

**FRANKLIN PARISH POLICE JURY**  
**Winnsboro, Louisiana**

**Primary Government Financial Statements**  
**With Independent Auditors' Report**  
**As of and for the Year Ended**  
**December 31, 2003**  
**With Supplemental Information Schedules**

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 9-15-04

The attached financial report for the Franklin Parish Police Jury as of and for the year ended December 31, 2003, is a reissued report. It was brought to our attention that the original report contained the following incorrect information:

Statement C - Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget (Cash) Basis and Actual - The opening budgeted fund balances for the General Fund and the Special Revenue Fund were reported incorrectly. The reissued report contains the correct opening budgeted fund balances.

If you have any questions, please contact us. We apologize for any inconvenience this may cause.

Thank You,

Charles Marchbanks



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FRANKLIN PARISH POLICE JURY  
Winnsboro, Louisiana

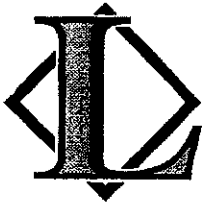
Primary Government Financial Statements  
With Independent Auditors' Report  
As of and for the Year Ended  
December 31, 2003  
With Supplemental Information Schedules

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**LITTLE & ASSOCIATES**  
CERTIFIED PUBLIC ACCOUNTANTS

Wm. TODD LITTLE, CPA  
CHARLES R. MARCHBANKS, JR., CPA

**Independent Auditors' Report**

**FRANKLIN PARISH POLICE JURY**  
Winnsboro, Louisiana

We have audited the primary government financial statements of the Franklin Parish Police Jury, as of December 31, 2003, and for the year then ended, as listed in the table of contents. These primary government financial statements are the responsibility of the Franklin Parish Police Jury's management. Our responsibility is to express an opinion on these primary government financial statements based on our audit.

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

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

However, the primary government financial statements, because they do not include the financial data of component units of the Franklin Parish Police Jury, do not purport to, and do not, present fairly the financial position of the Franklin Parish Police Jury at December 31, 2003, and results of its operations for the year then ended in conformity with U.S. generally accepted accounting principles.

FRANKLIN PARISH POLICE JURY

Winnsboro, Louisiana  
Independent Auditors' Report,  
December 31, 2003

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

In accordance with *Government Auditing Standards*, we have also issued reports dated March 17, 2004, on our consideration of the Franklin Parish Police Jury's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. These reports are an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

*Little & Associates, CPAs*

Monroe, Louisiana  
March 17, 2004

**PRIMARY GOVERNMENT FINANCIAL STATEMENTS  
(OVERVIEW)**

FRANKLIN PARISH POLICE JURY  
Winnsboro, Louisiana  
ALL FUND TYPES AND ACCOUNT GROUPS

Combined Balance Sheet  
December 31, 2003

	GOVERNMENTAL FUND TYPE			ACCOUNT GROUPS		TOTAL (MEMORANDUM ONLY)
	GENERAL FUND	SPECIAL REVENUE FUNDS	USDA CAPITAL PROJECT FUND	GENERAL FIXED ASSETS	GENERAL LONG-TERM OBLIGATIONS	
<b>ASSETS</b>						
Cash	\$386,943	\$3,216,693	\$13,355			\$3,616,991
Receivables	163,939	1,551,090				1,715,029
Due from other funds	6,997	34,791				41,788
Land, buildings, and equipment				\$8,640,486		8,640,486
Amount to be provided for retirement of general long-term obligations					\$63,819	63,819
<b>TOTAL ASSETS</b>	<b>\$557,879</b>	<b>\$4,802,574</b>	<b>\$13,355</b>	<b>\$8,640,486</b>	<b>\$63,819</b>	<b>\$14,078,113</b>
<b>LIABILITIES AND FUND EQUITY</b>						
<b>Liabilities:</b>						
Accounts payable	\$20,297	\$206,959	\$3,105			\$230,361
Payroll payable	3,244	31,118				34,362
Payroll deducts payable	44,271					44,271
Due to other funds	40,848	940				41,788
Deferred revenue- protested taxes		52,777				52,777
Compensated absences payable					\$63,819	63,819
<b>Total Liabilities</b>	<b>108,660</b>	<b>291,794</b>	<b>3,105</b>	<b>NONE</b>	<b>63,819</b>	<b>467,378</b>
<b>Fund Equity:</b>						
Investment in general fixed assets				\$8,640,486		8,640,486
Fund balances - reserved for workmen compensation claims		40,000				40,000
Fund balances - unreserved - undesignated	449,219	4,470,780	10,250			4,930,249
<b>Total Fund Equity</b>	<b>449,219</b>	<b>4,510,780</b>	<b>10,250</b>	<b>8,640,486</b>	<b>NONE</b>	<b>13,610,735</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$557,879</b>	<b>\$4,802,574</b>	<b>\$13,355</b>	<b>\$8,640,486</b>	<b>\$63,819</b>	<b>\$14,078,113</b>

The accompanying notes are an integral part of this statement.



FRANKLIN PARISH POLICE JURY  
Winnsboro, Louisiana  
GOVERNMENTAL FUND TYPE

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

	GENERAL FUND	SPECIAL REVENUE FUNDS	USDA CAPITAL PROJECT FUND	TOTAL (MEMORANDUM ONLY)
<b>REVENUES</b>				
Taxes:				
Ad valorem	\$129,582	\$1,529,833		\$1,659,415
Sales		2,747,161		2,747,161
Other taxes, penalties, and interest	11,413			11,413
Licenses and permits	80,340			80,340
Intergovernmental revenues:				
Federal funds:				
Federal grants	26,883	3,619,252	\$30,000	3,676,135
State funds:				
Parish transportation funds		366,901		366,901
State revenue sharing (net)	15,701	147,589		163,290
Severance taxes	25,052			25,052
Fire insurance rebate		16,514		16,514
Other	100,692			100,692
Fees, charges, and commissions for services	38,481	22,972		61,453
Fines and forfeitures		143,443		143,443
Use of money and property	6,247	33,414		39,661
Other revenues	18,786	40,598		59,384
Total revenues	<u>453,178</u>	<u>8,667,677</u>	<u>30,000</u>	<u>9,150,855</u>
<b>EXPENDITURES</b>				
Current:				
General government:				
Legislative	67,929			67,929
Judicial	73,453	168,483		241,936
Elections	13,693			13,693
Finance and administrative	246,202			246,202
Other general government	4,650	165,295		169,945
Public safety	20,394	88,840		109,234
Public works		3,941,845		3,941,845
Health and welfare	63,678	245,565		309,243
Culture and recreation	98,246			98,246
Economic development and assistance	65,053	3,631,964		3,697,017
Capital outlay	19,257	349,620	44,750	413,627
Total expenditures	<u>672,554</u>	<u>8,591,612</u>	<u>44,750</u>	<u>9,308,916</u>

(Continued)

FRANKLIN PARISH POLICE JURY  
Winnsboro, Louisiana  
GOVERNMENTAL FUND TYPE  
Combined Statement of Revenues, Expenditures,  
and Changes in Fund Balances, etc.  
For the Year Ended December 31, 2003

	GENERAL FUND	SPECIAL REVENUE FUNDS	USDA CAPITAL PROJECTS FUND	TOTAL (MEMORANDUM ONLY)
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	(\$219,376)	\$76,065	(\$14,750)	(\$158,061)
<b>OTHER FINANCING SOURCES (Use)</b>				
Sale of fixed assets	100	26,409		26,509
Proceeds from insurance	31,532	69		31,601
Operating transfers in	59,718	91,899	25,000	176,618
Operating transfers out	(137,852)	(38,766)		(176,618)
Total other financing sources (use)	(46,502)	79,611	25,000	58,109
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USE</b>	(265,878)	155,676	10,250	(99,952)
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	715,097	4,355,104		5,070,201
<b>FUND BALANCES AT END OF YEAR</b>	<u>\$449,219</u>	<u>\$4,510,780</u>	<u>\$10,250</u>	<u>\$4,970,249</u>

(Concluded)

The accompanying notes are an integral part of this statement.

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

Combined Statement of Revenues, Expenditures,  
and Changes in Fund Balances - Budget  
(Cash) Basis and Actual  
For the Year Ended December 31, 2003

	.....GENERAL FUND.....			....SPECIAL REVENUE FUNDS....		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>						
Taxes:						
Ad valorem	\$180,000	\$190,842	\$10,842	\$1,242,300	\$1,527,829	\$285,529
Sales and use				2,220,000	2,964,930	744,930
Other taxes, penalties, and interest	7,000	11,947	4,947			
Licenses and permits	80,500	82,180	1,680			
Intergovernmental revenues:						
Federal grants	26,000	26,863	863	35,000	203,768	168,768
State funds:						
Parish transportation funds				178,000	212,183	34,183
State revenue sharing (net)	12,000	15,699	3,699	106,800	136,693	29,893
Severance taxes	5,000	9,647	4,647			
Fire insurance rebate	53,000	54,611	1,611	1,500	2,803	1,303
Other state funds	133,000	116,003	(16,997)	155,000		(155,000)
Fees, charges, and commissions for services	35,000	38,583	3,583		173,019	173,019
Use of money and property	4,000	5,867	1,867	42,134	30,244	(11,890)
Other revenues	18,350	18,787	437	31,611	43,521	11,910
Total revenues	<u>553,850</u>	<u>571,029</u>	<u>17,179</u>	<u>4,012,345</u>	<u>5,294,990</u>	<u>1,282,645</u>
<b>EXPENDITURES</b>						
Current:						
General government:						
Legislative	70,150	68,466	1,684			
Judicial	76,510	72,124	4,386	151,195	166,325	(15,130)
Elections	14,780	14,708	72			
Finance and administrative	253,660	253,018	642			
Other general government				167,200	164,884	2,316
Public safety	80,350	54,268	26,082	105,434	112,735	(7,301)
Public works				4,140,640	3,909,355	231,285
Health and welfare		57,015	(57,015)	231,730	239,614	(7,884)
Culture and recreation	89,304	71,259	18,045			
Economic development and assistance	63,000	62,896	104	70,700	61,802	8,898
Capital Outlay		19,257	(19,257)	99,000	339,003	(240,003)
Total expenditures	<u>647,754</u>	<u>673,011</u>	<u>(25,257)</u>	<u>4,965,899</u>	<u>4,993,718</u>	<u>(27,819)</u>

(Continued)

FRANKLIN PARISH POLICE JURY  
Winnsboro, Louisiana  
GOVERNMENTAL FUND TYPE - GENERAL  
AND SPECIAL REVENUE FUNDS  
Combined Statement of Revenues, Expenditures,  
and Changes in Fund Balances - Budget  
(Cash) Basis and Actual  
For the Year Ended December 31, 2003

	.....GENERAL FUND.....			....SPECIAL REVENUE FUNDS....		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>EXCESS (Deficiency) OF REVENUES</b>	<u>(\$93,904)</u>	<u>(\$101,982)</u>	<u>(\$8,078)</u>	<u>(\$953,554)</u>	<u>\$301,272</u>	<u>\$1,254,826</u>
<b>OTHER FINANCING SOURCES</b>						
Sale of fixed assets	100	100		200	26,409	26,209
Operating Transfers in				14,600	68,450	53,850
Operating Transfers out	(65,000)	(56,583)		(14,000)	(13,766)	234
Proceeds from insurance	31,000	31,532	532			
Total other financing sources	<u>(33,900)</u>	<u>(24,951)</u>	<u>532</u>	<u>800</u>	<u>81,093</u>	<u>80,293</u>
<b>EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER</b>	<u>(127,804)</u>	<u>(126,933)</u>	<u>871</u>	<u>(952,754)</u>	<u>382,365</u>	<u>1,335,119</u>
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<u>335,037</u>	<u>334,962</u>	<u>(75)</u>	<u>2,586,074</u>	<u>2,770,438</u>	<u>184,364</u>
<b>FUND BALANCES AT END OF YEAR</b>	<u>\$207,233</u>	<u>\$208,029</u>	<u>\$796</u>	<u>\$1,633,320</u>	<u>\$3,152,803</u>	<u>\$1,519,483</u>

(Concluded)

The accompanying notes are an integral part of this statement.

**FRANKLIN PARISH POLICE JURY**  
Winnsboro, Louisiana

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Franklin Parish Police Jury is the governing authority for Franklin Parish and is a political subdivision of the State of Louisiana. The police jury is governed by seven jurors representing the various districts within the parish. The jurors serve four-year terms which expire in December, 2003.

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

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

**A. REPORTING ENTITY**

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

Governmental Accounting Standards Board (GASB) Statement No. 14 (Codification Section 2100.120-140) establishes criteria for determining which component units should be considered part of the Franklin Parish Police Jury for financial reporting purposes. The basic criteria for including a potential component unit within the reporting entity is financial accountability. This criteria includes:

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

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

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

	<u>Fiscal</u> <u>Year End</u>	<u>Criteria Used</u>
Franklin Parish:		
Library	December 31	1 & 3
Tourist Commission	December 31	1 & 3
Assessor	December 31	2 & 3
Clerk of Court	June 30	2 & 3
Sheriff	June 30	2 & 3
Communications District	December 31	1 & 3
Hospital Service District No. 1	December 31	1 & 3
Sewerage District No. 1	June 30	1 & 3
Sewerage District No. 2	December 31	1 & 3
Fire District No. 2	December 31	1 & 3
Fire District No. 3	December 31	1 & 3
Fire District No. 4	December 31	1 & 3
Fire District No. 5	December 31	1 & 3
Fifth Judicial District Criminal Court	December 31	3
Crowville Fire District	December 31	1 & 3
South Franklin Recreation District	December 31	1 & 3

FRANKLIN PARISH POLICE JURY

Winnsboro, Louisiana

Notes to the Financial Statements (Continued)

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

These primary government (police jury) financial statements include all funds, account groups, and organizations for which the police jury maintains the accounting records. Organizations for which the police jury maintains the accounting records include the Fifth Judicial District Criminal Court, Fire District No. 2, Fire District No. 3, Fire District No. 4, and the Franklin Parish Tourist Commission.

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

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

**B. FUND ACCOUNTING**

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

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

Funds are classified into three categories; governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types." Governmental funds are used to account

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

for a government's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. Fiduciary funds are used to account for assets held for others. The police jury's current operations require the use of governmental funds. The governmental fund types used by the police jury are described as follows:

**Governmental Funds:**

**General Fund**

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

**Special Revenue Funds**

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

**Capital Projects Fund**

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

**C. GENERAL FIXED ASSETS AND LONG-TERM OBLIGATIONS**

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures (capital outlay) in governmental funds and the related assets are reported in the general fixed assets account group. All purchased fixed assets are valued at cost where historical records are available and at estimated cost where no historical records are available. Approximately 91 per cent of general fixed assets are valued at actual cost while the remaining 9 per cent are based on estimated cost. Donated fixed assets are valued at their estimated fair market value on the date received.



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

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

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

**D. BASIS OF ACCOUNTING**

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

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

**Revenues**

Ad valorem taxes and the related state revenue sharing are budgeted as revenues in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis and attach as an enforceable lien and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. The taxes are normally collected in December of the current year and January and February of the ensuing year.

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

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

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

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

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

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

**Expenditures**

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

**Other Financing Sources (Uses)**

Proceeds from sales of fixed assets and insurance recovery are accounted for as other financing sources (uses) and are recognized when the underlying events occur.

**E. BUDGET PRACTICES**

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

Budget comparisons are prepared by the treasurer and are presented to the jury on a monthly basis. The treasurer presents necessary budget amendments to the jury during the year when, in her

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

judgment, actual operations are differing materially from those anticipated in the original budget. The jury, during a regular meeting, reviews the proposed amendments, makes changes as they feel necessary, and formally adopts the amendments. The adoption of amendments is included in police jury minutes published in the official journal.

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

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

	General Fund	Special Revenue Funds
	<u>          </u>	<u>          </u>
Excess of revenues and other sources over expenditures (budget basis)	(\$126,933)	\$382,365
Adjustments:		
Receivables	(81,194)	(228,241)
Interfund- receivables	4,838	9,227
Payables	(40,651)	(9,278)
Interfund- payables	(21,733)	6,159
Deferred revenue		6,464
Payroll payables	<u>(205)</u>	<u>(11,020)</u>
Excess of revenues and others source over expenditures and other uses (GAAP basis)	<u>(\$265,878)</u>	<u>\$155,676</u>

**F. CASH**

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

At December 31, 2003, the police jury has cash (book balances) totaling \$3,617,191.

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

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

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 Balances	<u>\$3,636,194</u>
Federal deposit insurance	\$100,000
Pledged securities (uncollateralized)	<u>4,516,495</u>
Total	<u>\$4,616,495</u>

Because the pledged securities are held by a custodial bank in the name of the fiscal agent bank rather than in the name of the police jury, they are considered uncollateralized (Category 3) under the provisions of GASB Codification C20.106; however, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the police jury that the fiscal agent bank has failed to pay deposited funds upon demand. Further, LRS 39:1224 states that securities held by a third party shall be deemed to be held in the police jury's name.

#### G. ANNUAL AND SICK LEAVE

After one year of service, employees of the police jury are granted from 5 to 20 days of annual leave each year, depending upon length of service. Upon resignation or retirement an employee will be compensated for annual leave accumulated to the date of separation, not to exceed 90 days. Any days over 90 will be credited to their retirement. Employees are granted one day of sick leave for each month of continuous employment and can accumulate up to 90 days sick leave. Employees are not compensated for accumulated sick leave upon separation of service.

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

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

At December 31, 2003, employees of the police jury had accumulated and vested \$63,819 of employee leave benefits, computed in accordance with GASB Codification C60. The liability is recorded within the general long-term obligations account group.

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

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

**H. SALES TAXES**

On January 19, 2002, voters of the parish approved the renewal of a one-half of one per cent sales and use tax which is dedicated for the purpose of solid waste collection and disposal. The renewal tax is for a period of five years beginning December 1, 2003, and ending November 30, 2008. On January 19, 2002, voters of the parish approved the renewal of a one per cent sales and use tax which is dedicated for the construction, operation, and maintenance of roads and bridges within the parish. The tax is for a period of ten years beginning July 1, 2003, and ending June 30, 2013. The police jury entered into an agreement with the Franklin Parish School Board whereby the school board provides collection services for a pro rata fee of the total based on taxes collected by the school board.

On March 5, 1985, as provided by Louisiana Revised Statute 33:4574, the police jury levied a two per cent tax on the occupancy of all hotel/motel rooms in the parish. Proceeds of the tax are used by the Franklin Parish Tourist Commission for the purpose of promoting tourism in the parish. The Franklin Parish School Board collects and remits the taxes, net of collection costs, to the police jury.

**I. TOTAL COLUMNS ON COMBINED STATEMENTS**

Total columns on the combined statements are captioned Memorandum Only (overview) to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with U.S. generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

**J. RISK MANAGEMENT**

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

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

on statement A.

**2. LEVIED TAXES**

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

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Parishwide taxes:			
General:			
Outside municipalities	3.29	3.48	Indefinite
Inside municipalities	1.64	1.74	Indefinite
Equipment	8.12	8.31	2007
Health Unit	3.00	3.27	2010
Drainage maintenance	11.17	11.43	2007
Road equipment and salary adjustment	4.26	4.36	2008
Courthouse maintenance	4.07	4.17	2007
Fire district 2	10.00	10.32	2005
Fire district 3	10.00	9.96	2007
Fire district 4	10.00	9.77	2010

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

The following are the principal taxpayers for the parish and their 2003 assessed valuation:

	<u>2003 Assessed Valuation</u>	<u>Per cent of Total Assessed Valuation</u>
Entergy Louisiana, Inc.	\$2,088,490	3.07%
Bellsouth Telecommunications, Inc.	1,566,510	2.30%
Winnsboro State Bank & Trust Co.	1,355,665	1.99%
Columbia Gulf Transmission Co.	1,299,680	1.91%
Northeast LA Power COOP	1,287,210	1.89%
Franklin State Bank & Trust Co.	1,274,490	1.87%
Tennessee Gas Pipeline Co.	1,196,560	1.76%
ANR Pipeline Co.	1,033,510	1.52%

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

	2003 Assessed Valuation	Per cent of Total Assessed Valuation
Wal-mart Stores East, Inc.	889,715	1.31%
Progressive Bank	1,006,815	1.48%
<b>Total</b>	<b><u>\$12,998,645</u></b>	<b><u>19.10%</u></b>

**3. RECEIVABLES**

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

	General Fund	Special Revenue Funds	Total
Taxes:			
Ad valorem	\$118,902	\$1,417,573	\$1,536,475
Alcoholic Beverage	1,864		1,864
Grants:			
Federal	3,468		3,468
State	28,822	129,202	158,024
Other	10,883	4,315	15,198
<b>Total</b>	<b><u>\$163,939</u></b>	<b><u>\$1,551,090</u></b>	<b><u>\$1,715,029</u></b>

**4. CHANGES IN GENERAL FIXED ASSETS**

The following presents changes in general fixed assets for the year ended December 31, 2003:

	Balance at January 1	Additions	Deletions	Balance at December 31
Land	\$293,136	\$15,000		\$308,136
Buildings	5,428,525			5,428,525
Equipment	2,617,945	\$353,877	(\$112,747)	2,859,075
Constructio-in-progress		44,750		44,750
<b>Total</b>	<b><u>\$8,339,606</u></b>	<b><u>\$413,627</u></b>	<b><u>(\$112,747)</u></b>	<b><u>\$8,640,486</u></b>

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

5. PENSION PLAN

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

All permanent employees working at least twenty-eight hours per week who are paid wholly or in part from parish funds and all elected parish officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 per cent of their final average salary for each year of creditable service. However, for those employees who were members of the supplemental plan only before January 1, 1980, the benefit is equal to one per cent of final average salary plus \$24 for each year of supplemental-plan-only service earned before January 1, 1980, plus 3 per cent of final-average salary for each 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 benefits accrued to their date of termination. The system also provides death and disability benefits. Benefits are established or amended by state statute.

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

Under Plan A, members are required by state statute to contribute 9.50 per cent of their annual covered salary and the Franklin Parish Police Jury is required to contribute at an actuarially determined rate. The current rate is 7.75 per cent of annual covered payroll. Contributions to the system also include one-fourth of one per cent (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the Franklin Parish Police Jury are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, 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 Franklin Parish Police Jury's contributions to the System under Plan A for the years ending December 31, 2003, 2002, and 2001, were \$80,947, \$71,224, and \$61,318, respectively, equal to the required contributions for each year.



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

**6. POST EMPLOYMENT BENEFITS**

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

**7. DUE FROM/TO OTHER FUNDS**

The following presents interfund balances due from and to other funds at December 31, 2003.

Fund	<u>Due From</u>	<u>Due To</u>
General	\$648	\$37,609
Special Revenue:		
Section 8		
Road and Bridge	648	940
Health Unit	648	
Drainage Maintenance	648	
Road Equipment & Salary Adjustment		
Parish Equipment		
Tourism Commission		
Courthouse Maintenance		
Fire District II	13,800	
Fire District III	9,200	
Fire District IV	9,200	
Criminal Court	649	
Sales Tax		
Payroll Clearing	6,349	\$3,239
AP Clearing		
Witness Fee		
Total	<u>\$41,788</u>	<u>\$41,788</u>

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

The following is a summary of long-term obligation transactions for the year ended December 31, 2003:

	<u>Compensated Absences</u>
Long-term obligations at January 1 <sup>ST</sup>	\$55,573
Additions	25,671
Deductions	(19,751)
Adjustments <sup>1</sup>	<u>2,326</u>
Long-term obligations at December 31 <sup>ST</sup>	<u><u>\$63,819</u></u>

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

**9. FUND DEFICIT**

At December 31, 2003, the Criminal Court Special Revenue Fund had a deficit fund balance of \$26,436. The deficit will be eliminated by reducing expenditures and making transfers from the General Fund.

**10. LITIGATION AND CLAIMS**

At December 31, 2003, the police jury is involved in one lawsuit. Although the total amount of potential liability cannot be determined at this time, any damages awarded would be covered under the police jury's insurance. In the event there is an unfavorable outcome, the police jury's maximum loss would be limited to the insurance deductible amount of \$25,000. No provision for the potential liability has been made in the accompanying financial statements.

**SUPPLEMENTAL INFORMATION SCHEDULES**

**FRANKLIN PARISH POLICE JURY**  
Winnsboro, Louisiana  
**SUPPLEMENTAL INFORMATION SCHEDULES**  
As of and For the Year Ended December 31, 2003

**SPECIAL REVENUE FUNDS**

**MAINTENANCE FUNDS**

**Road and Bridge Maintenance Fund**

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

**Drainage Maintenance Fund**

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

**Courthouse Maintenance Fund**

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

**Health Unit Maintenance Fund**

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

**Equipment Maintenance Fund**

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

**SECTION 8 HOUSING FUND**

The Section 8 Housing Fund provides housing assistance payments to participating owners on behalf of eligible tenants to provide decent, safe, and sanitary housing for very low income families at rents they can afford. Housing assistance payments are used to make up the difference between the approved rent due to the owner for the dwelling unit and the occupant family's required contribution towards the rent.

Assisted families are required to contribute up to 30 per cent of their adjusted family income towards rent. Funding is provided through the United States Department of Housing and Urban Development.

#### **ROAD EQUIPMENT AND SALARY ADJUSTMENT FUND**

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

#### **WITNESS FEE FUND**

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

#### **CRIMINAL COURT FUND**

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

#### **SALES TAX FUND**

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

#### **TOURIST COMMISSION FUND**

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

#### **UNEMPLOYMENT ESCROW**

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

## **FIRE DISTRICT NO. 2**

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

## **FIRE DISTRICT NO. 3**

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

## **FIRE DISTRICT NO. 4**

The Fire District Fund No. 4 accounts for operations of the fire district. Financing is provided by ad valorem taxes.

## **WORKFORCE INVESTMENT ACT FUND**

The Workforce Investment Act Fund (WIA) accounts for federally funded job assistance programs designed to develop job skills for economically disadvantaged parishes of Richland, Franklin, Tensas, Madison, East Carroll, Caldwell, and Jackson. Funding is provided by the United States Department of Labor through the Louisiana Department of Labor. Funds are subsequently transferred to the administrative entity (subrecipient) for actual operation of the program. The Workforce Investment Act Fund is reported as of and for the year ended June 30, 2003, the program year for WIA.

**FRANKLIN PARISH POLICE JURY**  
Winnsboro, Louisiana  
**SPECIAL REVENUE FUNDS**

Combining Balance Sheet  
December 31, 2003

	SECTION 8	ROAD EQUIPMENT AND SALARY ADJUSTMENT	WITNESS FEE	CRIMINAL COURT	SALES TAX	TOURIST COMMISSION	UNEMPLOYMENT ESCROW	FIRE DISTRICTS	TOTAL
<b>ASSETS</b>									
Cash and cash equivalents	\$2,229,969	\$278,456	\$1,917	\$31,432	\$475,321	\$60,572	\$42,142	\$87,097	\$3,216,693
Receivables	1,231,050	203,229	75	3,185		1,052		112,500	1,551,091
Due from other funds	1,943			648				32,200	34,791
<b>TOTAL ASSETS</b>	<b>\$3,462,962</b>	<b>\$481,685</b>	<b>\$1,992</b>	<b>\$35,265</b>	<b>\$475,321</b>	<b>\$61,624</b>	<b>\$42,142</b>	<b>\$231,797</b>	<b>\$4,802,574</b>

**LIABILITIES AND FUND EQUITY**

Liabilities:									
Accounts payable	\$101,081	\$18,174	\$75	\$3,577	\$70,414	\$35		\$10,586	\$206,959
Payroll payable	29,224			1,894					31,118
Due to other funds	940								940
Deferred revenue	38,074	5,440						9,263	52,777
Total Liabilities	169,319	23,614	75	5,471	70,414	35	NONE	19,849	291,794
Fund Equity - fund balance:									
Reserved for workmen comp claims							\$40,000		40,000
Unreserved - undesignated	3,293,643	458,071	1,917	29,794	404,907	61,589	2,142	211,948	4,470,780
Total Fund Equity	3,293,643	458,071	1,917	29,794	404,907	61,589	42,142	211,948	4,510,780
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$3,462,962</b>	<b>\$481,685</b>	<b>\$1,992</b>	<b>\$35,265</b>	<b>\$475,321</b>	<b>\$61,624</b>	<b>\$42,142</b>	<b>\$231,797</b>	<b>\$4,802,574</b>

FRANKLIN PARISH POLICE JURY

Winnsboro, Louisiana

SPECIAL REVENUE FUNDS

Combining Schedule of Revenues, Expenditures,  
and Changes in Fund Balances

For the Year Ended December 31, 2003

	MAINTENANCE	SECTION & ADJUSTMENT	ROAD EQUIPMENT AND SALARY	WITNESS FEE	CRIMINAL COURT	SALES TAX	TOURIST COMMISSION	UNEMPLOYMENT ESCROW	FIRE DISTRICTS	WIA* (6/30/03)	TOTAL
<b>REVENUES</b>											
Taxes:											
Ad valorem	\$1,200,861		\$203,395			\$909,065	\$19,974		\$125,577		\$1,529,833
Sales and use	1,818,122										2,747,161
Intergovernmental revenues:											
Federal grants:		\$48,626								\$3,570,626	3,619,252
State funds:											
Parish transportation funds	366,901										366,901
State revenue sharing (net)	126,214		21,375								147,589
Fire insurance rebate									16,514		16,514
Fees, charges, and commissions for services				\$2,410		6,779	13,783				22,972
Fines and forfeitures					\$143,443						143,443
Use of money and property	20,904	51	3,265	96	366	3,695	677	\$336	4,023		33,414
Other revenues	37,802	2,685			111						40,598
Total revenues	<u>3,570,804</u>	<u>51,363</u>	<u>228,035</u>	<u>2,506</u>	<u>143,920</u>	<u>919,539</u>	<u>34,434</u>	<u>336</u>	<u>146,114</u>	<u>3,570,626</u>	<u>8,667,677</u>
<b>EXPENDITURES</b>											
Current:											
General government:											
Judicial				3,564	164,905			14			168,483
Other general government	165,295										165,295
Public safety									88,840		88,840
Public works	2,799,115		203,707			939,023					3,941,845
Health and welfare	189,007	56,558									245,565
Economic development and assistance							61,338				61,338
Capital outlay	349,620										349,620
Total expenditures	<u>3,503,037</u>	<u>56,558</u>	<u>203,707</u>	<u>3,564</u>	<u>164,905</u>	<u>939,023</u>	<u>61,338</u>	<u>14</u>	<u>88,840</u>	<u>3,570,626</u>	<u>8,591,612</u>



<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	67,767	(5,195)	24,329	(1,058)	(20,986)	(19,484)	(26,904)	322	57,274	NONE	76,065
<b>OTHER FINANCING SOURCES (Use)</b>	26,408										26,408
Sale of fixed assets	69										69
Proceeds from insurance		11,964			77,215				2,720		91,899
Operating transfers in									(25,000)		(38,766)
Operating transfers out				(13,766)							
Total other financing sources (use)	26,477	11,964	NONE	(13,766)	77,215	NONE	NONE	NONE	(22,280)	NONE	79,611
<b>EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USE</b>	94,244	6,769	24,329	(14,824)	56,230	(19,484)	(26,904)	322	34,994	NONE	155,676
<b>FUND BALANCES (Deficit) AT BEGINNING OF YEAR</b>	3,199,399	NONE	433,742	16,741	(26,436)	424,392	88,493	41,820	176,954	NONE	4,355,104
<b>FUND BALANCES (Deficit) AT END OF YEAR</b>	\$3,293,643	\$6,769	\$458,071	\$1,917	\$29,794	\$404,907	\$61,589	\$42,142	211,948	NONE	\$4,510,780

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

Combining Balance Sheet  
December 31, 2003

	ROAD AND BRIDGE	DRAINAGE	COURTHOUSE	HEALTH UNIT	EQUIPMENT	TOTAL
<b>ASSETS</b>						
Cash and cash equivalents	\$1,082,352	\$256,970	\$243,378	\$377,791	\$269,478	\$2,229,969
Receivables	33,436	502,293	183,011	147,171	365,139	1,231,050
Due from other funds	648	648		648		1,943
<b>TOTAL ASSETS</b>	<b><u>\$1,116,436</u></b>	<b><u>\$759,911</u></b>	<b><u>\$426,389</u></b>	<b><u>\$525,610</u></b>	<b><u>\$634,617</u></b>	<b><u>\$3,462,962</u></b>
<b>LIABILITIES AND FUND EQUITY</b>						
Liabilities:						
Accounts payable	\$38,003	\$26,235	\$9,643	\$8,406	\$18,794	\$101,081
Payroll payable	20,698	5,115	1,077	2,334		29,224
Due to other funds	940					940
Deferred revenue-protest taxes		15,912	5,683	4,546	11,934	38,074
<b>Total Liabilities</b>	<b><u>59,641</u></b>	<b><u>47,262</u></b>	<b><u>16,403</u></b>	<b><u>15,286</u></b>	<b><u>30,728</u></b>	<b><u>169,319</u></b>
Fund Equity - fund balance - unreserved - undesignated	<u>1,056,795</u>	<u>712,649</u>	<u>409,986</u>	<u>510,324</u>	<u>603,889</u>	<u>3,293,643</u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b><u>\$1,116,436</u></b>	<b><u>\$759,911</u></b>	<b><u>\$426,389</u></b>	<b><u>\$525,610</u></b>	<b><u>\$634,617</u></b>	<b><u>\$3,462,962</u></b>

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

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

	ROAD AND BRIDGE	DRAINAGE	COURTHOUSE	HEALTH UNIT	EQUIPMENT	TOTAL
<b>REVENUES</b>						
Taxes:						
Ad valorem		\$503,701	\$183,532	\$147,464	\$366,164	\$1,200,861
Sales and use	\$1,818,122					1,818,122
Intergovernmental revenues						
State funds:						
Parish transportation funds	366,901					366,901
State revenue sharing (net)		52,941	19,290	15,498	38,485	126,214
Use of money and property	7,988	3,566	2,379	3,719	3,253	20,904
Other revenues	37,801			1		37,802
Total revenues	<u>2,230,811</u>	<u>560,207</u>	<u>205,201</u>	<u>166,682</u>	<u>407,902</u>	<u>3,570,803</u>
<b>EXPENDITURES</b>						
Current:						
General government - other			165,295			165,295
Public works	2,088,203	544,016			166,897	2,799,116
Health and welfare				189,007		189,007
Capital outlay	176,355				173,265	349,620
Total expenditures	<u>2,264,558</u>	<u>544,016</u>	<u>165,295</u>	<u>189,007</u>	<u>340,162</u>	<u>3,503,038</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>						
	<u>(33,747)</u>	<u>16,191</u>	<u>39,906</u>	<u>(22,325)</u>	<u>67,740</u>	<u>67,765</u>
<b>OTHER FINANCING SOURCES (Use)</b>						
Sale of fixed assets	1,409	25,000				26,409
Proceeds from insurance reimbursement	69					69
Total other financing sources (use)	<u>1,478</u>	<u>25,000</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>26,478</u>
<b>EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USE</b>						
	<u>(32,269)</u>	<u>41,191</u>	<u>39,906</u>	<u>(22,325)</u>	<u>67,740</u>	<u>94,243</u>
<b>FUND BALANCES AT BEGINNING OF YEAR</b>						
	<u>1,089,064</u>	<u>671,457</u>	<u>370,080</u>	<u>532,649</u>	<u>536,149</u>	<u>3,199,399</u>
<b>FUND BALANCES AT END OF YEAR</b>						
	<u>\$1,056,795</u>	<u>\$712,649</u>	<u>\$409,986</u>	<u>\$510,324</u>	<u>\$603,889</u>	<u>\$3,293,642</u>

FRANKLIN PARISH POLICE JURY  
Winnsboro, Louisiana  
SPECIAL REVENUE - FIRE DISTRICT FUNDS

Combining Balance Sheet  
December 31, 2003

	FIRE DISTRICT NO. <u>2</u>	FIRE DISTRICT NO. <u>3</u>	FIRE DISTRICT NO. 4 <u>NO. 4</u>	<u>TOTAL</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$33,037	\$22,045	\$32,015	\$87,097
Receivables	50,343	21,663	40,494	112,500
Due from others	<u>13,800</u>	<u>9,200</u>	<u>9,200</u>	<u>32,200</u>
TOTAL ASSETS	<u>\$97,180</u>	<u>\$52,908</u>	<u>\$81,709</u>	<u>\$231,797</u>
<b>LIABILITIES AND FUND EQUITY</b>				
Liabilities:				
Accounts payable	\$2,769	\$4,052	\$3,766	\$10,586
Deferred revenue- protest taxes	<u>6,594</u>	<u>2,042</u>	<u>627</u>	<u>9,263</u>
Total Liabilities	<u>9,363</u>	<u>6,094</u>	<u>4,392</u>	<u>19,849</u>
Fund Equity - fund balance - unreserved - undesignated	<u>87,817</u>	<u>46,814</u>	<u>77,317</u>	<u>211,948</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$97,180</u>	<u>\$52,908</u>	<u>\$81,709</u>	<u>\$231,797</u>

FRANKLIN PARISH POLICE JURY  
Winnsboro, Louisiana  
SPECIAL REVENUE - FIRE DISTRICT FUNDS

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

	FIRE DISTRICT NO. 2	FIRE DISTRICT NO. 3	FIRE DISTRICT NO. 4	TOTAL
<b>REVENUES</b>				
Taxes:				
Ad valorem	\$54,585	\$22,922	\$48,070	\$125,577
Intergovernmental revenues				
State funds - fire insurance rebate	7,212	3,099	6,203	16,514
Use of money and property	1,952	198	1,873	4,023
Total revenues	<u>63,749</u>	<u>26,219</u>	<u>56,146</u>	<u>146,114</u>
<b>EXPENDITURES</b>				
Current -				
Public safety	43,246	18,716	26,878	88,840
Total expenditures	<u>43,246</u>	<u>18,716</u>	<u>26,878</u>	<u>88,840</u>
Transfers in			2,720	2,720
Transfers out			(25,000)	(25,000)
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<u>20,503</u>	<u>7,503</u>	<u>6,987</u>	<u>34,994</u>
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<u>67,313</u>	<u>39,311</u>	<u>70,330</u>	<u>176,954</u>
<b>FUND BALANCES AT END OF YEAR</b>	<u>\$87,817</u>	<u>\$46,814</u>	<u>\$77,317</u>	<u>\$211,948</u>

**FRANKLIN PARISH POLICE JURY**  
Winnsboro, Louisiana  
**SUPPLEMENTAL INFORMATION SCHEDULE**  
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 jurors have all chosen different amounts of monthly compensation ranging from none to \$850 per month.

FRANKLIN PARISH POLICE JURY  
Winnsboro, Louisiana

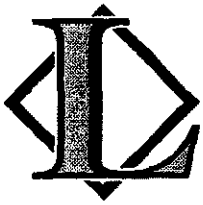
Schedule of Compensation Paid Police Jurors  
For the Year Ended December 31, 2003

Ricky Campbell, President	\$10,200
W.A. "Bo" Erskin	9,000
Harvey Ray Guimbellot	9,000
Jackie R. Johnson	9,000
Leroy Scott	9,000
Carey C. Stevens	<u>9,000</u>
Total	<u>\$55,200</u>

**Independent Auditors' Reports on Compliance with  
Laws, Regulations, Contracts, and Grants,  
and Internal Control**

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





**LITTLE & ASSOCIATES**  
CERTIFIED PUBLIC ACCOUNTANTS

Wm. TODD LITTLE, CPA  
CHARLES R. MARCHBANKS, JR., CPA

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

**FRANKLIN PARISH POLICE JURY**  
Winnsboro, Louisiana

We have audited the primary government financial statements of the Franklin Parish Police Jury as of and for the year ended December 31, 2003, and have issued our report thereon dated March 17, 2004. We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance**

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

**Internal Control Over Financial Reporting**

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

FRANKLIN PARISH POLICE JURY

Winnsboro, Louisiana

Independent Auditors' Report on Compliance

And Internal Control Over Financial Reporting, etc.

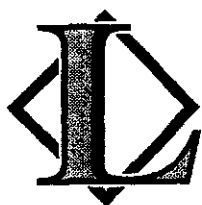
December 31, 2003

This report is intended for the information of the members of the Franklin Parish Police Jury, management of the police jury, federal awarding agencies and pass-through entities, and the Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 245:513, this report is distributed by the Legislative Auditor as a public document.

*Little & Associates, CPAs*

Monroe, Louisiana

March 17, 2004



**LITTLE & ASSOCIATES**  
CERTIFIED PUBLIC ACCOUNTANTS

Wm. TODD LITTLE, CPA  
CHARLES R. MARCHBANKS, JR., CPA

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

FRANKLIN PARISH POLICE JURY  
Winnsboro, Louisiana

**Compliance**

We have audited the compliance of the Franklin Parish Police Jury with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to its major federal program for the year ended December 31, 2003. The Franklin Parish Police Jury's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the Franklin Parish Police Jury's management. Our responsibility is to express an opinion on the Franklin Parish Police Jury's compliance based on our audit.

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

In our opinion, the Franklin Parish Police Jury complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 2003.

FRANKLIN PARISH POLICE JURY  
Winnsboro, Louisiana  
Independent Auditors' Report on Compliance  
With Requirements Applicable to Each Major  
Program and Internal Control Over Compliance, etc.  
December 31, 2003

**Internal Control Over Compliance**

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

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended for the information of the members of the Franklin Parish Police Jury, management of the police jury, federal awarding agencies and pass-through entities, and the Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 245:513, this report is distributed by the Legislative Auditor as a public document.

*Little + Associates, CPAs*

Monroe, Louisiana  
March 17, 2004

FRANKLIN PARISH POLICE JURY  
Winnsboro, Louisiana

Schedule of Findings and Questioned Costs  
For the Year Ended December 31, 2003

**A. SUMMARY OF AUDIT RESULTS**

1. The auditors' report expresses an unqualified opinion on the primary government financial statements of the Franklin Parish Police Jury.
2. No reportable conditions relating to the audit of the financial statements are reported in the Independent Auditors' Report on Compliance and Internal Control Over Financial Reporting.
3. No instances of noncompliance material to the financial statements of the Franklin Parish Police Jury were disclosed during the audit.
4. No reportable conditions relating to the audit of the major federal award program are reported in the Auditors' Report on Compliance With Requirements Applicable to Each Major Program and Internal Control Over Compliance.
5. The auditors' report on compliance for the major federal award program for the Franklin Parish Police Jury expresses an unqualified opinion.
6. No audit findings relative to the major federal award program for the Franklin Parish Police Jury are reported.
7. The Workforce Investment Act (WIA) Cluster was tested as a major program and consisted of the following individual programs:
 

	<u>CFDA No.</u>
Workforce Investment Act - Adult Program	17.258
Workforce Investment Act - Youth Activities	17.259
Workforce Investment Act - Dislocated Workers	17.260
8. The threshold for distinguishing type A and B programs was \$300,000.
9. The Franklin Parish Police Jury was determined to be a low risk auditee.

**FRANKLIN PARISH POLICE JURY**  
Winnsboro, Louisiana

**Schedule of Findings and Questioned Costs (Continued)**  
**For the Year Ended December 31, 2003**

**B. FINDINGS - FINANCIAL STATEMENTS AUDIT**

No findings resulted from the financial statement audit.

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

None

**FRANKLIN PARISH POLICE JURY**  
**Winnsboro, Louisiana**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2003**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR NAME/ PROGRAM TITLE	CFDA NUMBER	PASS-THROUGH GRANTOR'S NUMBER	FEDERAL EXPENDITURES
<b>United States Department of Housing and Urban Development</b>			
Direct program - Section 8 Housing			
Choice Vouchers	14.871	N/A	\$48,626
Passed through Department of Social Services, Office of Community Services- HUD/Emergency Shelter Grants Program			
	14.231	N/A	<u>15,882</u>
Total United States Department of Housing and Urban Development			<u>64,508</u>
<b>United States Department of Labor</b>			
Passed through Louisiana Department of Labor:			
Welfare-to-Work Grants to State and Localities WIA Cluster:	17.253		16,573
Workforce Investment Act - Adult Program	17.258		1,363,718
Workforce Investment Act - Youth Activities	17.259		1,268,086
Workforce Investment Act - Dislocated Workers	17.260		<u>922,249</u>
Total United States Department of Labor			<u>3,570,626</u>
<b>Federal Emergency Management Agency</b>			
Passed through Louisiana Office of Emergency Preparedness - Emergency Management Assistance (Civil Defense) Program			
	83.534	72600046401	11,001
<b>United State Department of Agriculture</b>			
Direct Program - Water and Waste Disposal Loans & Grants			
	10.770	99-04-298-E	<u>30,000</u>
Total Federal Financial Assistance			<u><u>\$3,676,135</u></u>

## Footnote:

- (1) The Schedule of Expenditures of Federal Awards was prepared on the modified accrual basis of accounting.  
(2) The Workforce Investment Act Cluster is reported for the year ended June 30, 2003.

**FRANKLIN PARISH POLICE JURY  
Winnsboro, Louisiana**

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

There were no audit findings reported in the audit for the year ended December 31, 2002.