>	<u>\$10,636,098</u>

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**8. CHANGES IN GENERAL LONG-TERM OBLIGATIONS**

A summary of general long-term obligation transactions for the year ended December 31, 2003 is as follows:

<u>Description</u>	<u>Balance at January 1, 2003</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance at December 31, 2003</u>
<b>General Obligation Bonds:</b>				
\$73,000 Fire District No. 7 Bonds originally issued with interest at 5.23%. Dated 3-1-94, maturing 3-1-14, due in annual installments of \$3,000 through 2004.	\$ 52,000	\$ -0-	\$ 3,000	\$ 49,000
\$96,000 SubRoad District No. 2 bonds originally issued with interest at 4.50%. Dated 4-1-99, maturing 4-1-14, due in annual installments of \$5,000 through 2003.	\$ 87,000	\$ -0-	\$ 5,000	\$ 82,000
<b>Certificates of Indebtedness:</b>				
\$110,000 Fire District No. 4 certificates of indebtedness originally issued with interest at 4.65%, dated 6-6-02, maturing 3-1-09, due in annual installments of \$14,000 through 2003.	<u>110,000</u>	<u>-0-</u>	<u>14,000</u>	<u>96,000</u>
	<u>\$ 249,000</u>	<u>\$ -0-</u>	<u>\$ 22,000</u>	<u>\$ 227,000</u>

At December 31, 2003, the police jury has accumulated \$41,293 in debt service funds for future debt requirements. The annual requirements to amortize all bonds and debt outstanding at December 31, 2003, including interest of \$50,953, are as follows:

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Year Ending	General Obligation Bonds	Certificates of Indebtedness	Total
2004	\$ 15,382	\$ 18,371	\$ 33,753
2005	15,924	17,674	33,598
2006	15,430	17,953	33,383
2007	15,907	17,581	33,488
2008	15,355	18,186	33,541
2009-2013	77,427	17,395	94,822
2014-2018	15,368	-0-	15,368
	<u>\$ 170,793</u>	<u>\$ 107,160</u>	<u>\$ 277,953</u>
Less Interest	39,793	11,160	50,953
Outstanding Principal	<u>\$ 131,000</u>	<u>\$ 96,000</u>	<u>\$ 227,000</u>

General obligation bonds and certificates of indebtedness of \$227,000, are secured by an annual ad valorem tax levy. In accordance with Louisiana Revised Statute 39:562, the police jury is legally restricted from incurring long-term bonded debt in excess of 10 percent of the assessed value of taxable property in the parish. At December 31, 2003, the statutory limit is \$6,248,045.

**9. CRIMINAL COURT FUND**

Louisiana Revised Statute 15:571.11 requires that one-half of any balance remaining in the criminal court fund at year-end be transferred to the parish General Fund. The following details the amount due at December 31, 2003:

Balance due at January 1, 2003	\$ 23,417
Amount due for 2003	<u>42,461</u>
Total	\$ 65,878
Remitted during 2003	<u>23,417</u>
Balance due at December 31, 2003	<u>\$ 42,461</u>

**10. LEVIED TAXES**

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

	<u>Authorized Millage</u>	<u>Levied Millage</u>
Parishwide taxes:		
General	7.62	7.62
Courthouse maintenance	5.22	5.22
District taxes:		
Road District No. 10 maintenance	11.33	11.33
Road District No. 11 maintenance	11.50	11.50
Road District No. 12 maintenance	10.94	11.94
Sub-road District No. 1 of Road District No. 11 maintenance	10.32	10.32
Sub-road District No. 2	14.00	14.00

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Fire Protection Districts:

No. 1 maintenance	10.34	10.34
No. 2 maintenance	10.80	10.80
No. 3 maintenance	5.08	5.08
No. 4 maintenance	6.91	6.91
No. 5 maintenance	5.02	5.02
No. 5 special	5.06	5.06
No. 6 maintenance	8.53	8.53
No. 6 special	5.53	5.53
No. 7 maintenance	7.99	7.99
No. 7 bond and coupon	11.00	11.00

## 11. PENSION PLANS

Substantially all employees paid by the Jefferson Davis Parish Police Jury are members of the following statewide retirement systems: Parochial Employees Retirement System of Louisiana (PERS), the Louisiana District Attorneys Retirement System (LDARS), and the Louisiana State Employees' Retirement System (LASERS). These systems are a cost-sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees. Three employees are members of the Parochial Employees Retirement System's Deferred Retirement Option Plan (DROP) in which employee contributions cease, but employer contributions continue. Pertinent information relative to each plan follows:

### A. Parochial Employees Retirement System of Louisiana (PERS)

**Plan Description.** The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All participating employees of the police jury are members of Plan A, except for nine police jurors.

All permanent employees working at least 28 hours per week who are paid wholly or in part from parish funds are eligible to participate in the System. As of January 1, 1997, elected officials, except coroners and justices of the peace, may no longer join the retirement system. Those elected officials enrolled as of January 1, 1997 will maintain membership as long as they hold office. Effective July 1, 1997, new employees age 55 and older and who have 40 quarters or more of social security participation have an option to join the parochial system. New employees meeting the age and social security criteria have up to 90 days from the date of hire to elect to participate. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 percent of their final-average salary for each year of creditable service. However, for those employees who were members of the supplemental plan only prior to January 1, 1980, the benefit is equal to one percent of final average salary plus \$24 for each year of supplemental-plan-only service earned prior to January 1, 1980 plus 3 percent of final-average salary for each year of service credited after the revision date. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above and do not withdraw their employee contributions may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute.

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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 of Louisiana, 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 9.50% of their annual covered salary and the Police jury is required to contribute at an statutory rate based on actuarially determined computations. The rate for 2003 is 7.75% of covered payroll. Contributions to the System also include one-fourth of one percent of the taxes shown to be collectible (except for Orleans and East Baton Rouge parishes) 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 Police 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 Police jury's contribution to the System under Plan A for the year ending December 31, 2003, 2002 and 2001 was \$76,851, \$89,520, \$83,138, respectively, equal to the required contributions for each year.

**B. Deferred Retirement Option Plan (DROP)**

**Plan Description.** The system is composed of two distinct plans, Plan A and Plan B, with separate eligibility provisions. Three employees are members of Plan A.

Only those members who have been eligible for normal retirement for one full year are eligible for DROP. Also, credit based on reciprocal recognition may not be used in DROP eligibility. A member who becomes a DROP participant ceases to be a member of the system and loses all rights of membership. No credit for retirement is earned during DROP. The duration of the DROP period must be specified and may not be extended. You may enter DROP only once. The plan allows the pension benefit that is accrued at that point in time (eligible for retirement for one year) to be calculated and to accumulate with the retirement system while the DROP participant continues to work, freezing the future retirement benefits at retirement. The pension benefit is calculated as if the member were actually retiring. This DROP amount is deposited to a DROP account with the retirement system for a period not to exceed 3 years. The participant continues to work during this period of time. At the end of the DROP period and upon termination of employment, the sum of the DROP account is paid out and the retiree begins receiving that same benefit directly as the retirement benefit. This is the same amount that was calculated for DROP payments. The participant has forfeited earning additional credit during the DROP period in return for the accumulation of the DROP account. Under Plan A, the eligibility provisions are 30 years of creditable service at any age, 25 years of creditable service at age 55, or 10 years of creditable service at age 60. The accumulated DROP account will not be paid out until the system receives written verification from the employer that the participant has actually terminated service. Payment may be made in a lump sum or in an annuity which will consist of payments calculated on the same basis chosen for the member's normal retirement option including the same interest rate assumption and mortality rates.

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

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**Funding Policy.** Under Plan A, employee contributions cease but employer contributions continue. The rate for 2003 for the police jury to contribute is 7.75% of covered payroll. The contribution requirements of the police 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 police jury's contribution to the system under Plan A for the year ending December 31, 2003, 2002 and 2001 was \$7,267, \$7,771, and \$7,681 respectively, equal to the required contribution for each year.

**C. Louisiana District Attorneys' Retirement System (LDARS)**

**Plan Description.** The police jury pays a portion of the district attorney and assistant district attorneys salaries per LA RS 16:6. The district attorney and assistant district attorneys are members of the Louisiana District Attorneys Retirement System (System), a multiple-employer (cost-sharing), public employee retirement system (PERS), controlled and administered by a separate board of trustees.

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 Louisiana District Attorneys' Retirement System, 2109 Decatur Street, New Orleans, Louisiana, 70116, or by calling (504)-947-5551.

**Funding Policy.** Members are required by state statute to contribute 7.0 % of their annual covered salary and the police jury is required to contribute at a statutory rate based on actuarially determined computations. The rate for 2003 is 0 % of covered payroll. Contributions to the System also include .2 percent of the ad valorem taxes collected throughout the state and revenue sharing funds as appropriated by the legislature. The .2 percent is the statutory set rate that can be adjusted by the Public Retirement Systems' Actuarial Committee. State statute requires covered employees to contribute 7.0 % of their salaries to the System and requires each district attorney to provide employer contributions as needed to actuarially fund the system. 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 police jury's contribution to the system for the year ending December 31, 2003, 2002 and 2001 was \$0, \$0, \$0, respectively, equal to the required contributions for each year.

**D. Louisiana State Employees' Retirement System (LASERS)**

**Plan Description.** The police jury also pays a portion of the Ward 2 judges salary per LA R.S. 13:1874. The judge participates in the Louisiana State Employees' Retirement System (LASERS), a multiple-employer (cost sharing) public employee retirement system (PERS), controlled and administered by a separate board of trustees.

All state employees except certain classes of employees excluded by state statute become LASERS members as a condition of employment unless they elect to continue as a contributing member in any other retirement system for which they remain eligible for membership. Elected officials (including the Ward 2 judge) may elect to become members of LASERS.

Service and age requirements in order for a member to retire 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 Louisiana State Retirement System, 8401 United Plaza Boulevard, Baton Rouge, Louisiana 70809, or call 1-800-256-3000.



**JEFFERSON DAVIS PARISH POLICE JURY**  
Jennings, Louisiana

Notes to the Financial Statements  
As of and for the Year ended December 31, 2003

*Funding Policy.* Members are required by state statute to contribute 11.5% of their annual covered salary and the police jury is required to contribute at a statutory rate based on actuarially determined computations. The rate for 2003 is 15.8 % of covered payroll. State statute required covered employees to contribute 7 percent of their salaries to the System and requires each district attorney to provide employer contributions as needed to actuarially fund the system. 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 police jury's contribution to the System for the year ending December 31, 2003, 2002 and 2001 was \$623, \$565, \$542, respectively, equal to the required contributions for each year.

**12. OTHER POST-EMPLOYMENT BENEFITS**

The police jury provides post-employment benefit options for hospitalization insurance and medicare supplemental insurance for retired police jury employees, police jury members and their spouses. The benefits are provided in accordance with police jury policy. The criteria to determine eligibility include years of service and employee age. The police jury funds the benefits on a pay-as-you-go basis. Eligible employees are required to pay a set percentage rate of the premiums set at the same rate the jury sets for its active employees. The police jury will fund the remaining percentage of the premiums. In 2003, the employer rate for regular employees was set at 81.79% of the premiums, and the employer rate for Criminal Court Fund employees was set at 70% of the premiums. During 2003, five participants were currently eligible and \$32,573 of expenses was recognized for post-employment benefits. Expenses for post-retirement benefits are recognized as eligible participant premiums are paid.

**13. ACCOUNTS, SALARIES, AND OTHER PAYABLES**

The payables of \$769,090 at December 31, 2003, are as follows:

<u>Class of Payable</u>	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Capital Projects Funds</u>	<u>Debt Service Funds</u>
Accounts	\$ 84,506	\$ 329,500	\$ 25,908	\$ -0-
Protested taxes payable	34,930	155,186	-0-	434
Payroll deductions and withholdings	118,912	-0-	-0-	-0-
Contracts payable	-0-	3,000	-0-	-0-
Retainage payable	14,875	1,839	-0-	-0-
Total	<u>\$ 253,223</u>	<u>\$ 489,525</u>	<u>\$ 25,908</u>	<u>\$ 434</u>

**14. LEASES**

The police jury records items under capital leases as an asset and an obligation in the accompanying financial statements. At December 31, 2003, the police jury was not committed to any long-term lease-purchase agreements.

The police jury has operating leases of the following nature:

**JEFFERSON DAVIS PARISH POLICE JURY**  
Jennings, Louisiana

Notes to the Financial Statements  
As of and for the Year ended December 31, 2003

<u>Lease of</u>	<u>Term</u>	<u>Annual Consideration</u>
Maintenance yard	6-1-03 to 5-31-04	\$ 1,200
Fire station building	6-16-80 to 6-15-10	100
Fire equipment storage	6-1-92 to 5-31-12	10
Graders	5-4-02 to 5-24-05	63,860

The minimum annual commitments under non-cancelable operating leases for buildings, land, and office facilities are as follows:

Fiscal year:	
2004	\$ 63,970
2005	26,719
2006	110
2007	110
Thereafter	<u>250</u>
Total	<u>\$ 91,159</u>

**15. LITIGATION AND CLAIMS**

The police jury is involved as a defendant in law suits for personal injury, injunctive relief, mandatory injunction, and damages stemming from denial of property rezoning. No estimate of award or potential exposure to the police jury can be made at this time.

**16. LANDFILL JOINT VENTURE**

The police jury is a participant in a joint venture referred to as the Jefferson Davis Parish Sanitary Landfill Commission. This entity was chartered on February 17, 1984. The Commission's purpose is the establishment of a long-term plan for the disposal of solid wastes in Jefferson Davis Parish. According to the charter, each participant in the Commission is responsible for a pro rata share of any operating deficits. Likewise, any distributions of surpluses are also shared on a pro rata basis. Each participant's pro rata share is based on the number of households within each participant's unit to the total number of households within all participating units. These proportions were determined using the 1980 U. S. Census as follows:

<u>Locality</u>	<u>Number of Households</u>	<u>Percentages</u>
Jennings	4,161	.421196
Welsh	1,167	.118129
Lake Arthur	1,212	.122684
Parish (excluding Jennings, Welsh, Lake Arthur, & Elton)	<u>3,339</u>	<u>.337991</u>
Totals	<u>9,879</u>	<u>1.000000</u>

The Commission consists of six commissioners as follows: two residents of Jennings, one resident of Welsh, one resident of Lake Arthur, and two residents of Jefferson Davis Parish living outside the city limits of Jennings, Welsh, Lake Arthur and Elton. The Commission members are to be appointed by the governing body of their place of residence.

**JEFFERSON DAVIS PARISH POLICE JURY**  
Jennings, Louisiana

Notes to the Financial Statements  
As of and for the Year ended December 31, 2003

The Commission has the power and authority to employ personnel, adopt its own budget and enter into agreements necessary for the operation of the Landfill. In certain instances, some agreements must be consented to by all six members of the Commission. Separate financial statements are available from the Jefferson Davis Parish Landfill Commission upon request.

Condensed financial information for the Jefferson Davis Parish Sanitary Landfill as of December 31, 2003 were as follows:

	<u>Total</u>	<u>Police Jury (33.7991%)</u>
Total assets	\$ 7,555,255	\$ 2,553,608
Total liabilities	45,587	15,408
Total equity	7,509,668	2,538,200
Total liabilities and equity	7,555,255	2,553,608
Total revenues	829,332	280,307
Total expenditures	877,525	296,596
Net increase (decrease) in fund balance	(48,193)	(16,289)

As of December 31, 2003, the Commission had no long-term debt outstanding.

During 2003, the Commission voted to make a distribution to the participating governments in the amount of \$250,000. In addition, the Commission distributed \$40,000 to the participating governments for economic development. For the Jefferson Davis Parish Police Jury, the distribution amounted to \$94,498, of which \$84,498 was based on household percentages as explained above, and is recorded as other intergovernmental revenues in the Special Revenue Account Fund. The \$10,000 distribution is recorded in the General Fund. There are no amounts due to this member government at December 31, 2003.

**17. FEDERAL GRANTS**

The police jury participates in a number of federally assisted grant programs. These programs are subject to the program compliance audits by the grantors. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time. Based on prior experience, the police jury's management feels such disallowances, if any, will be immaterial.

**18. RESERVED FUND BALANCE**

Reservations of fund balance show amounts that are not appropriate for expenditure or are legally restricted for specific uses. Generally, the purpose for each is indicated by the account title on the face of the balance sheet. The capital projects fund balance reserve is to be used for construction of a new County Agent office building, improvements for SubRoad District #2, Silverwood sewer improvements and improvements and maintenance for Fire District #6. The debt service fund balance reserve is to be used for the payment of bond and loan principal, interest and related debt financing costs only.

**19. FUND DEFICITS**

**JEFFERSON DAVIS PARISH POLICE JURY**  
Jennings, Louisiana

Notes to the Financial Statements  
As of and for the Year ended December 31, 2003

The following individual fund had a deficit in unreserved fund balance at December 31, 2003:

<u>Fund</u>	<u>Deficit Amount</u>
Special Ward Road & Bridge District 12 Division 3	\$ 1,636

**20. EXCESS OF EXPENDITURES OVER APPROPRIATIONS**

For the year ended December 31, 2003, the following individual funds had expenditures which exceeded appropriations (cash basis):

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
General Fund	\$ 1,830,513	\$ 1,830,538	\$ 25
Fire District No. 2	94,326	94,331	5
Fire District No. 3	406,972	406,978	6
Fire District No. 6	186,811	186,902	91
Courthouse Maintenance	220,789	220,794	5
Total	<u>\$ 2,739,411</u>	<u>\$ 2,739,543</u>	<u>\$ 132</u>

**21. WIRELESS E911 SERVICE**

The Jefferson Davis Parish Police Jury is in Phase 1 of implementing wireless E911 services. For the year ended December 31, 2003 the police jury collected \$136,678 from emergency telephone service charge from wireless systems. The funds collected from the service charge will be used to buy and lease necessary equipment, supplies, and other items needed to implement wireless E911 services.

**22. NEW REPORTING STANDARD**

In June 1999, the Governmental Accounting Standards Board (GASB) issued Statement 34 "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments." This Statement establishes new financial reporting requirements for state and local governments throughout the United States. When implemented, it will require new information and restructure much of the information that governments have presented in the past. Comparability with reports issued in all prior years will be affected. The police jury is required to implement this standard for the fiscal year ending December 31, 2004. The police jury has not yet determined the full impact that adoption of GASB Statement 34 will have on the financial statements.

**SUPPLEMENTAL INFORMATION**

**JEFFERSON DAVIS PARISH POLICE JURY**  
Jennings, Louisiana  
**SUPPLEMENTAL INFORMATION SCHEDULES**  
As of and for the Year Ended December 31, 2003

**SPECIAL REVENUE FUNDS**

**COMMUNICATION DISTRICT FOR E-911**

The Communications District for E-911 Fund accounts for expenditures for the developing, maintaining, and operating of a parish-wide Emergency 911 system. Means of financing is provided through telephone user charges.

**WIRELESS E-911 FEES**

The Wireless E-911 Fees Fund accounts for revenues and expenditures for developing a parish-wide emergency E911 system for wireless phones. Means of financing is provided through wireless telephone user charges.

**SPECIAL REVENUE ACCOUNT FUND**

The Special Revenue Account Fund accounts for monies distributed by the Jeff Davis Parish Sanitary Landfill Commission as a return of previous Police jury investments in the Landfill joint venture (see Note 16). The funds are available for use at the discretion of the Police jury.

**PARISH ROAD MAINTENANCE FUND**

The Parish Road Maintenance Fund accounts for expenditures for the constructing, improving, and maintaining of roads and bridges in the parish. Means of financing is provided by the State of Louisiana Parish Transportation and Royalty Road Funds.

**ROAD DISTRICT MAINTENANCE FUNDS**

The Road District Maintenance Funds account for maintenance and upkeep of parish roads within Road Districts Nos. 10, 11, and 12. The major means of financing for the districts are ad valorem taxes, which are levied against properties within the districts.

**COURTHOUSE MAINTENANCE FUND**

The Courthouse Maintenance Fund accounts for maintenance and upkeep of the parish courthouse and jail. Major means of financing is provided by ad valorem taxes and state revenue sharing funds.

**JEFFERSON DAVIS PARISH POLICE JURY**  
Jennings, Louisiana  
**SUPPLEMENTAL INFORMATION SCHEDULES**  
As of and for the Year Ended December 31, 2003

**FIRE PROTECTION DISTRICT FUNDS**

The Fire Protection District Funds account for the operation and maintenance of the fire protection facilities within Fire Protection Districts Nos. 1, 2, 3, 4, 5, 6, and 7. Financing is provided primarily by ad valorem taxes, fire insurance premium taxes, and state revenue sharing funds.

**CRIMINAL COURT FUND**

The Thirty-First Judicial District Criminal Court Fund is established under Section 571.11 of Title 15 of the Louisiana Revised Statutes of 1950, which provides that fines and forfeitures imposed by the district courts and district attorney conviction fees in criminal cases are to be transferred to the parish treasurer and deposited into a special criminal court fund, to be used for the expenses of the criminal court of the parish. Expenditures are made from the fund on motion of the district attorney and approval of the district judge. The statute requires that one-half of the funds (fund balance) remaining in the criminal court fund at December 31 of each year be transferred to the parish General Fund.

**SECTION 8 HOUSING ASSISTANCE PAYMENTS FUND**

The Section 8 Housing Assistance Payments Fund accounts for those monies received under a Department of Housing and Urban Development program. This program is to provide assistance for housing costs for parish residents which comply with program requirements.

**JEFFERSON DAVIS PARISH POLICE JURY**  
 Jennings, Louisiana  
**SPECIAL REVENUE FUNDS**

Combining Balance Sheet, December 31, 2003

	Communications District for E-911	E-911 Wireless Fees	Special Revenue Account	Parish Road Fund	Courthouse Maintenance	Criminal Court	Sec 8 Housing	Road Maintenance Districts		Fire Protection Districts	Total (Memorandum Only)
								(From Exhibit F)	(From Exhibit H)		
\$ 115,571	\$ 537,128	\$ 712,667	\$ 39,099	\$ 507,695	\$ 60,004	\$ 42,713	\$ 225,562	\$ 531,862	\$ 2,772,301		
-	-	-	-	18,731	-	-	69,069	67,386	155,186		
-	-	-	-	418,512	-	-	-	164,472	582,984		
12,613	24,331	-	70,044	-	181,217	78,256	-	7,145	373,606		
<b>\$ 128,184</b>	<b>\$ 561,459</b>	<b>\$ 712,667</b>	<b>\$ 109,143</b>	<b>\$ 944,938</b>	<b>\$ 241,221</b>	<b>\$ 120,969</b>	<b>\$ 294,631</b>	<b>\$ 770,865</b>	<b>\$ 3,884,077</b>		

**ASSETS AND OTHER DEBITS**

Cash and cash equivalents  
 Cash held for protested taxes  
 Investments  
 Receivables, net of allowance for doubtful accounts

**TOTAL ASSETS AND OTHER DEBITS**

**LIABILITIES AND FUND BALANCES**

Liabilities:

Accounts payable	\$ 16,642	\$ -	\$ -	\$ -	\$ 22,459	\$ 111,856	\$ 64,752	\$ 34,892	\$ 78,899	\$ 329,500
Contracts payable	-	-	-	-	3,000	-	-	-	-	3,000
Retainage payable	-	-	-	-	1,839	-	-	-	-	1,839
Protested taxes payable	-	-	-	-	18,731	-	-	69,069	67,386	155,186
Deferred revenues	-	-	-	-	13,694	-	-	29,042	23,842	66,578
Due to other funds	-	-	10,000	-	19,227	86,904	1,980	-	18,000	136,111
Total Liabilities	\$ 16,642	\$ -	\$ 10,000	\$ -	\$ 78,950	\$ 198,760	\$ 66,732	\$ 133,003	\$ 188,127	\$ 692,214

Fund balances:

Unreserved - undesignated	\$ 111,542	\$ 561,459	\$ 702,667	\$ 109,143	\$ 865,988	\$ 42,461	\$ 54,237	\$ 161,628	\$ 582,738	\$ 3,191,863
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**TOTAL LIABILITIES AND FUND BALANCES**

\$ 128,184	\$ 561,459	\$ 712,667	\$ 109,143	\$ 944,938	\$ 241,221	\$ 120,969	\$ 294,631	\$ 770,865	\$ 3,884,077
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The accompanying notes are an integral part of this statement.



**JEFFERSON DAVIS PARISH POLICE JURY**  
 Jennings, Louisiana  
**SPECIAL REVENUE FUNDS**

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances  
 For the Year Ended December 31, 2003

	Communications District for E-911	E-911 Wireless Fees	Special Revenue Account	Parish Road Fund	Courtthouse Maintenance	Criminal Court	Sec 8 Housing	Road		Fire Protection Districts (From Exhibit F)	Total (Memorandum Only)
								Maintenance Districts (From Exhibit G)	Districts		
<b>REVENUES</b>											
Taxes:											
Ad valorem:	\$ -	\$ -	\$ -	\$ -	\$ 259,889	\$ -	\$ -	\$ 649,621	\$ -	\$ 530,022	\$ 1,439,532
Intergovernmental revenues:											
Federal funds:											
State funds:				9,109			496,388	44,473		381,794	931,764
Parish transportation funds				314,995							314,995
State revenue sharing (net)					34,353			12,570	2,450		49,373
Other			15,218	114,292		12,892		10,133	32,649		185,184
Local funds - other			84,498						52,169		136,667
Fines and forfeitures						2,204,142					2,204,142
Use of money and property	673	4,210	26,960	206	15,872	126	395	2,872	10,205		61,519
Other revenues	159,936	136,678				1,579		3,870	11,468		313,531
<b>Total revenues</b>	\$ 160,609	\$ 140,888	\$ 126,676	\$ 438,602	\$ 310,114	\$ 2,218,739	\$ 496,783	\$ 723,539	\$ 1,020,757	\$ -	\$ 5,636,707
<b>EXPENDITURES</b>											
General government:											
Judicial	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,033,634	\$ -	\$ -	\$ -	\$ -	\$ 2,033,634
Other				311,300	245,205	67,868	54,974		35,545		714,892
Public safety	213,861								897,327		1,111,188
Public works			872	640,749				734,111			1,375,732
Health and welfare							433,017				433,017
Capital Outlay			84,901								84,901
<b>Total expenditures</b>	\$ 213,861	\$ -	\$ 85,773	\$ 952,049	\$ 245,205	\$ 2,101,502	\$ 487,991	\$ 734,111	\$ 932,872	\$ -	\$ 5,753,364
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	\$ (53,252)	\$ 140,888	\$ 40,903	\$ (513,447)	\$ 64,909	\$ 117,237	\$ 8,792	\$ (10,572)	\$ 87,885	\$ (116,657)	
<b>OTHER FINANCING SOURCES</b>											
Operating Transfers In	\$ -	\$ -	\$ -	\$ 507,980	\$ -	\$ -	\$ -	\$ -	\$ 1,684	\$ -	\$ 509,664
Operating Transfers (Out)			(7,334)					(2,980)	(18,371)		(28,685)
<b>Total other financing sources (uses)</b>	\$ -	\$ -	\$ (7,334)	\$ 507,980	\$ -	\$ -	\$ -	\$ (2,980)	\$ (16,687)	\$ -	\$ 480,979
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES</b>	\$ (53,252)	\$ 140,888	\$ 33,569	\$ (5,467)	\$ 64,909	\$ 117,237	\$ 8,792	\$ (13,552)	\$ 71,198	\$ 364,322	
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	164,794	420,571	689,098	114,610	801,079	(32,315)	45,445	175,180	511,540	2,870,002	
Residual equity transfers in (out)						(42,461)				(42,461)	
<b>FUND BALANCES AT END OF YEAR</b>	\$ 111,542	\$ 561,459	\$ 702,667	\$ 109,143	\$ 865,988	\$ 42,461	\$ 54,237	\$ 161,628	\$ 582,738	\$ 3,191,863	

The accompanying notes are an integral part of this statement.

**JEFFERSON DAVIS PARISH POLICE JURY**

Jennings, Louisiana

**ROAD MAINTENANCE DISTRICTS**

Combining Balance Sheet, December 31, 2003

	Sub Road District No. 1	Special Ward Road & Bridge District 10 Division 1	Special Ward Road & Bridge District 11 Division 2	Special Ward Road & Bridge District 12 Division 3	Total (Memorandum Only) (To Exhibit D)
<b>ASSETS AND OTHER DEBITS</b>					
Cash and cash equivalents	\$ 9,304	\$ 165,244	\$ 3,337	\$ 47,677	\$ 225,562
Cash held for protested taxes	41,964	7,074	14,074	5,957	69,069
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<b>\$ 51,268</b>	<b>\$ 172,318</b>	<b>\$ 17,411</b>	<b>\$ 53,634</b>	<b>\$ 294,631</b>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities :					
Accounts payable	\$ 3,092	\$ 15,751	\$ 2,052	\$ 13,997	\$ 34,892
Protested taxes payable	41,964	7,074	14,074	5,957	69,069
Deferred revenue	4,817	12,895	2,921	8,409	29,042
Total Liabilities	\$ 49,873	\$ 35,720	\$ 19,047	\$ 28,363	\$ 133,003
Fund balances :					
Unreserved - undesignated	\$ 1,395	\$ 136,598	\$ (1,636)	\$ 25,271	\$ 161,628
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 51,268</b>	<b>\$ 172,318</b>	<b>\$ 17,411</b>	<b>\$ 53,634</b>	<b>\$ 294,631</b>

The accompanying notes are an integral part of this statement.

**JEFFERSON DAVIS PARISH POLICE JURY**  
 Jennings, Louisiana  
**ROAD MAINTENANCE DISTRICTS**

Combining Schedule of Revenues, Expenditures,  
 and Changes in Fund Balances  
 For the Year Ended December 31, 2003

	Sub Road District No. 1	Special Ward Road & Bridge District 10 Division 1	Special Ward Road & Bridge District 11 Division 2	Special Ward Road & Bridge District 12 Division 3	Total (Memorandum Only) (To Exhibit E)
<b>REVENUES</b>					
Taxes:					
Ad valorem	\$ 115,430	\$ 271,888	\$ 51,244	\$ 211,059	\$ 649,621
Intergovernmental revenues:					
Federal funds:					
Federal grants	1,092	28,908	1,576	12,897	44,473
State funds:					
State revenue sharing (net)	-	-	-	12,570	12,570
Other	-	6,586	608	2,939	10,133
Use of money and property	467	1,056	293	1,056	2,872
Other revenues	1,450	2,238	-	182	3,870
Total revenues	\$ 118,439	\$ 310,676	\$ 53,721	\$ 240,703	\$ 723,539
<b>EXPENDITURES</b>					
Public works	\$ 124,783	\$ 264,181	\$ 55,765	\$ 289,382	\$ 734,111
Total expenditures	\$ 124,783	\$ 264,181	\$ 55,765	\$ 289,382	\$ 734,111
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	\$ (6,344)	\$ 46,495	\$ (2,044)	\$ (48,679)	\$ (10,572)
<b>OTHER FINANCING SOURCES</b>					
Operating Transfers (Out)	-	-	-	(2,980)	(2,980)
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES</b>	(6,344)	46,495	(2,044)	(51,659)	(13,552)
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	7,739	90,103	408	76,930	175,180
<b>FUND BALANCES AT END OF YEAR</b>	\$ 1,395	\$ 136,598	\$ (1,636)	\$ 25,271	\$ 161,628

The accompanying notes are an integral part of this statement.

**JEFFERSON DAVIS PARISH POLICE JURY**  
Jennings, Louisiana  
**FIRE PROTECTION DISTRICTS**

Combining Balance Sheet, December 31, 2003

	Fire District No. 1	Fire District No. 2	Fire District No. 3	Fire District No. 4	Fire District No. 5	Fire District No. 6	Fire District No. 7	Total (Memorandum Only) (To Exhibit D)
<b>ASSETS AND OTHER DEBITS</b>								
Cash and cash equivalents	\$ 22,552	\$ 231,644	\$ 71,049	\$ 33,295	\$ 65,303	\$ 69,867	\$ 38,152	\$ 531,862
Cash held for protested taxes	432	3,182	2,583	2,256	40,450	18,331	152	67,386
Investments	-	58,142	106,330	-	-	-	-	164,472
Receivables	-	-	-	4,445	-	2,700	-	7,145
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<b>\$ 22,984</b>	<b>\$ 292,968</b>	<b>\$ 179,962</b>	<b>\$ 39,996</b>	<b>\$ 105,753</b>	<b>\$ 90,898</b>	<b>\$ 38,304</b>	<b>\$ 770,865</b>

<b>LIABILITIES AND FUND BALANCES</b>								
Liabilities:								
Accounts payable	\$ 587	\$ 3,344	\$ 57,508	\$ 4,459	\$ 4,955	\$ 7,972	\$ 74	\$ 78,899
Protested taxes payable	432	3,182	2,583	2,256	40,450	18,331	152	67,386
Deferred revenues	856	7,156	3,484	3,286	4,304	4,438	318	23,842
Due to other funds	18,000	-	-	-	-	-	-	18,000
<b>Total Liabilities</b>	<b>\$ 19,875</b>	<b>\$ 13,682</b>	<b>\$ 63,575</b>	<b>\$ 10,001</b>	<b>\$ 49,709</b>	<b>\$ 30,741</b>	<b>\$ 544</b>	<b>\$ 188,127</b>
<b>Fund balances:</b>								
Unreserved - undesignated	\$ 3,109	\$ 279,286	\$ 116,387	\$ 29,995	\$ 56,044	\$ 60,157	\$ 37,760	\$ 582,738
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 22,984</b>	<b>\$ 292,968</b>	<b>\$ 179,962</b>	<b>\$ 39,996</b>	<b>\$ 105,753</b>	<b>\$ 90,898</b>	<b>\$ 38,304</b>	<b>\$ 770,865</b>

The accompanying notes are an integral part of this statement.

**JEFFERSON DAVIS PARISH POLICE JURY**  
 Jennings, Louisiana  
**FIRE PROTECTION DISTRICTS**

Combining Schedule of Revenues, Expenditures,  
 and Changes in Fund Balances  
 For the Year Ended December 31, 2003

	Fire District No. 1	Fire District No. 2	Fire District No. 3	Fire District No. 4	Fire District No. 5	Fire District No. 6	Fire District No. 7	Memorandum Only (To Exhibit E)
<b>REVENUES</b>								
Taxes:								
Ad valorem	\$ 22,931	\$ 154,046	\$ 85,096	\$ 67,864	\$ 103,124	\$ 89,333	\$ 7,628	\$ 530,022
Intergovernmental revenues:								
Federal grants	-	-	342,689	-	-	39,105	-	381,794
State funds:								
State revenue sharing (net)	2,450	-	-	-	-	-	-	2,450
Other	2,948	6,368	4,414	2,826	3,925	12,168	-	32,649
Local funds - other	-	-	-	-	-	52,169	-	52,169
Use of money and property	84	4,445	3,519	704	720	582	151	10,205
Other revenues	-	5,393	-	5,575	500	-	-	11,468
Total revenues	\$ 28,413	\$ 170,252	\$ 435,718	\$ 76,969	\$ 108,269	\$ 193,337	\$ 7,779	\$ 1,020,757
<b>EXPENDITURES</b>								
General government:								
Other	\$ -	\$ 3,869	\$ 2,148	\$ 1,635	\$ 1,534	\$ 25,159	\$ 1,200	\$ 35,545
Public safety	31,135	86,129	459,185	52,486	102,880	164,270	1,242	897,327
Total expenditures	\$ 31,135	\$ 89,998	\$ 461,333	\$ 54,121	\$ 104,414	\$ 189,429	\$ 2,442	\$ 932,872
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	\$ (2,722)	\$ 80,254	\$ (25,615)	\$ 22,848	\$ 3,855	\$ 3,928	\$ 5,337	\$ 87,885
<b>OTHER FINANCING SOURCES</b>								
Operating Transfers In	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,684	\$ -	\$ 1,684
Operating Transfers (Out)	-	-	(18,371)	-	-	-	-	(18,371)
Total other financing sources (uses)	\$ -	\$ -	\$ (18,371)	\$ (18,371)	\$ -	\$ 1,684	\$ -	\$ (16,687)
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES</b>	\$ (2,722)	\$ 80,254	\$ (25,615)	\$ 4,477	\$ 3,855	\$ 5,612	\$ 5,337	\$ 71,198
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	5,831	199,032	142,002	25,518	52,189	54,545	32,423	511,540
<b>FUND BALANCES AT END OF YEAR</b>	\$ 3,109	\$ 279,286	\$ 116,387	\$ 29,995	\$ 56,044	\$ 60,157	\$ 37,760	\$ 582,738

The accompanying notes are an integral part of this statement.

**JEFFERSON DAVIS PARISH POLICE JURY**  
**Jennings, Louisiana**  
**SUPPLEMENTAL INFORMATION SCHEDULES**  
**As of and for the Year Ended December 31, 2003**

**CAPITAL PROJECTS FUNDS**

**FIRE DISTRICT NO. 6 IMPROVEMENTS AND MAINTENANCE**

The Fire District No. 6 Improvements and Maintenance Fund accounts for funds provided for the purpose of paying the cost of constructing, acquiring and improving fire protection in facilities for the district. Financing has been provided through the issuance of bonds to be serviced primarily through ad valorem taxes levied against properties within the district.

**SUBROAD DISTRICT NO. 2 CONSTRUCTION**

The SubRoad District No. 2 Construction Fund accounts for funds provided for the purpose of constructing and improving hard surface roads in the district. Financing has been provided through the issuance of bonds to be serviced primarily through ad valorem taxes levied against properties within the district.

**SILVERWOOD SEWER LCDB GRANT**

The Silverwood Sewer LCDB Grant accounts for funds provided for the purpose of improving sewer in the Silverwood community. Funding will be provided through federal grants.

**COUNTY AGENT CAPITAL IMPROVEMENTS**

The County Agent Capital Improvements Fund is used to account for the construction of a new parish county agent office. Funding will be provided through state grants, transfer by joint service agreement from Jeff Davis Parish District Attorney's Office and general fund transfers.

**JEFFERSON DAVIS PARISH POLICE JURY**  
 Jennings, Louisiana  
**CAPITAL PROJECT FUNDS**

Combining Balance Sheet, December 31, 2003

	Fire District #6 Improv & Maintenance	Sub Road District #2 Construction	Silverwood Sewer LCDB Grant	County Agent Office	Total (Memorandum Only)
<b>ASSETS AND OTHER DEBITS</b>					
Cash and cash equivalents	\$ -	\$ 7,696	\$ 38	\$ -	\$ 7,734
Receivables	-	-	25,908	35,000	60,908
Due from other funds	-	-	-	15,000	15,000
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<b>\$ -</b>	<b>\$ 7,696</b>	<b>\$ 25,946</b>	<b>\$ 50,000</b>	<b>\$ 83,642</b>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities :					
Accounts payable	\$ -	\$ -	\$ 25,908	\$ -	\$ 25,908
Total Liabilities	\$ -	\$ -	\$ 25,908	\$ -	\$ 25,908
Fund balances :					
Unreserved - undesignated	\$ -	\$ 7,696	\$ 38	\$ 50,000	\$ 57,734
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ -</b>	<b>\$ 7,696</b>	<b>\$ 25,946</b>	<b>\$ 50,000</b>	<b>\$ 83,642</b>

The accompanying notes are an integral part of this statement.

**JEFFERSON DAVIS PARISH POLICE JURY**  
 Jennings, Louisiana  
**CAPITAL PROJECT FUNDS**

Combining Schedule of Revenues, Expenditures,  
 and Changes in Fund Balances  
 For the Year Ended December 31, 2003

	Fire District #6 Improv & Maintenance	Sub Road District #2 Construction	Silverwood Sewer LCDB Grant	County Agent Office	Total (Memorandum Only)
<b>REVENUES</b>					
Intergovernmental revenues:					
Federal funds:					
Federal grants	\$ -	\$ -	\$ 48,585	\$ -	\$ 48,585
Use of money and property	24	-	-	-	24
Other revenues	-	-	50	-	50
Total revenues	\$ 24	\$ -	\$ 48,635	\$ -	\$ 48,659
<b>EXPENDITURES</b>					
General government:					
Other	\$ 14,420	\$ -	\$ 16,012	\$ -	\$ 30,432
Public Works	-	-	32,585	-	32,585
Total expenditures	\$ 14,420	\$ -	\$ 48,597	\$ -	\$ 63,017
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	\$ (14,396)	\$ -	\$ 38	\$ -	\$ (14,358)
<b>OTHER FINANCING SOURCES (USES)</b>					
Operating transfers in	-	-	-	-	-
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	\$ (14,396)	\$ -	\$ 38	\$ -	\$ (14,358)
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	14,396	7,696	-	50,000	72,092
<b>FUND BALANCES AT END OF YEAR</b>	\$ -	\$ 7,696	\$ 38	\$ 50,000	\$ 57,734

The accompanying notes are an integral part of this statement.



**JEFFERSON DAVIS PARISH POLICE JURY**  
**Jennings, Louisiana**  
**SUPPLEMENTAL INFORMATION SCHEDULES**  
**As of and for the Year Ended December 31, 2003**

**DEBT SERVICE FUNDS**

**FIRE DISTRICT NO. 6 SINKING FUND**

The Fire District No. 6 Sinking Fund is used to account for resources accumulated and expenditures incurred to service debt issued for capital projects within the district.

**FIRE DISTRICT NO. 4 SINKING FUND**

The Fire District No. 4 Sinking Fund is used to account for resources accumulated and expenditures incurred to service debt issued for purchase of equipment for the district.

**SUBROAD DISTRICT NO. 2 SINKING FUND**

The SubRoad District No. 2 Sinking Fund is used to account for resources accumulated and expenditures incurred to service debt issued for capital projects within the district.

**FIRE DISTRICT NO. 7 BOND & COUPON FUND**

The Fire District No. 7 Bond and Coupon Fund is used to account for resources accumulated and expenditures incurred to service debt issued for capital projects within the district.

**JEFFERSON DAVIS PARISH POLICE JURY**  
 Jennings, Louisiana  
**DEBT SERVICE FUNDS**

Combined Balance Sheet as of December 31, 2003

	Fire District #6 Sinking	Fire District #4 Sinking	Sub Road District #2 Sinking	Fire District #7 Bond & Coupon	Total (Memorandum Only)
<b>ASSETS AND OTHER DEBITS</b>					
Cash and cash equivalents	\$ -	\$ 18,371	\$ 10,739	\$ 12,741	\$ 41,851
Cash held for protested taxes	-	-	243	191	434
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<b>\$ -</b>	<b>\$ 18,371</b>	<b>\$ 10,982</b>	<b>\$ 12,932</b>	<b>\$ 42,285</b>
<b>LIABILITIES AND FUND EQUITY</b>					
<b>Liabilities:</b>					
Protested taxes payable	\$ -	\$ -	\$ 243	\$ 191	\$ 434
Deferred revenues	-	-	558	-	558
<b>Total Liabilities</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 801</b>	<b>\$ 191</b>	<b>\$ 992</b>
<b>Fund Equity:</b>					
<b>Fund balances:</b>					
Reserved for debt service	\$ -	\$ 18,371	\$ 10,181	\$ 12,741	\$ 41,293
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ -</b>	<b>\$ 18,371</b>	<b>\$ 10,982</b>	<b>\$ 12,932</b>	<b>\$ 42,285</b>

The accompanying notes are an integral part of this statement.

**JEFFERSON DAVIS PARISH POLICE JURY**

Jennings, Louisiana

**DEBT SERVICE FUNDS**

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
For the Year Ended December 31, 2003

	Fire District #6 Sinking	Fire District #4 Sinking	Sub Road District #2 Sinking	Fire District #7 Bond & Coupon	Total (Memorandum Only)
<b>REVENUES</b>					
Ad valorem taxes	\$ -	\$ -	\$ 13,364	\$ 10,500	\$ 23,864
Use of money	-	-	-	-	-
Total revenues	\$ -	\$ -	\$ 13,364	\$ 10,500	\$ 23,864
<b>EXPENDITURES</b>					
Bond interest	\$ -	\$ 4,046	\$ 4,158	\$ 2,625	\$ 10,829
Bond principal payments	-	14,000	5,000	3,000	22,000
Bank charges	-	-	350	362	712
Total expenditures	\$ -	\$ 18,046	\$ 9,508	\$ 5,987	\$ 33,541
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	\$ -	\$ (18,046)	\$ 3,856	\$ 4,513	\$ (9,677)
<b>OTHER FINANCING SOURCES (USES)</b>					
Operating transfers in	\$ -	\$ 18,371	\$ -	\$ -	\$ 18,371
Operating transfers (out)	(1,683)	-	-	-	(1,683)
Total other financing sources (uses)	\$ (1,683)	\$ 18,371	\$ -	\$ -	\$ 16,688
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	\$ (1,683)	\$ 325	\$ 3,856	\$ 4,513	\$ 7,011
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	1,683	18,046	6,325	8,228	34,282
<b>FUND BALANCES AT END OF YEAR</b>	\$ -	\$ 18,371	\$ 10,181	\$ 12,741	\$ 41,293

The accompanying notes are an integral part of this statement.

**ADDITIONAL INFORMATION**

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**JEFFERSON DAVIS PARISH POLICE JURY**  
Jennings, Louisiana  
**ADDITIONAL INFORMATION SCHEDULES**  
For the Year Ended December 31, 2003

**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, the president receives \$900 per month, and the other jurors receive \$800 per month.

JEFFERSON DAVIS PARISH POLICE JURY  
Jennings, Louisiana

Schedule of Compensation Paid to Police Jurors  
For the Year Ended December 31, 2003

Melton Alfred	\$	9,600
Ray Bebee		9,600
Robert J. Broussard		9,600
Douglas R. Daigle, President up to April, 2003		3,600
Donald Daigle		6,400
Bob Dupre		9,600
Leroy Faul		9,600
Early Gotreaux		9,600
Johnny Guinn		9,600
Rick LeBlanc		9,600
Dan LeJeune		9,600
Phil LeJeune		9,600
Harry Levy		9,600
Donald Woods, President		<u>10,400</u>
Total	\$	<u>126,000</u>

**OTHER REPORTS**

# EDWARD L. KRIELOW

A PROFESSIONAL ACCOUNTING CORPORATION  
510 N. CUTTING  
P. O. DRAWER 918  
JENNINGS, LA 70546  
(318) 824-5007

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

To the Jefferson Davis Parish Police Jury  
Jennings, Louisiana

I have audited the primary government financial statement of the Jefferson Davis Parish Police Jury, as of and for the year ended December 31, 2003, and have issued my report thereon dated June 28, 2004. I conducted my audit in accordance with auditing standards generally accepted in the United States of America 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 Jefferson Davis Parish Police Jury's primary government's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, I do not express such an opinion. The results of our tests disclosed three instances of noncompliance that are required to be reported under *Government Auditing Standards* which are described in the accompanying corrective action plan for current year audit findings as 2003-01, 2003-02 and 2003-03.

### Internal Control Over Financial Reporting

In planning and performing my audit, I considered the Jefferson Davis Parish Police Jury's internal control over financial reporting in order to determine my 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. 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 primary government 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 we consider to be material weaknesses.

This report is intended solely for the information and use of the finance committee, management, the Legislative Auditor and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

*Edward L. Krielow*  
Certified Public Accountants

Jennings, Louisiana  
June 28, 2004



## **EDWARD L. KRIELOW**

A PROFESSIONAL ACCOUNTING CORPORATION  
510 N. CUTTING  
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### **REPORT ON COMPLIANCE WITH REQUIREMENT APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Jefferson Davis Parish Police Jury  
Jennings, Louisiana

#### **Compliance**

I have audited the compliance of the Jefferson Davis 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 its major federal programs for the year ended December 31, 2003. The Jefferson Davis 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 program is the responsibility of the Jefferson Davis Parish Police Jury's management. My responsibility is to express an opinion on the Jefferson Davis Parish Police Jury's compliance based on my audit.

I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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 Non-Profit Organizations*. Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Jefferson Davis Parish Police Jury's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination on the Jefferson Davis Parish Police Jury's compliance with those requirements.

In my opinion, the Jefferson Davis Parish 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, 2003.

#### **Internal Control Over Compliance**

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

My consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weakness. 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 solely for the information and use of the finance committee, management, the Legislative Auditor, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by any one other than these specified parties. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

*Edward L. Krielow*

Certified Public Accountants

Jennings, Louisiana  
June 28, 2004

**JEFFERSON DAVIS PARISH POLICE JURY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2003**

**SUMMARY OF AUDIT RESULTS**

1. The auditor's report expresses an unqualified opinion on the primary government financial statements of the Jefferson Davis Parish Police Jury.
2. Three reportable conditions relating to the audit of the financial statements are reported in the Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of Jefferson Davis Parish Police Jury were disclosed during the audit.
4. No reportable conditions relating to the audit of the major federal award programs are reported in the Report on Compliance with Requirements Applicable to each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133.
5. The auditor's report on compliance for the major federal award programs for the Jefferson Davis Parish Police Jury expresses an unqualified opinion on all major federal programs.
6. No audit findings relative to the major federal award programs for the Jefferson Davis Parish Police Jury are reported in this Schedule.
7. The programs tested as major programs included:

Federal Grantor/ Pass-Through Grantor/ Program Name	CFDA Number
<u>United States Department of Housing and Urban Development</u> Section 8 Housing Choice Voucher Program	14.871
<u>United States Federal Emergency Management Agency</u> Assistance to firefighters Grant Program	85.554

8. The threshold for distinguishing Types A and B programs was \$300,000.
9. The Jefferson Davis Parish Police Jury was determined to be a low-risk auditee.

**FINDINGS-FINANCIAL STATEMENT AUDIT**

**REPORTABLE CONDITIONS**

2003-01 Statutory Compliance

**Condition:** During fiscal year ending 2003, the fire chief of Fire District No. 6 used a district vehicle to attend meetings and other functions as required by his part time employment with Allen Parish Police Jury. The police jury was not reimbursed by Allen parish for use of the vehicle. Article 7, Section 14 of the Louisiana Constitution prohibits loans, donations, or pledges of public property to any other political subdivision for which they are not statutorily required.

**Criteria:** Article 7, Section 14 of the Constitution of the State of Louisiana provides that political subdivisions of the State of Louisiana may enter into agreements between each other with a cooperative agreements.

**Effect:** Providing the use of parish property to another political agency without the use of a cooperative agreement is in violation of Article 7, Section 14 of the Constitution of the State of Louisiana.

**Recommendation:** The police jury should enter into a joint services agreement with Allen Parish Police Jury which provides for reasonable reimbursement for the use of their vehicle and comply with state laws as provided by Article 7, Section 14.

#### 2003-02 Grant Award Compliance

**Condition:** During fiscal year ending 2003, a review of expenditures indicated that the police jury used a clearing check in the amount of \$22,676.60 to pay expenses incurred for the Silverwood sewer improvement project instead of issuing payment directly from the bank account maintained specifically for the project. This project is being funded by a Community Development Block Grant which stipulates that a separate bank account be maintained and utilized to pay expenses related to the project so that proper procedures regarding expenditures are maintained.

**Criteria:** The police jury accepted funding by a Community Development Block Grant and agreed to adhere to the stipulations set forth by the agreement with the funding agencies.

**Effect:** Not adhering to the stipulations as set forth by the agreement with the funding agencies is in violation of such agreements.

**Recommendation:** The police jury has corrected this matter and will continue to issue checks directly from the Silverwood sewer improvement grant account as stipulated in the agreement with the funding agencies.

#### 2003-03 Statutory Compliance

**Condition:** A review of police jury expenditures disclosed that \$3,298.07 of expenses were paid to a business that is owned by a member of a police juror's immediate family which is prohibited by Louisiana revised statutes.

**Criteria:** Louisiana R.S. 42:1113 prohibits a member of a public servant's immediate family from bidding on or entering into any contract, subcontract, or other transactions that is under the supervision or jurisdiction of the agency of such public servant.

**Effect:** Transactions with a Juror's immediate family member is prohibited by La R.S. 42:1113.

**Recommendation:** The police jury should notify all of its departments of any related parties and cease any transactions with those parties.

### FINDINGS AND QUESTIONED COSTS-MAJOR FEDERAL AWARD PROGRAMS AUDIT

None

JEFFERSON DAVIS PARISH POLICE JURY  
Jennings, Louisiana

Schedule of Expenditures of Federal Awards  
For the Year Ended December 31, 2003

<u>Federal Grantor/ Pass-Through Grantor/ Program Name</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal CFDA Number</u>	<u>Expenditures</u>
<u>United States Department of Housing and Urban Development</u> Section 8 Housing Choice Voucher Program	LA 188VO	14.871	\$ 487,991
<u>United States Federal Emergency Management Agency</u> Assistance to Firefighters Grant	EMW-2002-FG- 1101 EMW-2002-FG- 11294 EMW-2002-FG- 11433 EMW-2002-FG- 11360 EMW-2002-FG- 12002	83.554	381,794
Passed through Louisiana Military Department Office of Emergency Preparedness Public Assistance Grants	LANG-OEP-DR	83.544	95,003
<u>United States Community Planning &amp; Development</u> Passed through Louisiana Division of Administration: Community Development Block Grants/ Small Cities Program	597853	14.219	48,584
<u>United States Department of Transportation</u> Passed through Louisiana Department of Transportation and Development: Formula Grants for Other than Urbanized areas	LA-18-X020 and LA-18-X021	20.509	122,649
Section 5309 Discretionary Grant Program	LA-03-0101 and LA-03-0097	20.500	<u>85,901</u>
 Total Expenditures of Federal Awards			 <u>\$ 1,221,922</u>

**JEFFERSON DAVIS PARISH POLICE JURY  
JENNINGS, LOUISIANA**

**Notes to the Schedule of Expenditures of Federal Awards  
For the Year Ended December 31, 2003**

**NOTE 1. BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the police jury and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the general purpose financial statements.

**NOTE 2. SUBRECIPIENTS**

Of the federal expenditures presented in the schedule, the police jury provided federal awards to subrecipients as follows:

	<u>Federal CFDA Number</u>	<u>Expenditures</u>
Passed through Louisiana Department of Transportation and Development:		
Formula Grants for other than Urbanized Areas	20.509	\$ 122,649
Section 5309 Discretionary Grant Program	20.500	<u>85,901</u>
		<u>\$ 208,550</u>

JEFFERSON DAVIS PARISH POLICE JURY  
Jennings, Louisiana

Summary Schedule of Prior Audit Findings  
For the Year Ended December 31, 2003

<u>Ref. No.</u>	<u>Fiscal Year Finding Initially Occurred</u>	<u>Description of Finding</u>	<u>Corrective Action Taken (Yes, No, Partially)</u>	<u>Planned Corrective Action/Partial Corrective Action Taken</u>
2001-M1 Management Letter	2001	There is an outstanding receivable from the district attorney in the amount of \$35,000 as per a joint services agreement signed in 1997. The district attorney has paid expenses that the jury is normally responsible for paying, however, the police jury has not verified that the expenses paid by the district attorney are applicable toward the debt owed to the police jury.	Partially	As of December 31, 2003, the district attorney has submitted invoices to indicate expenses paid that the jury would normally be responsible for paying. However, no resolution has been reached as to which if any of the invoices would be accepted as payment for the \$35,000 owed to the jury.
2001-M2	2001	Assist Agency agreed to fulfill the demands of a stipulated judgement and pay the police jury a sum of ten to fifteen thousand dollars by January 1, 2001 for funds owed to the Section 8 program. As of December 31, 2001 that sum has not yet been received by the police jury.	Partially	The police jury has determined that payment of the lump sum owed by the Assist Agency would jeopardize the agency. Therefore, the police jury has agreed to accept an increased monthly payment in lieu of the lump sum payment. However, as of December 31, 2003, the monthly payments from Assist Agency continue to be \$500 as originally stated in the agreement, and have not been increased.

JEFFERSON DAVIS PARISH POLICE JURY  
Jennings, Louisiana

Corrective Action Plan for Current Year Audit Findings  
For the Year Ended December 31, 2003

<u>Ref No.</u>	<u>Description of Finding</u>	<u>Corrective Action Planned</u>	<u>Name(s) of Contact Person</u>	<u>Anticipated Completion Date</u>
2003-01	The fire chief of Fire District No. 6 used a district vehicle to attend meetings and other functions as required by his part time employment with Allen Parish Police Jury . The police jury was not reimbursed by Allen parish for use of the vehicle. These actions are prohibited by Article 7, Section 14 of the Louisiana Constitution.	The police jury will enter into a joint services agreement with Allen Parish Police Jury which will include reasonable reimbursement for the use of the district vehicle.	Donald Woods	Immediately
2003-02	A review of expenditures indicated that the police jury used a clearing account check in the amount of \$22,676.60 for expenses incurred by the Silverwood Sewer Improvement Project instead of issuing payment directly from the bank account maintained specifically for the project. This project is being funded by a Community Development Block Grant which stipulates that a separate bank account should be maintained and utilized to pay expenses related to the project so that proper procedures regarding expenditures are maintained.	The Police Jury has corrected this matter and will continue to insure that payments related to the Silverwood Project are issued directly from the projects separately maintained bank account.	Donald Woods	Immediately
2003-03	A review of expenditures disclosed that \$3,298.07 of expenses for Fire District No.6 were paid to a business that is owned by a member of a police juror's immediate family which is prohibited by La R.S. 42:1113.	The police jury will inform its employees of any related parties and instruct them to not make any purchases from such parties.	Donald Woods	Immediately



JEFFERSON DAVIS PARISH POLICE JURY  
Jennings, Louisiana

Corrective Action Plan for Current Year Audit Findings  
For the Year Ended December 31, 2003

<u>Ref No.</u>	<u>Description of Finding</u>	<u>Corrective Action Planned</u>	<u>Name(s) of Contact Person</u>	<u>Anticipated Completion Date</u>
2003-M1	A review of employee personnel files indicated that the files contained noncurrent information or lack of pertinent information.	The police jury should update information in each employee personnel file so that all pertinent information is current and agrees with computer payroll records.	Donald Woods	Immediately

**EDWARD L. KRIELOW**

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**MANAGEMENT LETTER**

To the Management  
of the Jefferson Davis Parish Police Jury

In planning and performing my audit of the financial statements of the Jefferson Davis Parish Police Jury for the year ended December 31, 2003, I not only considered internal control and compliance with laws, regulations and grants, but I also made note of other operations and procedures used by the jury for the efficient and effective management of its assets. While items listed in this letter are not considered material violations and not required to be disclosed as reportable conditions, I feel they are of significant importance that additional action should be considered by the jury.

**CONDITION 1:**

A review of employee personnel files indicated that the files contained noncurrent information or lack of pertinent information. The police jury should update information in each employee personnel file so that all pertinent information is current and agrees with computer payroll records.

I will be available to the jury for any assistance they deem necessary in consulting and/or implementing any changes proposed as a result of the aforementioned conditions. This letter is intended solely for the information and use of the finance committee, management, the Legislative Auditor, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this letter is a matter of public record and its distribution is not limited.

*Edward L. Krielow*  
Certified Public Accountants

Jennings, Louisiana  
June 28, 2004