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ST. HELENA PARISH POLICE JURY

Greensburg, Louisiana

FINANCIAL STATEMENTS AND AUDITOR'S REPORTS

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 8-11-04

Anthony B. Baglio, C.P.A.
A Professional Accounting Corporation
Hammond, Louisiana

ST. HELENA PARISH POLICE JURY
Greensburg, Louisiana

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2003

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ST. HELENA PARISH POLICE JURY

Greensburg, Louisiana

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2003

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June 24, 2004

Independent Auditor's Report

St. Helena Parish Police Jury
Greensburg, Louisiana

I have audited the accompanying primary government financial statements of St. Helena 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 St. Helena Parish Police Jury's management. My responsibility is to express an opinion on these financial statements based on my audit.

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 *Governmental Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the 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 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 St. Helena 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 St. Helena Parish Police Jury, do not purport to, and do not, present fairly the financial position of the St. Helena Parish Police Jury, as of December 31, 2003, and the results of its operations for the year then ended in conformity with generally accepted accounting principles generally accepted in the United States of America.

St. Helena Parish Police Jury
Greensburg, Louisiana

In accordance with *Governmental Auditing Standards*, I have also issued my report dated June 24, 2004 on my consideration of the Police Jury's internal control over financial reporting and on my 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 *Governmental Auditing Standards* and should be read in conjunction with this report in considering the results of my audit.

My audit was performed 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 are presented for purposes of additional analysis and are not a required part of the primary government financial statements of St. Helena Parish Police Jury. Such information has been subjected to the auditing procedures applied in the audit of the primary government financial statements and, in my opinion, is fairly presented in all material respects in relation to the primary government financial statements taken as a whole.



Anthony B. Baglio, CPA
Hammond, LA

STATEMENT A

ST. HELENA PARISH POLICE JURY

Greensburg, Louisiana

ALL FUND TYPES AND ACCOUNT GROUPS

COMBINED BALANCE SHEET

DECEMBER 31, 2003

	GOVERNMENTAL FUND TYPES			FIDUCIARY FUND TYPE		ACCOUNT GROUPS		TOTALS (MEMORANDUM ONLY)
	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUNDS	AUDUBON LIBRARY AGENCY FUND	GENERAL FIXED ASSETS	LONG-TERM DEBT	
ASSETS AND OTHER DEBITS								
CASH	\$ 605,836	\$ 1,018,672	\$ 534	\$ -	\$ -	\$ -	\$ -	\$ 1,625,042
INVESTMENTS-CDs	-	300,000	-	-	-	-	-	300,000
RECEIVABLES	316,540	1,165,549	-	-	82,712	-	-	1,564,801
DUE FROM OTHER FUNDS	11,248	73,807	-	-	-	-	-	85,055
DUE FROM OTHER GOVERNMENTS	10,000	-	-	-	-	-	-	10,000
LAND, BUILDINGS AND EQUIPMENT	-	-	-	-	-	5,044,594	-	5,044,594
AMOUNT AVAILABLE IN DEBT SERVICE	-	-	-	-	-	-	534	534
AMOUNT TO BE PROVIDED FOR RETIREMENT OF GENERAL LONG-TERM DEBT	-	-	-	-	-	-	903,443	903,443
OF COMPENSATED ABSENCES	-	-	-	-	-	-	71,399	71,399
TOTAL ASSETS	943,624	2,558,028	534	-	82,712	5,044,594	975,376	9,604,868
								10,157,700
LIABILITIES AND FUND EQUITY								
LIABILITIES:								
ACCOUNTS PAYABLE	74,482	102,922	-	-	-	-	-	177,404
DUE TO AUDUBON REGIONAL LIBRARY	-	-	-	-	79,884	-	-	79,884
DUE TO OTHER FUNDS	60,000	25,055	-	-	-	-	-	85,055
NOTES PAYABLE	-	-	-	-	-	-	-	-
BONDS AND NOTES PAYABLE	-	15,000	-	-	-	-	687,513	702,513
CAPITAL LEASE OBLIGATIONS	-	-	-	-	-	-	216,464	216,464
COMPENSATED ABSENCES	-	-	-	-	-	-	71,399	71,399
OTHER LIABILITIES	2,658	29,394	-	-	2,828	-	-	34,880
TOTAL LIABILITIES	137,140	172,371	-	-	82,712	-	975,376	1,367,599
								1,809,581
FUND EQUITY:								
INVESTMENT IN GENERAL FIXED ASSETS	-	-	-	-	-	5,044,594	-	5,044,594
FUND BALANCES:								
DESIGNATED FOR DEBT SERVICE	-	-	534	-	-	-	-	534
UNRESERVED-UNDESIGNATED	806,484	2,385,657	-	-	-	-	-	3,192,141
TOTAL FUND EQUITY	806,484	2,385,657	534	-	-	5,044,594	-	8,237,269
								8,348,119
TOTAL LIABILITIES AND FUND EQUITY	\$ 943,624	\$ 2,558,028	\$ 534	\$ -	\$ 82,712	\$ 5,044,594	\$ 975,376	\$ 9,604,868
								\$ 10,157,700

The accompanying notes are an integral part of this statement.

ST. HELENA PARISH POLICE JURY
Greensburg, Louisiana
GOVERNMENTAL FUND TYPE

STATEMENT B

COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2003

	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUND	TOTALS (MEMORANDUM ONLY)	
					2003	2002
REVENUES						
TAXES:						
AD VALOREM SALES	\$ 74,765	\$ 846,797	\$ -	\$ -	\$ 921,562	\$ 1,123,015
OTHER TAXES, PENALTIES, INTEREST, ETC.	10,233	-	-	-	10,233	9,956
LICENSES AND PERMITS	107,431	8,875	-	-	116,306	108,401
INTERGOVERNMENTAL REVENUES:						
FEDERAL GRANTS	13,477	-	-	-	13,477	-
STATE FUNDS:						
PARISH TRANSPORTATION FUNDS	-	130,837	-	-	130,837	130,620
STATE REVENUE SHARING (NET)	6,350	68,122	-	-	74,472	73,094
GAMING REVENUES	657,512	-	-	-	657,512	618,560
OTHER STATE FUNDS	421,588	10,000	-	131,765	563,353	628,431
FEES, CHARGES AND COMM FOR SERVICES	158	90,162	-	-	90,320	54,818
FINES, FORFEIT, COURT COSTS	990	54,976	-	-	55,966	58,711
RENTS AND ROYALTIES	2,195	10,818	-	-	13,013	7,687
INTEREST EARNED	17,303	47,340	185	-	64,828	96,499
OTHER REVENUES	4,255	21,160	-	-	25,415	29,378
ON BEHALF PAYMENT	9,335	-	-	-	9,335	10,800
TOTAL REVENUES	1,325,592	2,278,511	185	131,765	3,736,053	3,842,424
EXPENDITURES						
GENERAL GOVERNMENT:						
LEGISLATIVE	131,897	2,186	-	-	134,083	150,559
JUDICIAL	209,915	7,583	-	-	217,498	227,605
ELECTIONS	60,080	934	-	-	61,014	60,665
FINANCE AND ADMINISTRATION	360,432	2,560	-	-	362,992	316,114
OTHER GENERAL GOVERNMENT	105,801	33,257	-	-	139,058	141,507
PUBLIC SAFETY	188,639	131,557	-	-	320,196	338,958
PUBLIC WORKS	-	1,586,182	-	-	1,586,182	1,465,354
HEALTH AND WELFARE	1,000	158,785	-	-	159,785	149,745
CULTURE AND RECREATION	6,892	-	-	-	6,892	5,376
EDUCATION	-	-	-	-	-	-
ECONOMIC DEVELOPMENT AND ASSISTANCE	12,727	3,529	-	-	16,256	23,124
DEBT SERVICE	28,169	85,339	50,380	-	163,888	225,586
CAPITAL OUTLAY	165,764	511,374	-	215,269	892,407	932,467
ON BEHALF PAYMENTS	9,335	-	-	-	9,335	10,800
TOTAL EXPENDITURES	1,280,651	2,523,286	50,380	215,269	4,069,586	4,047,860
EXCESS REVENUE OVER EXPENDITURES	44,941	(244,775)	(50,195)	(83,504)	(333,533)	(205,436)
OTHER FINANCING SOURCES						
OPERATING TRANSFERS IN	16,758	160,886	48,079	86,239	311,962	255,756
OPERATING TRANSFERS OUT	(170,314)	(138,913)	-	(2,735)	(311,962)	(255,756)
SALE OF ASSETS	-	15,641	-	-	15,641	19,103
PROCEEDS FROM BORROWINGS	-	146,746	-	-	146,746	400,000
REPAYMENT OF BORROWINGS	-	-	-	-	-	150,000
TOTAL OTHER FINANCING SOURCES	(153,556)	184,360	48,079	83,504	162,387	569,103
EXCESS OF REVENUE AND OTHER SOURCES OVER EXPENDITURES AND USES	(108,615)	(60,415)	(2,116)	-	(171,146)	363,667
FUND BALANCES AT BEGINNING OF YEAR- ORIGINALLY STATED	915,099	\$2,448,071	2,650	-	\$ 3,365,820	\$ 3,253,161
PRIOR PERIOD ADJUSTMENT	-	(2,000)	-	-	(2,000)	(59,811)
FUND BALANCE-BEGINNING OF YEAR-RESTATED	915,099	2,446,071	2,650	-	3,363,820	3,193,350
FUND BALANCES AT END OF YEAR	\$ 806,484	\$2,385,656	\$ 534	\$ -	\$ 3,192,674	\$ 3,557,017

The accompanying notes are an integral part of this statement.

ST. HELENA PARISH POLICE JURY

Greensburg, Louisiana

**GOVERNMENTAL FUND TYPE - GENERAL
AND SPECIAL REVENUE FUNDS****COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES-BUDGET
(NON-GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2003**

	GENERAL FUND			SPECIAL REVENUE FUNDS		
	BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE
REVENUES						
TAXES:						
AD VALOREM SALES	\$ 61,042	\$ 61,042	\$ -	\$ 675,570	\$ 675,570	\$ -
OTHER TAXES, PENALTY, INTEREST, ETC.	10,000	8,827	(1,173)	-	-	-
LICENSES AND PERMITS	109,200	107,431	(1,769)	18,600	17,157	(1,443)
INTERGOVERNMENTAL REVENUES						
FEDERAL FUNDS	13,500	8,186	(5,314)	-	-	-
STATE FUNDS:						
PARISH TRANSPORT FUNDS	-	-	-	131,291	131,291	-
STATE OPR GRANTS-PUB	24,990	24,990	-	-	-	-
STATE REVENUE SHARING(NET)	6,385	6,385	-	66,492	67,169	677
GAMING	656,000	655,940	(60)	-	-	-
OTHER STATE FUNDS	435,030	435,023	(7)	141,791	141,765	(26)
FEES, CHAR AND COMM FOR SER	249	158	(91)	76,000	77,815	1,815
FINES, FORFEIT, COURT COSTS	1,000	990	(10)	62,926	63,122	196
INTEREST EARNED	17,500	17,303	(197)	58,684	55,924	(2,760)
RENT AND ROYALTIES	2,300	2,218	(82)	10,818	8,409	(2,409)
OTHER REVENUES	29,355	4,470	(24,885)	16,956	20,475	3,519
TOTAL REVENUES	1,366,551	1,332,963	(33,588)	2,175,354	2,174,923	(431)
EXPENDITURES						
GENERAL GOVERNMENT:						
LEGISLATIVE	135,487	130,288	5,199	2,001	1,438	563
JUDICIAL	218,039	208,685	9,354	22,937	22,812	125
ELECTIONS	67,731	61,273	6,458	-	-	-
FINANCE AND ADMINISTRATION	357,997	376,197	(18,200)	2,760	2,675	85
OTHER GENERAL GOVERNMENT	101,508	104,811	(3,303)	229	-	229
PUBLIC SAFETY	184,128	178,046	6,082	223,014	178,623	44,391
PUBLIC WORKS	-	-	-	1,598,776	1,562,521	36,255
HEALTH AND WELFARE	1,000	1,250	(250)	161,741	155,351	6,390
CULTURE AND RECREATION	4,957	4,957	-	-	-	-
ECONOMIC DEVELOP AND ASSIST	14,283	13,899	384	3,533	3,501	32
DEBT SERVICE	28,170	28,169	1	84,007	84,600	(593)
CAPITAL OUTLAYS	201,681	188,187	13,494	563,828	582,371	(18,543)
TOTAL EXPENDITURES	1,314,981	1,295,762	19,219	2,662,826	2,593,892	68,934
EXCESS REVENUE OVER EXPENDITURES	51,570	37,201	(14,369)	(487,472)	(418,969)	68,503
OTHER FINANCING SOURCES						
OPERATING TRANSFERS IN	16,758	16,758	-	158,151	158,151	-
OPERATING TRANSFERS OUT	(172,588)	(170,314)	(2,274)	(61,552)	(61,552)	-
SALE OF ASSETS	-	-	-	15,641	15,641	-
LOAN PROCEEDS	-	-	-	15,000	15,000	-
LOAN REPAYMENTS RECEIVED	-	-	-	11,500	12,107	607
DUE FROM OTHER FUNDS	64,155	64,155	-	64,231	64,231	-
DUE TO OTHER FUNDS	(64,155)	(64,155)	-	(64,231)	(64,231)	-
TOTAL OTHER FIN SOURCES	(155,830)	(153,556)	(2,274)	138,740	139,347	607
EXCESS OF REVENUE AND OTHER SOURCES OVER EXP AND USES	(104,260)	(116,355)	(12,095)	(348,732)	(279,622)	69,110
FUND BALANCES AT BEG OF YEAR	722,191	722,191	-	1,598,294	1,598,294	-
FUND BALANCES AT END OF YEAR	\$ 617,931	\$ 605,836	\$ (12,095)	\$ 1,249,562	\$1,318,672	\$ 69,110

The accompanying notes are an integral part of this statement.

ST. HELENA PARISH POLICE JURY
Greensburg, Louisiana
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003

INTRODUCTION

The St. Helena Parish Police Jury is the governing authority for St. Helena Parish and is a political subdivision of the State of Louisiana. The Police Jury is governed by six jurors representing various districts within the parish. The jurors serve four-year terms.

Louisiana Revised Statute (R.S.) 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 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.

St. Helena Parish is located in the southeast portion of Louisiana, and has a population of approximately 10,500 residents. Excluding the Police Jurors, The St. Helena Parish Police Jury employs an estimated 93 employees, including assistant district attorneys, constables and justices of the peace.

1. Summary of Significant Accounting Policies

A. Basis of Presentation

The accompanying financial statements of the St. Helena 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.

B. Reporting Entity

As the governing authority of the parish, for reporting purposes, the St. Helena Parish Police Jury is the financial reporting entity for St. Helena 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.

Governmental Accounting Standards Board (GASB) Statement No.14 established criteria for determining which component units should be considered part of the St. Helena Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial

ST. HELENA PARISH POLICE JURY
Greensburg, Louisiana
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003

accountability. This criteria includes:

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 to 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 or the organization is not included because of the nature or significance of the relationship.

Based on the previous criteria, the following may be component units of the reporting entity:

St. Helena Parish Hospital Service District No. 1
St. Helena Parish Fire District No. 4
Waterworks District No. 2
Recreation and Parks District
St. Helena Parish Tourist Commission

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.

GASB Statement No. 14 provides for the issuance of primary government financial statements that are separate from those of the reporting entity. However, the primary government's (Police Jury) financial statements are not a substitute for the reporting entity's financial statements. The accompanying primary government financial statements have been prepared in conformity with Generally Accepted Accounting Principles as applied to governmental units. These financial statements are not intended to and do not report on the reporting entity, but rather are intended to reflect only the financial statements of the primary government (Police Jury).

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

ST. HELENA PARISH POLICE JURY
Greensburg, Louisiana
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003

Complete financial statements for each of the St. Helena Parish Police Jury's component units can be obtained at the Office of the Legislative Auditor of the State of Louisiana, 1600 North Third Street, P.O. Box 94397, Baton Rouge, LA 70804-9397, or at each of the agencies administrative offices.

C. 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 relating to certain government functions or activities.

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

Funds of the Police Jury are classified into two categories: governmental and fiduciary. In turn, each category is divided into separate fund types. The fund classifications and a description of each existing fund type follow:

1. 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:

1. General Fund-The general operating fund of the Police Jury and accounts for all financial resources, except those required to be accounted for in other funds.
2. Special Revenue Funds-Account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.
3. Debt Service Funds-Account for transactions relating to resources retained and used for the payment of principal and interest on those long-term obligations recorded in the general long-term obligations account group.
4. Capital Projects Funds-Account for financial resources received and used for the acquisition, construction, or improvements of capital facilities not reported in the other governmental funds.

ST. HELENA PARISH POLICE JURY
Greensburg, Louisiana
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003

2. Fiduciary Funds

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the Police Jury. Fiduciary funds include:

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

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, and agency funds. The modified accrual basis of accounting recognizes revenues and other increases in financial resources in the accounting period in which they become both "*measurable and available*" to finance expenditures of the current period. "*Measurable*" means that the amount is known or can be reasonable estimated. "*Available*" means that the amount is expected to be collected within the current period or soon enough after the end of the period to be used to pay liabilities of the period. Under the modified accrual basis of accounting, expenditures generally are recognized in the period in which a fund liability is incurred, if measurable. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes and the related state revenue sharing (which is based on population and homesteads in the parish) are recorded in the year the taxes are assessed. Ad valorem taxes are assessed on a calendar year basis, become due on November 15, of each year, and become delinquent on 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 Police Jury is entitled to the funds. Sales and use tax revenues are recorded when received by the collecting agent, the St. Helena Parish Sheriff. Interest income on investments is recorded when the investments have matured and the income is available. Substantially all other revenues are recorded when received.

Expenditures

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

ST. HELENA PARISH POLICE JURY
Greensburg, Louisiana
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003

Other Financing Sources (Uses)

Transfers between funds which are not expected to be repaid are accounted for as other financing sources (uses).

E. Budgets

The Police Jury follows these procedures in establishing the budgetary data reflected in these financial statements:

1. A proposed budget is prepared and submitted to the Police Jury prior to the beginning of each fiscal year.
2. The proposed budget is published in the official journal and made available for public inspection. A public hearing is called to obtain taxpayer comments.
3. Budgetary amendments involving the transfer of funds from one department, program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require approval from the Police Jury.
4. All budgetary appropriations lapse at the end of each fiscal year.
5. Budgets are adopted in accordance with the cash basis of accounting.
6. The level of budgetary control is total appropriations. Budgeted amounts are as originally adopted, or as amended by the Police Jury. The level of expenditures cannot legally exceed the budget.

The revenues and expenditures shown on Statement B are reconciled with the amount on Statements C (budget comparisons) as follows:

	General Fund	Special Revenue Fund
Excess of revenues and other sources		
Over expenditures and other uses (cash basis)	\$(116,355)	\$(279,622)
Adjustments:		
To Adjust Revenues for Accruals	(7,371)	103,588
Proceeds from Borrowings		146,746
Note Receivable Payments		(12,107)
Current Notes Payable		(15,000)

ST. HELENA PARISH POLICE JURY
Greensburg, Louisiana
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003

Transfers to Capital Project Fund		(83,504)
Transfer to St. Helena Fire District #4		8,878
To Adjust Expenditures for Accruals	15,111	70,606
	-----	-----
Excess (deficiency) of Revenues and Other Sources over (under) Expenditures and other uses (GAAP Basis)	\$(108,615)	\$ (60,415)
	=====	=====

F. Encumbrances

The St. Helena Parish Police Jury does not use encumbrance accounting.

G. Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. The Police Jury considers all short-term highly liquid investments with original maturities of 90 days or less to be cash equivalents. Under state law, the Police Jury may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States. Under state law, the Police Jury may invest in United State bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

H. Investments

Investments are limited by Louisiana Revised Statue (R.S.) 33:2955 and the Police Jury's investment policy. If the original maturities of investment exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalent. Investments are stated at cost.

I. Short-Term Interfund Receivables/Payables

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

J. Fixed Assets

Fixed Assets of governmental funds are recorded as expenditures at the time purchased or constructed, and the related assets are capitalized (reported) in the general fixed assets account group. Public domain or infrastructures are not capitalized. No depreciation has

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been provided on general fixed assets. All fixed assets are valued at historical cost. Donated assets are recorded at fair market value at the time of the donation and included in the general fixed asset account group.

K. Compensated Absences

After one year of continuous employment, each employee receives one week of vacation. After two years of employment, and for each year thereafter, each employee receives two weeks of vacation. After ten years each employee receives three weeks of vacation, after twenty years each employee receives four weeks of vacation, and after 25 years each employee receives five weeks of vacation. Vacation time can be carried over for a period of three years. Accrued vacation can be paid upon termination of job.

Sick leave shall accumulate for regular, full time employees, and employees who work 40 hours per week, at the rate of one day for each month of continuous employment. Sick leave can be carried forward and paid upon termination of employment.

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

L. Long-Term Obligations

Long-term obligations expected to be financed from governmental funds are reported in the general long-term obligations account group. Expenditures for principal and interest payments for long-term obligations are recognized in the governmental funds when due.

M. Fund Equity

Reserves

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

Designated Fund Balances

Designated fund balances represent tentative plans for future use of financial resources.

N. Sales and Use Tax

On April 7, 1984, voters of St. Helena Parish approved a one percent sales and use tax to be levied and collected within the corporate limits of the parish. The tax, which became effective August 1, 1984, is to provide funds for the St. Helena Parish Solid Waste Management Program.

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Effective March 1, 1989, a one-percent sales tax was established by the voters of St. Helena Parish. The proceeds of this one percent sales tax is dedicated and used for the purpose of maintaining, improving, and keeping in repair public roads, highways, and bridges in the parish.

The Police Jury and sheriff of St. Helena Parish have entered into an agreement in which the sheriff is to collect the sales and use taxes for a stipulated fee. The sheriff remits the tax proceeds to the Police Jury on a monthly basis.

O. **Total Columns On The Combined Statements-Overview**

Total columns on the combined statements - overview are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with Generally Accepted Accounting Principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

2. Fund Balances

The Fire Protection District No. 4 is not presented in the financial Statements of St. Helena Parish Police as of December 31, 2003. An ordinance was established and created to establish an independent board of commissioners as a separate governing authority for the St. Helena Parish Fire Protection No. 4 by the Police Jury on September 24, 2002. According to the ordinance the new governing body assumed responsibility for Fire Protection District No. 4 as of January 1, 2003. The combined statement of revenues, expenditures and changes in fund balances (Statement B), as well as the combining schedule of revenues, expenditures, and changes in fund balances for the special revenue funds (Schedule 2) do not include the fund balance of Fire Protection No. 4 as of the beginning of the year January 1, 2003.

3. Fund Deficits

The following individual funds have deficits in unreserved fund balance at December 31, 2003:

<u>Fund</u>	<u>Deficit Amount</u>
Criminal Court Fund	(\$11,554)

Expenditures in excess of funds available in the criminal court fund are paid by the general fund. As revenues from fines are collected, the deficit fund balance will decrease.

4. Expenditures/Expenses-Actual and Budget

The following individual funds have actual expenditures/expenses over budgeted

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expenditures/expenses for the year ended December 31, 2003:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
NONE	\$0	\$0	\$0

5. Levied Taxes

The following is a summary of the levied ad valorem taxes for the year ended December 31, 2003:

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
<u>Parish wide Taxes:</u>			
General Fund	2.35	2.35	No Expiration
Parish Wide Road Tax	5.00	5.00	2009
Parish Health Unit	4.35	4.35	2004
Parish Library Fund	2.50	2.50	2007
<u>District Taxes:</u>			
Road District #1 Maint Fund	8.00	8.00	2009
Sub-Road District #1 of Road District #2 Maintenance Fund	10.00	10.00	2012
Sub-Road District #2 of Road District #2 Maintenance Fund	6.00	6.00	2005
Road District #3 Maint Fund	13.43	13.43	2008
Road District #4 Maint Fund	10.00	10.00	2006
Road District #4 Maint Fund	5.00	5.00	2008
Road District #5 Maint Fund	12.00	12.00	2005
Road District #6 Maint Fund	15.00	15.00	2012
Fifth Ward Fire Protection District Maintenance Fund	10.00	10.00	2009
Fire Protection District #2	10.00	10.00	2009
Fire Protection District #3	4.92	4.92	2004
Fire Protection District#3	5.00	5.00	2009
South 2 nd Fire	10.00	10.00	2011

The following are the principal taxpayers for the parish and related ad valorem tax revenue for the St. Helena Police Jury:

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Assessed Valuations</u>	<u>% of Total Assessed Valuation</u>	<u>Ad Valorem Tax Revenue for Police Jury</u>
Transcontinental	Pipeline	\$3,607,260	8.01%	\$116,615
DEMCO	Utility	2,341,060	5.20%	72,245
Florida Gas	Pipeline	1,728,250	3.84%	61,378
Soterra, LLC	Manufacturing	1,567,430	3.49%	50,845
Entergy Gulf State	Utility	1,532,850	3.40%	45,543

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6. Cash and Cash Equivalents

At December 31, 2003, the Police Jury has cash and cash equivalents (book balances) totaling \$1,625,042 as follows:

Interest Bearing Demand Deposits	\$1,625,042
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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.

At December 31, 2003, the Police Jury had \$1,735,220 in deposits (collected bank balances). These deposits are secured from risk by \$100,000 of federal deposit insurance and \$1,635,220 of pledged securities held by the custodial bank in the name of the fiscal agent bank.

Even though the pledged securities are considered uncollateralized (Category 3) 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.

7. Investments

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

Certificates of Deposit	\$300,000
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These deposits are secured from risk by \$100,000 of federal deposit insurance and \$200,000 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) 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.

8. Receivables

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

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<u>Class of Receivable</u>	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Funds</u>	<u>Fiduciary Fund</u>
<u>Taxes:</u>				
Ad valorem tax	\$ 75,015	\$ 847,631	\$ 0	\$ 79,803
Sales and use tax		210,710		
Severance tax	112,425			
Other tax	2,570			
<u>Intergovernmental:</u>				
Federal Grant	7,216			
State Grant		20,608		
Revenue Sharing	4,234	45,413		4,505
<u>Other:</u>				
Notes Receivable		36,642		
Fines		1,786		
Gaming	116,409			
Interest		6,316		
Miscellaneous	<u>171</u>	<u>13,395</u>	<u>0</u>	<u>0</u>
Subtotal	\$318,040	\$1,182,501	\$ 0	\$ 84,308
Less: Allowance For uncollectible	<u>(1,500)</u>	<u>(16,952)</u>	<u>(0)</u>	<u>(1,596)</u>
Grand Total	<u>\$316,540</u>	<u>\$1,165,549</u>	<u>\$ 0</u>	<u>\$82,712</u>

Uncollectible accounts due for Ad Valorem taxes are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable. Uncollectible accounts at December 31, 2003 for Ad Valorem taxes totaled \$20,048. Included in the Ad Valorem tax receivables is \$61,378 paid by one taxpayer in protest. This money is being held in escrow until the matter is settled. No allowance for uncollectible has been established for this amount since the ultimate outcome is not known.

9. Fixed Assets

The changes in general fixed assets for the year ended December 31, 2003, are as follows:

	<u>Balance at January 1, 2003</u>	<u>Additions</u>	<u>Deletions</u>	<u>Adjustments</u>	<u>Balance at December 31, 2003</u>
Land	\$ 153,721			\$ (14,318)	\$ 139,403
Buildings	2,658,696	119,761		(65,310)	2,713,147
Equipment	<u>1,978,685</u>	<u>498,379</u>	<u>(52,614)</u>	<u>(232,406)</u>	<u>2,192,044</u>
Total	<u>\$4,791,102</u>	<u>\$618,140</u>	<u>\$ (52,614)</u>	<u>\$ (312,034)</u>	<u>\$5,044,594</u>

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As of December 31, 2003, fixed assets recorded under capital leases totaled \$464,305.

The adjustment column above reflects an adjustment for the removal of St. Helena Parish Fire Protection District No. 4 in the amount of \$321,937. These assets are no longer included in the financial statements of the Police Jury per ordinance number 224 passed by the Police Jury on September 24, 2002 (see note #2).

The adjustment column above also reflects an adjustment in the amount of \$9,903, which increased the general fixed assets on December 31, 2002. The adjustment is due to assets not included or assets destroyed in a previous year. These items were not identified by the Valuation Advisory Group, Inc., originally contracted during 2002 to inventory and tag the Police Jury's general fixed assets.

10. Pension Plan

Substantially all Police Jury employees 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, which separate assets and benefits provisions. All employees of the Police Jury are members of Plan A.

All permanent employees working at least 28 hours per week whom are paid wholly or in part from parish funds and all elected parish officials (new jurors excluded by State Law effective January 1, 1997) 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 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to three percent of their final average salary for each year of creditable service. However, for those employees who are members of the supplemental plan only before January 1, 1980, the benefit is equal to one percent of final average salary plus \$24 for each year of supplemental-plan-only service earned before January 1, 1980, plus three percent of final-average salary for each year of service credited after the revision date. 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.

Under Plan A, members are required by state statute to contribute 9.5 percent of their annual covered salary and the Police Jury is required to contribute at an actuarially determined rate. The current rate is 7.75 percent of annual covered payroll. Contributions to the system include one-fourth of one percent of the taxes shown to be collectible by the tax rolls of each parish, except Orleans and East Baton Rouge Parishes. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active

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members of each plan. State statute requires covered employees to contribute a percentage of their salaries to the system. The contribution requirements of plan members and the Police Jury is 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 St. Helena Parish Police Jury's contribution to the system under Plan A for the year ending December 31, 2003, was \$43,522, equal to the required contribution for the years.

Contributions required by State Statute:

<u>Fiscal Year Ended</u> <u>December 31</u>	<u>Required</u> <u>Contribution</u>	<u>Percentage</u> <u>Contribution</u>
2000	\$ 44,151.	100.00%
2001	\$ 41,242.	100.00%
2002	\$ 42,511.	100.00%
2003	\$ 43,522	100.00%

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

11. Other Post Employment Benefits

The St. Helena Parish Police Jury provides certain continuing health care and life insurance benefits for retired employees. Substantially all of the Police Jury's employees become eligible for these benefits if they reach normal retirement age while working for the Police Jury. The benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid by the Police Jury.

12. Accounts, Salaries, and Other Payables

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

<u>Class of</u> <u>Payable</u>	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Revenue</u> <u>Funds</u>	<u>Debt</u> <u>Service</u> <u>Funds</u>	<u>Fiduciary</u> <u>Fund</u>	<u>Total</u>
Accounts	\$ 65,013	\$102,922	\$ 0	\$ 0	\$167,935
Payroll Taxes	9,469	0	0	0	9,469
Other	<u>2,658</u>	<u>29,394</u>	<u>0</u>	<u>2,828</u>	<u>34,880</u>
Total	<u>\$ 77,140</u>	<u>\$132,316</u>	<u>\$ 0</u>	<u>\$2,828</u>	<u>\$212,284</u>

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13. Compensated Absences

At December 31, 2003, employees of the Police Jury have accumulated and vested \$71,399 of employee leave benefits, which was computed in accordance with GASB Codification Section C60. Of this amount \$71,399 is recorded within the general long-term obligations account group.

14. Leases

The Police Jury records items under capital leases as assets and obligations in the accompanying financial statements. The following is an analysis of capital leases at December 31, 2003:

<u>Type</u>	<u>Recorded Amount</u>
Equipment	\$ 146,746

The Police Jury leases machinery and equipment under noncancelable capital leases. Capital lease obligations are as follows:

Lease-purchase due in monthly installments of \$802.91 including interest at 5.75%, Collateralized by equipment Maturing May 2006	20,992
Lease-purchase due in monthly installments of \$661.47, including interest at 6.25%, Collateralized by equipment Maturing January 2006	15,429
Lease-purchase due in monthly installments of \$760.67, including interest at 6.75%, Collateralized by equipment Maturing March 2005	10,214
Lease-purchase due in monthly installments of \$914.65, including interest at 6.50%, Collateralized by equipment Maturing May 2006	24,486
Lease purchase due in monthly installments of \$1,403, including interest at 3.9%, Collateralized by equipment Maturing April 2008	61,487

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Lease purchase due in annual installments of \$18,948, including interest at 4.522%, Collateralized by equipment Maturing September 2008	83,856

	<u>\$216,464</u>

The following is a schedule of future minimum lease payments under capital leases and the present value of the net minimum lease payments as of December 31, 2003:

<u>Fiscal Year:</u>	<u>Equipment</u>
2004	\$ 69,255
2005	65,858
2006	44,190
2007	35,788
2008	24,617

Total minimum lease payments	\$239,708
Less amount representing interest	<u>(23,244)</u>
Present value of net minimum lease payments	<u>\$216,464</u>

15. Changes in General Long-Term Obligations

	<u>Bonded</u> <u>Debt</u>	<u>Compensated</u> <u>Absences</u>	<u>Leases</u>	<u>Capital</u> <u>Other</u>	<u>Total</u>
Long-Term Obligations payable January 1, 2003	\$965,490	\$74,084	\$141,342	\$177,682	\$1,358,598
Additions	0	0	146,746	0	146,746
Deductions	(27,490)	(2,685)	(71,624)	(28,169)	(129,968)
Transfer to Fire Dist. #4	(400,000)	0	0	0	(400,000)
Long-Term Obligations December 31, 2003	<u>\$538,000</u>	<u>\$71,399</u>	<u>\$216,464</u>	<u>\$149,513</u>	<u>\$ 975,376</u>

Bonds payable at December 31, 2003 are comprised of the following individual issues:

\$39,990, 1998, Certificate of Indebtedness Sub Road 2 of District #2, due in annual installments of \$4,000 through 2000, increasing to between \$4,500 to \$6,000 between 2001 to 2006 plus interest at 6%	17,000
\$400,000, Revenue Bonds, Series 2001, General Fund, due in annual installments of \$7,000 to \$26,000 between 2003 to 2031 plus interest at 5.5%	387,000

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\$150,000, 2003, Certificate of Indebtedness	
Fire Protection District #2, due in annual installments	
of \$16,000 to \$22,000 between 2003 to 2010 plus	
interest at 5.5%	<u>134,000</u>
	<u><u>\$538,000</u></u>

At December 31, 2003, the Police Jury has accumulated \$534 in the debt service funds for future debt requirements. The annual requirements to amortize all certificates of indebtedness, general obligation bonds, and revenue bonds outstanding are as follows:

Year Ending	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
<u>December 31,</u>			
2004	28,500	27,997	56,497
2005	28,500	26,403	54,903
2006	31,000	24,765	55,765
2007	26,000	23,705	49,705
2008	28,000	22,770	50,770
2009-2013	87,000	94,903	181,903
2014-2018	58,000	78,980	136,980
2019-2023	77,000	60,940	137,940
2024-2028	100,000	37,400	137,400
2029-2031	74,000	8,305	82,305
	-----	-----	-----
Total	<u>\$538,000</u>	<u>\$406,168</u>	<u>\$944,168</u>

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 \$3,192,142.

The ad valorem tax levy as well as the general obligation bond related to Fire Protection District No.4 are not reflected in the financial statements as of December 31, 2003. (see note 2)

16. Other General Long-Term Obligations

The St. Helena Police Jury entered into an agreement with the Office of Family Support with Louisiana Department of Social Services in 1998 to repay a food stamp theft loss in the amount of \$260,022 in 120 monthly installments in the amount of \$2,167 beginning October 15, 1999. The balance of the note at December 31, 2003 is \$149,513. The note is recorded in general long-term debt account group.

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The annual requirements under the agreement are as follows:

Year Ending December 31,	Principal
2004	\$ 26,002
2005	26,002
2006	26,002
2007	26,002
2008	26,002
2009	19,503

Total	\$149,513
	=====

17. Sinking Fund Requirements

Commencing January 2002, a sum equal to the principal and interest accruing on the 2001 revenue bonds is to be deposited each month into the Revenue Bond 2001 Sinking Fund from the general fund revenues.

Payment for the principal and interest on the certificate of indebtedness for Fire Protection District No.2 is to be deposited into the Fire Protection District #2 Sinking Fund. The deposit will come from the first revenues of the tax received in any calendar year.

18. Notes Payable

On December 5, 2003, the St. Helena Parish Police Jury borrowed \$15,000 as an operating loan for Road District #6 to purchase a 1994 GMC Kodak dump truck. The money was borrowed from the Bank of Greensburg at an annual interest rate 5.5%. The principal of \$15,000 plus accrued interest on the loan was paid on March 4, 2004.

19. Changes in Agency Funds

A summary of changes in assets and liabilities:

	<u>Balances</u> <u>1-1-03</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balances</u> <u>12-31-03</u>
Assets:				
Cash	\$ 0	\$ 71,732	\$ 71,732	\$ 0
Receivables	<u>70,866</u>	<u>82,712</u>	<u>70,866</u>	<u>82,712</u>
Total Assets	\$70,866	\$154,444	\$142,598	\$82,712
Liabilities:	=====	=====	=====	=====

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Due to Audubon				
Regional Library	\$68,151	\$79,884	\$68,151	\$79,884
Other Liabilities	<u>2,715</u>	<u>2,828</u>	<u>2,715</u>	<u>2,828</u>
Total Liabilities	<u>\$70,866</u>	<u>\$82,712</u>	<u>\$70,866</u>	<u>\$82,712</u>

20. Criminal Court and Off-Duty Law Funds

Criminal Court Fund:

Louisiana Revised Statute 15:571.11 requires that one-half of any surplus remaining in the Criminal Court fund at year-end be transferred to the parish General Fund. However, no money shall be paid out of the account except upon the order or warrant of the district judge and district attorney. The criminal court had a deficit fund balance, and no surplus funds as of December 31, 2003. Therefore, no payment due to the general fund.

Off-Duty Law Fund:

Louisiana Revised Statute 15:255 requires that all surplus remaining in the off-duty law fund at year-end be transferred to the criminal court fund. The following details the amounts transferred for 2003:

Cash balance at December 31, 2002	\$5,424
Surplus money at January 1, 2003	5,424
Amount transferred to criminal court	<u>(4,549)</u>
Balance left to transfer	\$ 875
Surplus money accumulated in 2003	<u>5,780</u>
Balance due at December 31, 2003	<u>\$6,655</u>

21. Due From/To Other Funds

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	\$ 11,248	\$ 60,000
<u>Special revenue funds:</u>		
Road, Bldg., & Mtc. Fund	1,957	11,337
Solid Waste Fund	60,000	
Road District Mtc. #1	2,000	1,957
Sub Rd 1 of Road District #2	2,000	2,000
Sub Rd 2 of Road District #2	7,000	

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Road District Mtc. #3		4,761
Road District Mtc. #4	89	3,000
Road District Mtc. #5	761	
Road District Mtc. #6		2,000
Total	\$ 85,055	\$ 85,055

22. Intergovernmental Receivable

The following is a summary of the intergovernmental receivable from other governments at December 31, 2003:

<u>Payable from</u>	<u>General Fund</u>
St. Helena Parish	
Fire Protection Dist No 4.	\$10,000

23. Reserved Fund Balance

Monies accumulated in the debt service funds have been legally restricted for the purpose of paying the annual installments of principal and interest Revenue Bonds and Certificate of Indebtness.

24. Litigation, Claims, Potential For Loss

The St. Helena Parish Police Jury has several legal actions and claims pending. The Police Jury has also filed suits against others. No accrual for gain or loss contingencies has been recorded in the financial statements for any legal actions. Although, the potential outcome on the majority of claims is not known, there are several cases in which the likelihood of an unfavorable outcome is reasonably possible. A judgment has been rendered in favor of the plaintiffs and against the St. Helena Police Jury in the amount of \$232,779. The Police Jury has no insurance to cover this claim and has retained an attorney specializing in Federal Civil Rights Litigation. It is the Police Jury's policy not to pay any judgments. Therefore, no accrual for gain or loss contingencies has been recorded in the financial statements for any legal actions.

25. Federal Compliance Contingencies

In the normal course of operations, the Police Jury receives grant funds from various Federal agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement that may arise, as the result of these audits is not believed to be material.

ST. HELENA PARISH POLICE JURY
Greensburg, Louisiana
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003

26. On Behalf Payments for Salaries

For the year ended December 31, 2003, on behalf payments in the form of supplemental payments were paid to constables and justices of the peace. The payments were as follows:

State Agency	\$ 9,335	General Fund
--------------	----------	--------------

These amounts were recorded as income and expense in the respective fund.

27. Contracts

The Police Jury has a contract with the Tangipahoa Communications District to facilitate the 911 system. This contract is for \$28,448 per year plus additional costs. This contract began July 1, 2003 and expires June 30, 2004.

The Police Jury also has a contract with Waste Management for garbage collection. The contract was renewed on December 1, 1999 and is for five years. There is an option to renew clause in the contract.

28. E911 System

St. Helena Parish Police Jury implemented the E911 system parish wide on September 17, 2002. Telephone services charges and expenditures are reflected in these statements in the amount of \$81,794, and \$54,584 respectively.

29. Prior Period Adjustments

The Road District No. 1 and the Road District No.3 made loans to the St. Helena Parish Recreation and Parks Commission in a previous year. On May 14, 2002, the Police Jury adopted a motion changing the loans to appropriation. The appropriation was not reflected in last year's financial statements. Therefore the adjustments necessary to restate the ending fund balance at December 31, 2002 is as follows:

	<u>Road Dist.</u> <u>No.1 Fund</u>	<u>Road Dist</u> <u>No. 3 Fund</u>
Fund Balance December 31, 2002 before Restatement	\$ 83,723	\$ 145,145
Prior Period Adjustment	<u>(1,000)</u>	<u>(1,000)</u>
Fund Balance December 31, 2002 as Restated	<u>\$ 82,723</u>	<u>\$ 144,145</u>

ST. HELENA PARISH POLICE JURY
Greensburg, Louisiana
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003

30. Compliance with Laws

The Police Jury parish wide capital improvement program is not complete, weekly work schedule not adequate (R.S.)48:755(A)&(C), possible violation of retirement law, fixed asset records inadequate and possible violation of public bid law.

31. Commitment

The Police Jury is leasing space to a company for \$401.50 per month. The lease expired on December 31, 2002. In 2003, rent payments were received for January and February only, resulting in a receivable of \$4,015 at December 31, 2003. A new lease was not signed until April 30, 2004. Under the terms of the new lease, the lessee pays monthly rent of \$100 for eighteen months and pays the current lease arrearage of \$5,219.50 in monthly installments of \$300 beginning May 1, 2004 and monthly thereafter until paid in full. The Police Jury is also leasing a space to the St. Helena Parish Hospital for monthly rent of \$500. The lease is for one year beginning December 1, 2003 and ending December 1, 2004.

32. Subsequent Events

The US Department of Labor Employment Standards Administration is investigating the Police Jury compliance with the Fair Labor Standards Act. The audit covers a two year period and the audit began June 16, 2004. Any potential liability to the Police Jury is not known at this time.

As of January 1, 2004 the criminal court fund for the Twenty-First Judicial District shall be operated as a single account or fund, one-half of any surplus remaining in the single account or fund on December 31, of each year thereafter shall be transferred to the general funds of the parishes of the district in the same proportion as the revenue in the fund were produced from the parishes (RS:15:711.11).

33. GASB 34 Implementation

The GASB issued Statement Number 34, Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments, in June of 1999. The date of implementation is effective in three phases based on a government's total annual revenues in the first fiscal year ending after June 15, 1999 (earlier application is encouraged). The St. Helena Parish Police Jury's total annual revenues was less than \$10 million; therefore, the St. Helena Parish Police Jury is required to implement the provisions for the pronouncement for the financial statements for the period beginning after June 15, 2003. GASB Statement Number 34 establishes a new governmental financial reporting model that will feature, among other significant changes, management discussion and analysis, a unique combination of fund-based and government wide financial statements, required supplementary information, accounting for infrastructure assets, and accounting for the depreciation of infrastructure assets. The effects on the St.

ST. HELENA PARISH POLICE JURY
Greensburg, Louisiana
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003

Helena Parish Police Jury's financial statements are not known at this time; however, the pronouncement will be implemented for the fiscal year ending December 31, 2004.

St. Helena Parish Police Jury
Greensburg, Louisiana

Supplemental Information Schedules

ST. HELENA PARISH POLICE JURY
Greensburg, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULES
DECEMBER 31, 2003

SPECIAL REVENUE FUNDS

Road Building and Maintenance Fund

The Road Building and Maintenance Funds are used to account for the operations and maintenance of all major road construction and maintenance work on parish roads. Financing is provided by the State of Louisiana Parish Transportation Fund, ad valorem taxes, state revenue sharing funds, one percent parish sales tax and interest earned on surplus cash balances.

Road District Maintenance Funds

The Road District Maintenance Funds are used to account for the operations and road maintenance in Road District No.'s 1, Sub Road 1 and Sub Road 2 of 2, 3, 4, 5, and 6. Financing is provided by ad valorem taxes, state revenue sharing funds, and interest earned on surplus cash balances.

Fifth Ward Fire Protection Maintenance Fund

The Fifth Ward Fire Protection Maintenance Fund is used to account for the operations of a volunteer fire department providing fire protection for the fifth ward. Financing is provided by ad valorem taxes, the two-percent fire insurance rebate, state revenue sharing funds, and interest earned on surplus cash balances.

Fire Protection District 2 Fund

The Fire Protection District 2 Fund is used to account for the operations of a volunteer fire department providing fire protection in the northwestern portion of St. Helena Parish, Louisiana. Financing is provided by ad valorem taxes, the two-percent fire insurance rebate, and interest earned on surplus cash balances.

Fire Protection District 3 Fund

The Fire Protection District 3 Fund is used to account for the operations of a volunteer fire department providing fire protection for ward No. 1. Financing is provided by ad valorem taxes; state revenue sharing funds, a two-percent fire insurance rebate, and

ST. HELENA PARISH POLICE JURY
Greensburg, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULES
DECEMBER 31, 2003

interest earned on surplus cash balances.

South 2nd District #1 Fund

The Fire Protection South 2nd District #1 Fund is used to account for the operations of a volunteer fire department providing fire protection for South 2nd Ward. Financing is provided by ad valorem taxes and interest earned on surplus cash balances.

Industrial District

The Industrial District Fund is used to account for the rent receipts and expenditures related to the Industrial Park.

Office of Motor Vehicle Fund

The Office of Motor Vehicle Fund is used to account for the collection of a \$2 fee per service or transaction collected, which is used solely to defray the local cost of operating the local field office in the parish.

Health Unit Fund

The Health Unit Fund is used to account for the operation of the parish health unit. Financing is provided by ad valorem taxes, state revenue sharing funds and interest on surplus cash balances.

Off-Duty Law Enforcement

The Off-Duty Law Enforcement Fund is used to account for the payment of witness fees to off-duty law enforcement officers in criminal matters. Financing is provided from proceeds of criminal cases in accordance with Louisiana Revised Statute 15:255 and interest earned on surplus cash balances.

E-911 Communications Fund

The E-911 Fund is used to account for operations of an enhanced 911 emergency telephone system. Financing is provided by an emergency telephone service charge and

ST. HELENA PARISH POLICE JURY

Greensburg, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULES

DECEMBER 31, 2003

interest earned on surplus cash balances.

Solid Waste Management Sales Tax Fund

The Solid Waste Management Sales Tax Fund is used to account for operations of a solid waste program for the Parish of St. Helena. Financing is provided by a one-percent sales tax approved by the voters on April 7, 1984.

Revolving Loan Fund

The Revolving Loan Fund is used to account for a Farmer's Home Administration "Rural Business Enterprise Grant" of \$100,000. The grant funds will be used as a revolving loan fund to make loans to new businesses in the St. Helena area.

Criminal Court Fund

The Criminal Court Fund is used to account 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 judges. Financing is provided from fines and forfeitures imposed by the district court and district attorney's conviction fees in criminal cases.

ST. HELENA PARISH POLICE JURY
Greensburg, Louisiana
SPECIAL REVENUE FUNDS

COMBINING BALANCE SHEET
DECEMBER 31, 2003

RB&M FUND	ROAD DISTRICT MAINTENANCE FUNDS										OFFICE OF MOTOR VEH UNIT	HEALTH OFF-DUTY LAW	B-911 DIST	SOLID WASTE	REVOLV LOAN	CRIM CT FUND	TOTAL					
	NO.1	SUB 1-2	SUB 2-2	NO.3	NO.4	NO.5	NO.6	5TH WD FIRE	DIST 2 FIRE	DIST 3 FIRE							SO 2ND FIRE	INDUST DIST	INDUST DIST	RECYCL	MEMORANDUM ONLY	2003
26,612	20,990	49,045	20,352	72,633	17,793	32,291	3,349	140,016	173,590	86,345	117	\$ 11,479	\$ 10,618	\$ 6,819	\$ 6,655	\$ 91,365	\$ 182,418	\$ 111,573	\$ 2,612	\$ 1,018,672	\$ 1,208,294	
291,387	49,877	16,527	28,250	93,247	119,297	44,126	28,548	36,719	56,067	78,253	18,397	4,015	676	148,176	228	8,204	103,355	34,642	1,558	1,165,549	1,198,048	
1,957	2,000	2,000	7,000		89	761											60,000			73,807	79,320	
																					2,000	
319,956	72,867	67,572	55,602	165,880	137,179	77,178	33,897	176,735	179,657	164,598	18,514	15,494	11,294	454,995	6,883	99,569	347,773	148,215	4,170	2,558,028	2,817,662	

ASSETS

CASH
INVESTMENTS-CDS
RECEIVABLES
DUE FROM OTHER FUNDS
DUE FROM OTHER GOVERNMENT

TOTAL ASSETS

LIABILITIES AND FUND EQUITY

LIABILITIES:
ACCOUNTS PAYABLE
DUE TO OTHER FUNDS
OTHER LIABILITIES
NOTES PAYABLE

TOTAL LIABILITIES

FUND BALANCES

TOTAL LIAB AND FUND EQUITY

30,315	314		294	1,549	1,099	235	187	390	376	997		28	223	7,163		1,380	42,648		15,724	102,922	135,675
11,337	1,957	2,000		4,761	3,000		2,000													23,055	46,568
5,655	1,725	558	969	3,205	4,091	1,477	948	1,229	1,924	2,693				4,920						29,394	34,047
							15,000													15,000	
47,307	3,996	2,558	1,263	9,515	8,190	1,712	18,135	1,619	2,300	3,690	28	28	223	12,083	-	1,380	42,648	-	15,724	172,371	240,290

272,649	68,871	63,014	54,339	156,365	128,989	75,466	15,762	175,116	177,337	160,908	18,514	15,466	11,071	442,912	6,883	98,189	305,125	148,215	(11,554)	2,385,657	2,687,372
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\$ 319,956	\$ 72,867	\$ 67,572	\$ 55,602	\$ 165,880	\$ 137,179	\$ 77,178	\$ 33,897	\$ 176,735	\$ 179,657	\$ 164,598	\$ 18,514	\$ 15,494	\$ 11,294	\$ 454,995	\$ 6,883	\$ 99,569	\$ 347,773	\$ 148,215	\$ 4,170	\$ 2,558,028	\$ 2,817,662
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ST. HELENA PARISH POLICE JURY
Greensburg, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULES
December 31, 2003

DEBT SERVICE FUNDS

Fire Protection District #2 Sinking

The Fire Protection District #2 Sinking Fund is used to accumulate funds for the annual installment due on the certificate of indebtedness. The proceeds from the certificate of indebtedness funded the purchase of a fire truck for district #2. Transfers will be made from the Fire Protection District #2 fund for this purpose and accumulated in this account.

Revenue Bonds 2001 Sinking

The Revenue Bond 2001 Sinking Fund is used to accumulate funds for the annual installment due on the Revenue Bonds. The revenue bond was issued for the purpose of constructing a facility to house the Police Jury office and the parish county agent. Transfers will be made from the general fund for this purpose and accumulated in this account.

ST. HELENA PARISH POLICE JURY
Greensburg, Louisiana
DEBT SERVICE FUND

SCHEDULE 3

COMBINING BALANCE SHEET
DECEMBER 31, 2003

	FIRE DISTRICT #2 SINKING	REVENUE BOND SINKING	TOTALS (MEMORANDUM ONLY)	
			2003	2002
ASSETS				
CASH	\$ 282	\$ 252	\$ 534	\$ 4,510
RECEIVABLES	-	-	-	31,181
DUE FROM OTHER FUNDS	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL ASSETS	<u>282</u>	<u>252</u>	<u>534</u>	<u>35,691</u>
LIABILITIES AND FUND EQUITY				
LIABILITIES:				
DUE TO OTHER FUNDS	-	-	-	-
OTHER LIABILITIES	-	-	-	1,145
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,145</u>
FUND BALANCE				
DESIG FOR DEBT SERVICE	<u>282</u>	<u>252</u>	<u>534</u>	<u>34,546</u>
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL LIABILITY AND FUND EQUITY	<u>\$ 282</u>	<u>\$ 252</u>	<u>\$ 534</u>	<u>\$ 35,691</u>

See auditor's report.

ST. HELENA PARISH POLICE JURYGreensburg, Louisiana
DEBT SERVICE FUND**COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2003**

	FIRE DISTRICT #2 SINKING	REVENUE BOND SINKING	TOTALS (MEMORANDUM ONLY)	
			2003	2002
REVENUES				
TAXES:				
AD VALOREM	\$ -	\$ -	\$ -	\$ 32,740
INTEREST EARNED	77	108	185	509
TOTAL REVENUES	77	108	185	33,249
EXPENDITURES				
GENERAL GOVERNMENT:				
FINANCE AND ADMINISTRATION	-	-	-	277
OTHER GEN GOVERNMENT	-	-	-	1,145
DEBT SERVICE:				
PRINCIPAL	16,000	6,000	22,000	72,529
INTEREST AND BANK CHARGES	6,765	21,615	28,380	39,553
TOTAL EXPENDITURES	22,765	27,615	50,380	113,504
EXCESS REV OVER EXPENDITURES	(22,688)	(27,507)	(50,195)	(80,255)
OTHER FINANCING SOURCES				
OPERATING TRANSFERS IN	22,765	25,314	48,079	36,995
OPERATING TRANSFERS OUT	-	-	-	-
TOTAL OTHER FINANCING SOURCES	22,765	25,314	48,079	36,995
EXCESS OF REV AND SOURCES OVER EXP	77	(2,193)	(2,116)	(43,260)
FUND BALANCES AT BEG OF YEAR	205	2,445	2,650	77,806
FUND BALANCES AT END OF YEAR	\$ 282	\$ 252	\$ 534	\$ 34,546

See auditor's report.

ST. HELENA PARISH POLICE JURY
Greensburg, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULES-CAPITAL PROJECTS FUND
DECEMBER 31, 2003

CAPITAL PROJECTS FUNDS

Louisiana Community Development Block Grant Fund

The Community Development Block Grant Fund is used to account for several state grants in the amount of \$131,765 to be used for the reconstruction of Caston Lane, Wendy Bend Road, Lottie Lane, Eli Lane Joe Johnson Road, Cleveland Road, Sheridan Church Road, Margaret Shop Lane, and Leonard Chapel Road located in St. Helena Parish.

ST. HELENA PARISH POLICE JURY

SCHEDULE 5

Greensburg, Louisiana
CAPITAL PROJECTS FUNDS

COMBINING BALANCE SHEET
DECEMBER 31, 2003

	LCDBG ROAD GRANT FUND	TOTALS (MEMORANDUM ONLY)	
		2003	2002
ASSETS			

CASH	\$ -	\$ -	-
RECEIVABLES	-	-	-
TOTAL ASSETS	-	-	-
LIABILITIES AND FUND EQUITY			

LIABILITIES:			
DUE TO OTHER FUNDS	-	-	-
ACCOUNTS PAYABLE	-	-	-
TOTAL LIABILITIES	-	-	-
FUND EQUITY - FUND BALANCES - UNRESERVED - UNDESIGNATED	-	-	-
TOTAL LIABILITIES AND FUND EQUITY	\$ -	\$ -	\$ -

See auditor's report.

ST. HELENA PARISH POLICE JURYGreensburg, Louisiana
CAPITAL PROJECTS FUNDSCOMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2003

	LCDBG ROAD GRANT FUND	TOTALS (MEMORANDUM ONLY)	
		2003	2002
<u>REVENUES</u>			
STATE OPERATING GRANTS	\$ 131,765	\$ 131,765	\$ 83,692
INTEREST EARNED	-	-	-
TOTAL REVENUES	<u>131,765</u>	<u>131,765</u>	<u>83,692</u>
<u>EXPENDITURES</u>			
GENERAL GOVERNMENT:			115
FINANCE AND ADMINISTRATION	-	-	-
OTHER GENERAL GOVERNMENT	-	-	-
PUBLIC SAFETY	-	-	-
PUBLIC WORKS	-	-	-
CULTURE AND RECREATION	-	-	-
EDUCATION	-	-	-
ECONOMIC DEVELOPMENT	-	-	-
DEBT SERVICE	-	-	-
CAPITAL OUTLAY	215,269	215,269	83,577
TOTAL EXPENDITURES	<u>215,269</u>	<u>215,269</u>	<u>83,692</u>
EXCESS REVENUE OVER EXPENDITURES	<u>(83,504)</u>	<u>(83,504)</u>	-
<u>OTHER FINANCING SOURCES</u>			
OPERATING TRANSFERS IN	86,239	86,239	-
OPERATING TRANSFERS OUT	(2,735)	(2,735)	-
PROCEEDS FROM BORROWINGS	-	-	-
TOTAL OTHER FINANCING SOURCES	<u>83,504</u>	<u>83,504</u>	-
EXCESS OF REV AND SOURCES OVER EXP	-	-	-
FUND BALANCES AT BEG OF YEAR	-	-	-
FUND BALANCES AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See auditor's report.

St. Helena Parish Police Jury
Greensburg, Louisiana

Schedule of Compensation Paid Police Jurors

ST. HELENA PARISH POLICE JURY
Greensburg, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULES
YEAR ENDED DECEMBER 31, 2003

SCHEDULE OF 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 legislature 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 \$1,300 per month and the other jurors receive \$1,200 per month.

Tommy Carter, President	\$ 15,070
Charles Davis	14,400
Frank Johnson	14,400
Willie J. Morgan	14,400
Ray Smith,	14,930
Donald Willson	<u>14,400</u>
	<u>\$ 87,600</u>

St. Helena Parish Police Jury
Greensburg, Louisiana

Other Independent Auditor's Reports and Findings and Recommendations

St. Helena Parish Police Jury
Greensburg, Louisiana

**Report on Compliance and on Internal Control over
Financial Reporting Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

ANTHONY B. BAGLIO, CPA
A PROFESSIONAL ACCOUNTING CORPORATION
2011 Rue Simone
Hammond, Louisiana 70403
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**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER
FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT
AUDITING STANDARDS***

St. Helena Parish Police Jury
Greensburg, Louisiana

I have audited the (PRE34: general purpose) financial statements of the St. Helena Parish Police Jury as of and for the year ended December 2003, and have issued my report thereon dated June 24, 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 St. Helena Parish Police Jury's (PRE34: general purpose) financial statements are free of material misstatements, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed instances of noncompliance that are required to be reported under *Government Auditing Standards*, which are described in the accompanying schedule of current year findings as items 03-01 through 03-05. I also noted certain immaterial instances of noncompliance that I reported to the St. Helena Parish Police Jury in a separate letter dated June 24, 2004.


Internal Control Over Financial Reporting

In planning and performing my audit, I considered the St. Helena Parish Police Jury's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the (PRE34: general purpose) financial statements and not to provide assurance on the internal control over financial reporting. However, I noted certain matters involving the internal control over financial reporting and its operation that I considered to be reportable conditions. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in my judgment, could adversely affect the St. Helena Parish Police Jury's ability to record, process, summarize,

and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of current year audit findings as 03-06- through 03-13.

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 (PRE34: general purpose) 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. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, I consider 03-06, 03-07, 03-10, 03-11, 03-12 and 03-13 to be material weakness. I have also noted other matters involving the internal control over financial reporting that I have reported to the St. Helena Parish Police Jury in a separate letter dated June 24, 2004.

This report is intended for the information and use of the audit committee, management, Louisiana Legislative Auditor, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.


Anthony B. Baglio, CPA
Hammond, Louisiana
June 24, 2004

St. Helena Parish Police Jury
Greensburg, Louisiana

Summary Schedule of Prior Audit Findings

St. Helena Parish Police Jury
Greensburg, Louisiana

FINDINGS AND RECOMMENDATIONS

ST. HELENA PARISH POLICE JURY

Greensburg, Louisiana

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

Ref No.	Description of Finding	Management's Corrective Action Taken	Planned Corrective Action/Partial Corrective Action Taken
Section I-Compliance			
02-01	Parish Wide Capital Improvement Program is Incomplete	Partial	Completion dates have been included in the list, but the list doesn't include all projects for the year, nor were the projects done in the priority of the list.
02-02	Weekly Work Schedule Not Adequate	Partial	A report is now given to the Police Jury at monthly meeting. The Report doesn't show how work done compares to the work schedule. The work schedule is done daily rather than weekly as required by law.
02-03	Possible Wage and Hour Law Violation	Yes	
02-04	Possible Violation of State Law	Yes	
02-05	Fixed Assets Records Inadequate	Partial	A list is now available of the fixed assets. Some items not on the list and others not shown at the correct location.
02-06	Work on Private Property Violates State Law	Yes	No evidence of work on private property.
02-07	Police Jury May Have Violated Public Bid Law	Partial	Some errors still occurring (see findings)
Section II-Internal Control			
02-08	Vacation and Sick Leave Policy	Partial	Police Jury still not accumulating leave for those working over 35 hours per week.
02-09	Controls Over Payroll Need To Be Improved	Partial	Sometimes sheets still aren't signed by the supervisor.
02-10	Financial Statements Not Presented to the Board at Regular Meetings	Yes	

ST. HELENA PARISH POLICE JURY

Greensburg, Louisiana

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

Ref No.	Description of Finding	Management's Corrective Action Taken	Planned Corrective Action/Partial Corrective Action Taken
02-11	Office Personnel Accounting Controls	Not Addressed	
02-12	Restitution for Work Performed on Private Property	Yes	
02-13	Needs to Improve Police Jury's Gasoline/Diesel Procedures	Partial	Fuelman is now being used.. Better Procedures needed to monitor purchases.
02-14	Backing Computer Files	Yes	
02-15	In House Computer Records Aren't Complete Nor Being Compared to CPA Generated Records	Yes	Work Done at CPA's Office.
02-16	Controls over Sewer and Building Permits	Yes	
02-17	Expense Documentation for Annual Convention of The Police Jury Association and National Association of Counties Convention Not Adequate	Yes	
02-18	Bank Statements Not Reconciled Promptly	Yes	
02-19	Accounts Payable Records Not Complete	Partial	List not complete at year end.
Section III-Management Letter			
ML02-01	No General Liability Insurance On Owned Property Nor Umbrella Policy	None	Will not purchase since not required by law.
ML02-02	Cash Management Laws	Partial	Pledged inventory reports for three months had to be obtained from the bank.
ML02-03	Budget Message Not Complete	Yes	
ML02-04	Ordinance #215 Related to Employees Working On Private Property	Partial	New #229 Ordinance enacted but seven out of thirty one employees did not sign.
ML02-05	Employee Personnel File Not Complete	Partial	Some items still missing from personnel files (see finding)

ST. HELENA PARISH POLICE JURY

Greensburg, Louisiana

SCHEDULE OF CURRENT YEAR AUDIT FINDINGS

For the Year Ended December 31, 2003

COMPLIANCE

FINDING NO. 03-01

Parish Wide Capital Improvement Program is Incomplete

The parish-wide capital improvement program is not complete in that all projects were not included, three of the five lists were not prioritized nor construction based on the list. R.S. 48:755(A) requires police juries to adopt a parish-wide system of administration, which should include the development of a capital improvement program on a selective basis. R.S.48:755(B) provides that the parish-wide capital improvement program should list all projects to be constructed during the fiscal year. The Police Jury should develop a parish-wide program of construction of parish roads to be commenced during the ensuing fiscal year. The program would be based on the anticipated revenues to be appropriated by the legislature and listed in a prioritized ranking based on parish-wide needs and shall include overlay projects. The program should list the projects that may reasonably be anticipated to be constructed in the following two years. The program should be adopted annually regardless of whether the Police Jury anticipates capital improvements in the first year of the plan.

In reviewing road grants it was noted that five capital improvements projects were not included in the Capital Improvements Program. It was also noted that roads where grants for construction were applied for were not at the top of the prioritized list nor were construction projects done in the order of the list.

It is recommended that the Police Jury establish controls to insure that all capital projects are included in the Capital Improvement Program as required by law. The order of construction be based on the prioritized list.

FINDING NO. 03-02

Weekly Work Schedule Not Adequate

The road superintendent is preparing a daily list of work to be performed rather than a weekly schedule.

Louisiana Revised Statute (R.S.)48:755(A)&(C) require that each parish adopt a parish-wide selective maintenance program that provides for weekly schedule for work to be performed. A monthly report must be submitted to the governing body for any modifications to the weekly schedule and the expenditures incurred.

ST. HELENA PARISH POLICE JURY
Greensburg, Louisiana

SCHEDULE OF CURRENT YEAR AUDIT FINDINGS
For the Year Ended December 31, 2003

It is recommended the road superintendent prepare a weekly schedule of work to be performed as required by law. It is also recommended that any change in the weekly work schedule along with the costs be reported to the governing body.

FINDING 03-03

Possible Violation of Sick Leave Policy and Retirement Law

The Police Jury is not accumulating sick leave for hourly employees who are working over 35 hours per week or letting those employees participate in the retirement plan.

The sick leave policy states that sick leave credit shall accumulate for regular, full-time employees at the rate of one day for each month of continuous employment. The retirement program states that all full time employees shall participate in the retirement plan.

The Police Jury does not consider hourly employee's full time. The Police Jury has been advised by their attorney that anyone working over 35 hours is considered full-time. The Police Jury is not accumulating sick leave nor letting them participate in the retirement plan.

It is recommended the Police Jury follow the advice of their attorney.

FINDING 03-04

Fixed Assets Records Inadequate

The Police Jury is not maintaining a complete list of assets as required by R.S.24:515(B)(1). The law requires that records should include information as to the date of purchase of such property or equipment, the initial cost, the disposition, if any, the purpose of such disposition, and the recipient of the property or equipment disposed. Good internal control over fixed assets requires that fixed assets be tagged for identification purposes and that annual physical inventory of fixed assets be conducted to ensure the accuracy of fixed asset records.

In looking at a sample of fixed assets in the Road Building and Maintenance Fund, it was noted that six bionic blades were not on the list. It was also noted that some office furniture was not on the list. Assets in several other funds were in office but not on the list. Some assets did not have tag numbers.

1. It is recommended that the Police Jury complete the tagging process of the assets.

ST. HELENA PARISH POLICE JURY
Greensburg, Louisiana

SCHEDULE OF CURRENT YEAR AUDIT FINDINGS
For the Year Ended December 31, 2003

2. The Police Jury needs to take an inventory and update the list accordingly.

FINDING 03-05

Police Jury May Have Violated Public Bid Law

An arithmetic error was made in adding bids on equipment upgrades for two fire trucks. The bid was given to a company that did not have the lowest bid.

R.S.38:2212.1 requires that if a job is \$20,000 or greater for purchase of materials and supplies be advertised and let by contracts to lowest bidder according to specifications.

Bids were obtained for equipment upgrades for two fire trucks. Three bids were obtained for the upgrades ranging from \$19,754 to \$21,874 for each truck. An error was made in adding the list of equipment on one of the bids awarding the contract to a company whose price is \$1,096 more per truck than the lowest bid.

It is recommended the Police Jury establish controls to insure the correct amounts are used in determining the lowest bid.

INTERNAL CONTROL

FINDING 03-06

Sinking Fund Requirements For December 2003 For The Revenue Bond 2001 Was Not Made On Time.

The Sinking Fund requirements for revenue bond 2001 require a monthly payment into the sinking fund in the amount of \$2,273.75.

The Police Jury made 11 transfers to the sinking fund, but did not make the December transfer until February 13, 2004.

Controls should be established to insure the payments are transferred to the sinking fund when due.

ST. HELENA PARISH POLICE JURY

Greensburg, Louisiana

SCHEDULE OF CURRENT YEAR AUDIT FINDINGS

For the Year Ended December 31, 2003

FINDING 03-07

Controls Over Payroll Need To Be Improved

Some of the time sheets in the Road, Building and Maintenance and General Funds were not signed by a supervisor. Also, some of the employees failed to sign their own time sheets. Some leave sheets were completed and approved after the date of the leave.

Time Sheets and leave request were checked for supervisor and employee signature for the payrolls for August 15, 28 and December 15 and 30th. On these payrolls, 16 time sheets did not have supervisor signature and 15 did not have employee signature. There were 11 leave request not signed by a supervisor and six not signed by employee. There were 10 leave request that were signed by the employee and supervisor after the leave was taken.

It is recommended that time and leave sheets should be signed by the employee and checked and approved by their supervisor to insure that proper hours and/or leave is recorded. Leave should be approved by a supervisor before leave is paid.

FINDING NO. 03-08

Accumulated Leave Carried Over Incorrectly

In reviewing leave records it was determined that two employees were carrying over more leave that is allowable under the leave policy. One employee had excess leave carryover of 21.63 hours and the other had excess of 45.52 hours.

The leave vacation policy states that the maximum allowable carryover at the employee's anniversary date can't exceed the prior three years accumulation of vacation time.

Leave records should indicate the proper amount of leave to insure leave payments are correct. It is recommended that controls be implemented to insure that someone is checking the leave records for the proper carryovers.

FINDING NO. 03-09

Control Of Hours Worked

In reading the minutes, it was noted that one employee was authorized to work 27 hours per week and another employee was authorized to work Fridays only.

ST. HELENA PARISH POLICE JURY

Greensburg, Louisiana

SCHEDULE OF CURRENT YEAR AUDIT FINDINGS

For the Year Ended December 31, 2003

In reviewing the payroll records for these two employees, one employee was working full time and the other employee was working three days a week rather than Friday. Controls should be in place to insure employees work authorized hours.

It is recommended that a determination be made to see if these employees are working the proper hours, and if so, minutes should be updated to reflect the changes in hours.

FINDING NO. 03-10

Office Personnel Accounting Controls

There is no checking of office personnel work for accuracy, or if the work is completed in a timely manner. There are no controls in place for approval or checking of time sheets, payroll and leave.

In order for the Police Jury to properly maintain their accounting system, controls should be in place to insure accurate accounting data is prepared promptly, payroll and leave time is properly approved and paid, revenues and disbursements are properly approved, paid and recorded. Controls should also be established to insure the work of the office personnel is being reviewed and their time and leave sheets are approved and checked.

It is recommended that the Police Jury contract with their CPA to set controls for the office procedures.

FINDING NO. 03-11

Need To Improve Police Jury's Gasoline/Diesel Procedures

Controls over the Police Jury's gasoline/diesel purchases need to be improved. Good controls over the use of gasoline/diesel for Police Jury vehicles require that complete pump records be maintained and reviewed periodically. This review will ensure that only Police Jury vehicles are receiving gasoline/diesel, vehicles are properly identified, odometer readings are accurately recorded, and the amount of gasoline received by Police Jury vehicles is reasonable.

Two diesel pumps and one gasoline pump are located inside the fenced in area of the maintenance yard located in Greensburg. The pumps now have a switch on the inside of the maintenance building, which controls the pumps. The diesel fuel is used for equipment and the gasoline in case of an emergency. The Police Jury is now using fuelman cards for the purchase of the fuel for the vehicles. Reports are generated when the card is used based on mileage imputed by the employee. In looking at the

ST. HELENA PARISH POLICE JURY
Greensburg, Louisiana

SCHEDULE OF CURRENT YEAR AUDIT FINDINGS
For the Year Ended December 31, 2003

reports generated from fuelman, some of the miles per gallon were inaccurate since some of the trucks do not have odometers and some of the mileage appeared inaccurate since the miles per gallon looked unreasonable. The employee records the miles when the fuel is purchased. Controls should be established as follows:

1. On the trucks that the odometer is broken, establish a method to estimate mileage driven between fill up. This will enable an estimate to be made of the miles per gallon for the truck.
2. When the employee turns in mileage at the end of the day, this needs to be compared to the reports generated from fuelman to see if it matches.
3. A weekly check should be done comparing the mileage reflected on the fuelman report to the truck odometer.
4. A reasonableness check of mileage should be done each week and compared to the fuelman report.

FINDING NO. 03-12

Accounts Payable Records Not Complete

In testing the accounts payable, it was determined that numerous items were left off the list.

Accurate accounts payable are needed in order to properly report expenses in the proper year and properly report the liability on the financial statement.

The Police Jury furnishes a list of accounts payable to their CPA to prepare the annual compilation. The list that was given to the Police Jury's CPA was not complete.

It is recommended the Police Jury establish procedures to maintain accurate accounts payable records.

FINDING NO. 03-13

Controls Over Cellular Phones Need To Be Improved

In reviewing nine cellular phone bills in 2003 and looking at some records in 2004 the following was noted:

1. Several bills were over the allotted minutes and had excess charges.
2. One individual placed several calls to one number totaling 412 minutes.
3. Several calls placed at night, 9:25pm, 10:00pm, 10:26pm and 10:56pm, etc.
4. Police Jury collects from one employee the excess usage, another employee had \$900.00 of excess calls and is only reimbursing the police jury for \$117.00

ST. HELENA PARISH POLICE JURY

Greensburg, Louisiana

SCHEDULE OF CURRENT YEAR AUDIT FINDINGS

For the Year Ended December 31, 2003

5. Four of the Police Juror's have cellular phone plans ranging from 400 minutes to 1500 minutes per month. (In 2004)
6. On one phone bill, several calls made to Atlanta starting at 5:49pm to 11:43 pm.

Using cellular phones properly should increase the efficiency of the workers, using the phone in an improper manner will waste taxpayers money.

It is recommended:

1. A written policy should be established on use of cellular phones. Some of the items that could be included in the policy are:
 - a. Prohibit all personal use;
 - b. Limit the number of people with phones;
 - c. Establish a reasonable number of minutes for each phone, based on employee's position.
 - d. Assign someone in the office to monitor phone usage, to be sure falls within written policy.
 - e. Look at necessity of Police Jurors having phones, since all activity should flow through the office.
 - f. All cellular phones should be turned into the office at the end of the day for those who are not on call.
 - g. A Report should be compiled on phone usage for each employee and police juror monthly showing minutes used, cost, and any unusual items on the bill. This report should be presented to board at monthly meeting.

St. Helena Parish Police Jury
Greensburg, Louisiana

Management Letter

ANTHONY B. BAGLIO, CPA
A PROFESSIONAL ACCOUNTING CORPORATION
2011 Rue Simone
Hammond, Louisiana 70403
(985) 542-4155 or (985) 542-4186

MANAGEMENT LETTER

St. Helena Parish Police Jury
Greensburg, Louisiana

Gentlemen:

In planning and performing my audit of the financial statements of the St. Helena Parish Police Jury for the year ended December 31, 2003, I considered the St. Helena's Police Jury's internal control structure to plan my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control structure.

However, during my audit, I noted certain matters, involving the internal control structure and other operational matters that are presented for your consideration. I previously reported on the St. Helena Parish Police Jury's internal control structure in my report dated June 24, 2004. This letter does not affect my report dated June 24, 2004, on the financial statements of the St. Helena Parish Police Jury.

I will review the status of these comments during my next audit engagement. My comments and recommendations, all of which have been discussed with appropriate members of management, are intended to improve the internal control structure or result in other operating efficiencies. I will be pleased to discuss these comments in further detail at your convenience, to perform any additional study of these matters, or to assist you or your CPA in implementing the recommendations. My comments are summarized as follows:

FINDING ML03-01

No General Liability Insurance On Owned Property Nor Umbrella Policy

The Police Jury carries general liability on its leased property, fire districts and autos, but no general liability on its owned property nor does it carry an umbrella policy to increase its limits of coverage.

The Police Jury should obtain proposals on general liability insurance and check the feasibility of obtaining an umbrella policy.

FINDING ML03-02

Cash Management Laws

The Police Jury is not receiving the pledge inventory report every month from the bank to determine if cash is properly secured. LSA-RS39:1218-19 requires all amounts deposited in bank accounts must be secured by federal deposit insurance or the pledged of securities owned by the fiscal agent bank.

It is recommended the Police Jury receive a copy of the pledge inventory report and compare it to the cash at the end of each month to insure that cash is adequately collateralized. The Police Jury needs to be sure the bank is also monitoring the security that is being pledged for the deposits.

FINDING ML03-03

Ordinance #229 Related To Employees Working On Private Property

It's a violation of Louisiana Constitution and State Law to use Police Jury employees, equipment, and materials on private property. Article VII, Section 14(A) of the Louisiana Constitution of 1974 prohibits funds, credit, property, or things of value of state or of any political subdivision from being loaned, pledged, or donated to or for any person, association, or corporation, public or private.

On July 22, 2003, ordinance (#229) was passed by the Police Jury related to employees working on private property and other items on employee conduct. Each employee who received a copy of the ordinance was to sign a letter indicating a copy was received. Seven employees out of a total of thirty-one did not sign the ordinance.

The Police Jury should give the employees who did not sign another copy of the ordinance, and have them sign a statement indicating they received a copy of the ordinance.

FINDING ML03-04

Employee Personnel File Not Complete

The file the Police Jury maintains on its employees does not have all the required documents.

20 employee files were randomly selected. The personnel files were pulled and reviewed for:

1. Documentation of the employees approved pay rates
2. Completed form I-9 for employees hired after November 6, 1986
3. Completed Federal and State Income Tax Withholding forms W-4 and L-4

St. Helena Parish Police Jury
Management Letter (cont)

4. Employee application form
5. Job description

Of the 20 files reviewed, 4 had approved pay rates, 16 had current W-4's, 16 had current L-4's, 11 had employment applications, and 9 had job descriptions.

It is recommended the files be updated to include all of the above items.

FINDING ML 03-05

Food And Soft Drinks At Board Meetings

In 2003 the Police Jury began serving sandwich trays and soft drinks at their meetings. The Police Jury needs to be sure that serving sandwiches and drinks is not a prohibited gratuitous alienation of public funds.

In reading Attorney General Opinion #'s 03-0157, 02-0125 & 02-0157 the Police Jury needs to be sure the expenses meets the reasonableness test from the opinion.

It is recommended your attorney read the attorney general opinions and advise the proper action that needs to be taken.

FINDING ML 03-06

Renovations For Clerk Of Court

The Police Jury had an agreement with the Clerk of Court to pay 75% of the cost of the renovations to the building owned by the Police Jury, but used by the Clerk of Court. A change order was made to the contract where the Police Jury paid 100% of the cost of the change order.

In 2003 a bid was accepted for the renovations of the building housing the Clerk of Court. The Police Jury accepted a low bid of \$76,892. The Clerk and Police Jury had an agreement that 25% of the cost would be shared by the Clerk of Court. The job required a change order in the amount of \$8,400 which was paid entirely by the Police Jury.

It is recommended the Police Jury look at this transaction and see if they need to collect the 25% from the Clerk of Court.

St. Helena Parish Police Jury
Management Letter (cont)

I would like to thank you and your staff for the helpful cooperation I received during my audit.

This report is intended for the information of management and the Louisiana Legislative Auditor. This restriction is not intended to limit the distribution of this report, which is a matter of public record.



Anthony B. Baglio, CFA

Hammond, Louisiana

June 24, 2004

St. Helena Parish Police Jury
Greensburg, Louisiana

**Management's Corrective Action Plan
For Current Year Audit Findings**

ST. HELENA PARISH POLICE JURY

Greensburg, Louisiana

Corrective Action Plan For Current Year Audit Findings

For The Year Ended December 31, 2003

Ref No.	Description of Findings	Management Response
Section I-Internal Control and Compliance		
Compliance		
03-01	<p>Parish Wide Capital Improvement Program Is Incomplete.</p> <p>The Parish Wide Capital Improvement Program is not complete in that all projects were not included, three of the five lists were not prioritized nor construction based on the list.</p>	<p>With the audit completed in June 2003 we believe we finally understood what was required and the Road Superintendent prioritized the list. The Police Jury authorized other projects.</p>
03-02	<p>Weekly Work Schedule Not Adequate</p> <p>The road superintendent is preparing a daily list of work to be performed rather than a weekly schedule as required by law.</p>	<p>Road Superintendent advised that weekly work schedules will be completed and provided to District Supervisors. The District Supervisors will report any work not completed at the end of the day to the Road Superintendent.</p>
03-03	<p>Possible Violation of Sick Leave Policy and Retirement Law</p> <p>The Police Jury is not accumulating sick leave for hourly employees who are working over 35 hours per week or letting those employees participate in the retirement plan.</p>	<p>All eligible employees were enrolled in the retirement system by January 2004. The payroll clerk is reviewing the sick leave and will make necessary corrections.</p>
03-04	<p>Fixed Assets Records Inadequate</p> <p>The Police Jury is not maintaining a complete list of assets as required by R.S.24:515(B)(1).</p>	<p>Our CPA is working with us to correct this problem.</p>
03-05	<p>Police Jury May Have Violated Public Bid Law</p> <p>An arithmetic error was made in adding bids on equipment upgrades for two fire trucks. The bid was given to a company that did not have the lowest bid.</p>	<p>Will be more careful in the future in totaling such bids. The bid did go to the only company that bid on every item requested.</p>

ST. HELENA PARISH POLICE JURY

Greensburg, Louisiana

**Corrective Action Plan For Current Year Audit Findings
For The Year Ended December 31, 2003**

Internal Control

- | | | |
|-------|---|--|
| 03-06 | <p>Sinking Fund Requirements for December 2003 For The Revenue Bond 2001 Was Not Made On Time.</p> <p>The sinking fund requirements for revenue bond 2001 require a monthly payment into the sinking fund in the amount of \$2,273.75.</p> | <p>Sinking Fund transfer was made when the omission was discovered in February 2004.</p> |
| 03-07 | <p>Controls Over Payroll Need To Be Improved</p> <p>Some of the time sheets in the Road, Building and Maintenance and General Funds were not signed by a supervisor. Also some of the employees failed to sign their own time sheets. Some leave sheets were completed and approved after the date of the leave.</p> | <p>Checks will not be issued on time sheets not properly completed and signed. Leave sheets are submitted and signed on payroll date rather than the actual date of leave.</p> |
| 03-08 | <p>Accumulated Leave Carried Over Incorrectly</p> <p>On two employees more than the maximum allowable annual leave was carried over to the next year.</p> | <p>This matter has been corrected.</p> |
| 03-09 | <p>Controls of Hours Worked</p> <p>In reading the minutes it was noted that one employee was authorized to work 27 hours per week and another employee was authorized to work Fridays only.</p> | <p>Road Superintendent and payroll clerk are reviewing this error and we will work to correct the problem.</p> |
| 03-10 | <p>Office Personnel Accounting Controls</p> <p>There is no checking of office personnel work for accuracy, or if the work is completed in a timely manner. There are no controls in place for approval or checking of time sheets, payroll and leave.</p> | <p>There are not enough personnel for someone to check everyone's work. The secretary/ treasurer and payroll clerk are checking time sheets and leave sheets when preparing payroll.</p> |
| 03-11 | <p>Need to Improve Police Jury's Gasoline/ Diesel Procedures</p> <p>Better records need to be kept on fuel usage.</p> | <p>Road Superintendent plans to repair odometers and keep a closer check on mileage.</p> |

ST. HELENA PARISH POLICE JURY

Greensburg, Louisiana

Corrective Action Plan For Current Year Audit Findings

For The Year Ended December 31, 2003

- | | | |
|------------------------------|--|--|
| 03-12 | Accounts Payable Records Not Complete
Numerous items were left off the accounts payable list. | Some items were left off in error and others were received after we submitted the list in February as required by CPA. We plan to make every effort to be more accurate in preparing future lists. |
| 03-13 | Controls Over Cellular Phones Need To Be Improved
Need to justify usage and cost of cellular phones. | Will review this matter with the Police Jury and follow the auditor's suggestions. |
| Section II-Management Letter | | |
| ML03-01 | No General Liability Insurance on Owned Property Nor Umbrella Policy | General liability insurance is not required by law according to Assistant District Attorney Clifton Speed and the Police Jury chose to discontinue purchasing general liability on owned property in the late 1980's. The Secretary/Treasurer did make telephone inquiries to current insurance agencies and were advised that there are too many judgments against the Police Jury to get affordable coverage if they could find a company willing to submit a quote. The Secretary/Treasurer recently sent a letter to various insurance companies requesting quotes for 2004. |
| ML03-02 | Cash Management Laws
The Police Jury is not receiving the pledge inventory report every month from the bank to determine if cash is properly secured. | Began to monitor more closely after the 2002 audit received in June 2003. Will continue to check monthly. |
| ML03-03 | Ordinance #229 Related To Employees Working on Private Property
It's a violation of Louisiana Constitution and State Law to use Police Jury employees, equipment, and materials on private property. | Will request all employees sign for copy of ordinance. |

ST. HELENA PARISH POLICE JURY

Greensburg, Louisiana

Corrective Action Plan For Current Year Audit Findings

For The Year Ended December 31, 2003

- ML03-04 **Employee Personnel File Not Complete**
The file the Police Jury maintains on its employees does not have all the required documents.
- We have attempted to include all documents in our personnel files on regular Police Jury employees. On District Attorney, Assistant District Attorneys, Court Reporters and elected officials the Police Jury requires Form W-4, L-2 and I-9. The Police Jury does not require applications forms on those persons. We will review the files again for missing documents. Police Jury has job titles, no descriptions.
- ML03-05 **Food and Soft Drinks At Board Meetings**
In 2003 the Police Jury began serving sandwich trays and soft drinks at their meetings. The Police Jury needs to be sure that serving sandwiches and drinks is not a prohibited gratuitous alienation of public funds.
- Will ask attorney to review and will follow attorney's advice.
- ML03-06 **Renovations For Clerk Of Court**
The Police Jury had an agreement with the Clerk of Court to pay 75% of the cost of the renovations to the building owned by the Police Jury but used by the Clerk of Court. A change order was made to the contract where the Police Jury paid 100% of the cost of the change order.
- Will ask the Police Jury to request the Clerk of Court reimburse the 25% of the change order (\$2100.00 due from Clerk of Court)

ST. HELENA PARISH POLICE JURY

Harold Ray Smith
District 1

Willie J. Morgan
District 3

Charles Davis
District 5

Tommy Carter
District 2

Frank E. Johnson
District 4

Donald R. Willson
District 6

Mailing Address:
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17911 HWY 43 N
Greensburg, Louisiana 70441

This institution is an equal opportunity provider

July 13, 2004

Legislative Audit Advisory Council
State of Louisiana
Mr. Steve J. Theriot
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

RECEIVED
LEGISLATIVE AUDITOR
04 JUL 15 AM 11:11

Dear Mr. Theriot:

The St. Helena Parish Police Jury has taken steps to remedy the many problems noted in the audit for the Year ended December 31, 2003.

Parishwide Capital Improvement Program incomplete: The Capital Improvement Program will be revised and readopted to include all changes as road conditions change and new roads are added.

Weekly work schedule not adequate: Road Superintendent will provide weekly work schedule and will present a report to the Police Jury showing any changes to said schedule.

Possible violation of Sick Leave Policy and Retirement Law: All eligible employees were enrolled in the Retirement System by January 2004 and the Payroll Clerk is reviewing sick leave and all eligible employees will receive sick leave due to them.

Fixed Assets Records inadequate: Tagging is being completed at this time. A complete inventory will be performed and our CPA is working with us for all necessary items to be included in Fixed Assets Records.

Police Jury may have violated Public Bid Law: The Purchasing Agent will have her assistant check over her figures to catch any errors in addition.

Sinking Fund Requirements for December 2003 For The Revenue Bond 2001 Was Not Made On Time: The Secretary-Treasurer will review the fund each month to make certain the monthly transfers are made.

Controls Over Payroll Need To Be Improved: Time Sheets and Leave Sheets will be more closely reviewed by payroll dept. and checks will not be issued on time sheets not completed and signed. It is our practice to prepare leave slips for the entire payroll period on payroll date rather than the actual day a person is off.

Accumulated Leave Carried Over Incorrectly: This matter has been corrected.

Controls of Hours Worked: Road Superintendent notified not to work anyone more hours than approved by Police Jury.

Office Personnel Accounting Controls: The office personnel are working closely with the CPA to ensure all work is timely and accurate. However, there are not enough personnel for everyone's work to be checked by another person in the office.

Improve Gasoline/Diesel Procedures: The Road Superintendent plans to repair odometers and check the mileage turned in by employees.

Accounts Payable Records Not Complete: Some items were left off in error and others were received after we submitted the list in February as required by CPA. We will make every effort to be more accurate in preparing future lists.

Controls Over Cellular Phones Need To Be Improved: We will follow the auditor's suggestions.

No General Liability Insurance On Owned Property Nor Umbrella Policy: Our attorney advised that by state law the Police Jury is not required to have general liability insurance and the Police Jury decided not to purchase said insurance due to high cost. We have requested quotes to be received in October 2004 to see if the cost has decreased to an affordable amount.

Cash Management Laws: We had failed to obtain the pledged securities inventory reports for January through March 2003, however, when advised of this matter during the 2002 audit we began monitoring the matter more closely and the reports are being received and checked every month.

Receipt Of Ordinance No. 229 Not Signed By All Employees: The Ordinance will be redistributed and the employees requested to sign showing their receipt.

Employee Personnel Files Not Complete: Office personnel are working to complete all files. Our problems are not with regular employees but with court ordered personnel (Assistant District Attorneys, Court Reporters) and elected officials. We do not require application forms on those persons, however, we make every effort to obtain Forms W-4, L-2, I-9.

Food and Soft Drinks At Board Meetings: We will follow our Attorney's advice on this matter.

Renovations For Clerk Of Court Office: The Police Jury will request the Clerk of Court reimburse the Police Jury for 25% of the Change Order.

Thank you,



Willie J. Morgan
President