

RECEIVED
LEGISLATIVE AUDITOR

04 JUL 20 AM 11:04

EVANGELINE PARISH POLICE JURY
Ville Platte, Louisiana

Financial Report

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 8-4-04

TABLE OF CONTENTS

| | Page |
|---|-------|
| Independent Auditors' Report | 1-2 |
| BASIC FINANCIAL STATEMENTS | |
| GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS) | |
| Statement of net assets | 5 |
| Statement of activities | 6 |
| FUND FINANCIAL STATEMENTS (FFS) | |
| Balance sheet - governmental funds | 9 |
| Reconciliation of the governmental funds balance sheet to the statement of net assets | 10 |
| Statement of revenues, expenditures, and changes in fund balances- governmental funds | 11-12 |
| Reconciliation of the statement of revenues, expenditures, and changes in fund balances of governmental funds to the statement of activities | 13 |
| Comparative statement of net assets - proprietary fund | 14 |
| Comparative statement of revenues, expenses, and changes in fund net assets - proprietary fund | 15 |
| Comparative statement of cash flows - proprietary fund | 16-17 |
| Notes to basic financial statements | 18-43 |
| REQUIRED SUPPLEMENTARY INFORMATION | |
| Budgetary comparison schedules: | |
| General fund | 45 |
| Special Grant Fund | 46 |
| Health Unit Maintenance Fund | 47 |
| Public Library Maintenance Fund | 48 |
| Road District Maintenance Fund | 49 |
| Louisiana Community Development Block Grant | 50 |

(continued)

TABLE OF CONTENTS (continued)

| | <u>Page</u> |
|---|-------------|
| OTHER SUPPLEMENTARY INFORMATION | |
| OTHER FINANCIAL INFORMATION | |
| Major Governmental funds - | |
| Public Improvement Sales Tax Bonds - budgetary comparison schedule | 53 |
| Nonmajor Governmental Funds - | |
| Combining balance sheet | 54 |
| Combining statement of revenues, expenditures, and changes in fund balances | 55 |
| Nonmajor special revenue funds - | |
| Combining balance sheet | 57-58 |
| Combining statement of revenues, expenditures, and changes in fund balances | 59-60 |
| Nonmajor debt service funds - | |
| Combining balance sheet | 62 |
| Combining statement of revenues, expenditures, and changes in fund balances | 63 |
| Nonmajor capital projects funds - | |
| Combining balance sheet | 65 |
| Combining statement of revenues, expenditures, and changes in fund balances | 66 |
| COMPLIANCE, INTERNAL CONTROL AND OTHER GRANT INFORMATION | |
| Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with <u>Government Auditing Standards</u> | 68-69 |
| Report on Compliance with Requirements Applicable to each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133 | 70-71 |
| Schedule of expenditures of federal awards | 72 |
| Notes to schedule of expenditures of federal awards | 73 |
| Schedule of findings and questioned costs | 74-75 |
| Summary schedule of current and prior year audit findings and corrective action plan | 76-77 |
| OTHER SUPPLEMENTAL INFORMATION | |
| Other supplemental information - utility department (unaudited) | 79 |
| Schedule of insurance in force (unaudited) | 80-81 |

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC
CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA*
Russell F. Champagne, CPA*
Victor R. Slaven, CPA*
Conrad O. Chapman, CPA*
P. Troy Courville, CPA*
Gerald A. Thibodeaux, Jr., CPA*

P.O. Box 588
Ville Platte, LA 70586

Phone (337) 363-2792
Fax (337) 363-3049

WEB SITE:
WWW.KCSRCPAS.COM

Robert S. Carter, CPA
Allen J. LaBry, CPA
Harry J. Ciostio, CPA
Penny Angelle Scroggins, CPA
Christine L. Cousin, CPA
Mary T. Thibodeaux, CPA
Kelly M. Doucet, CPA
Kenneth J. Rachal, CPA
Cheryl L. Bartley, CPA, CVA

MEMBER OF:
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

* A Professional Accounting Corporation

To the Members of the Police Jury
Evangeline Parish
Ville Platte, Louisiana

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Evangeline Parish Police Jury, as of and for the year ended December 31, 2003, which collectively comprise the Police Jury's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Police Jury's management. Our responsibility is to express opinions on these financial statements based on our audit.

Except as discussed in the following paragraph, we conducted our 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

The financial statements do not include financial data of various governmental agencies (component units), which should be included in order to conform to generally accepted accounting principles. The effects of the omission of these governmental agencies on assets, liabilities and fund equity at December 31, 2003 and the excess of revenues over expenditures for the year then ended on the financial statements cannot be determined.

In our opinion, because the omission of the financial statements of component units results in an incomplete presentation as explained in the third paragraph, the financial statements referred to in the first paragraph do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Evangeline Parish Police Jury, as of December 31, 2003, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

183 South Beadle Road
Lafayette, LA 70508
Phone (337) 232-4141
Fax (337) 232-8660

113 East Bridge Street
Breaux Bridge, LA 70517
Phone (337) 332-4020
Fax (337) 332-2867

133 East Waddil
Marksville, LA 71351
Phone (318) 253-9252
Fax (318) 253-8681

1234 David Drive, Suite 105
Morgan City, LA 70380
Phone (985) 384-2020
Fax (985) 384-3020

408 W. Cotton Street
Ville Platte, LA 70586
Phone (337) 363-2792
Fax (337) 363-3049

332 W. Sixth Avenue
Oberlin, LA 70655
Phone (337) 639-4737
Fax (337) 639-4568

200 South Main Street
Abbeville, LA 70510
Phone (337) 893-7944
Fax (337) 893-7946

In accordance with Government Auditing Standards, we have also issued a report dated June 9, 2004 on our consideration of the Evangeline Parish Police Jury's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

The required supplementary information, on pages 44 through 50, is not a required part of the basic financial statements, but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

The Evangeline Parish Police Jury has not presented management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Evangeline Parish Police Jury's basic financial statements. The other supplementary information on pages 51 through 81 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards (page 72) is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the financial statements of the Evangeline Parish Police Jury. Such information, except for that portion marked "unaudited" on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The financial information for the preceding year, which is included for comparative purposes, was taken from the financial report for that year in which we expressed an adverse opinion on the general purpose financial statements of the Evangeline Parish Police Jury due to the omission of various component units of the Evangeline Parish Police Jury.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Ville Platte, Louisiana
June 9, 2004

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)**

EVANGELINE PARISH POLICE JURY
Ville Platte, Louisiana

Statement of Net Assets
December 31, 2003

| | Governmental Activities | Business-Type Activities | Total | Component Unit Criminal Court Fund |
|---|----------------------------|-----------------------------|----------------------|---|
| ASSETS | | | | |
| Current assets: | | | | |
| Cash and interest-bearing deposits | 4,761,967 | \$ 7,716 | \$ 4,769,683 | \$ - |
| Investments | 1,465 | - | 1,465 | - |
| Receivables, net | 2,177,102 | 785 | 2,177,887 | 11,166 |
| Internal balances | 2 | (2) | - | - |
| Due from component unit | 7,045 | - | 7,045 | - |
| Due from other governmental units | 907,442 | - | 907,442 | - |
| Inventory | 1,355 | - | 1,355 | - |
| Other assets | 59,563 | - | 59,563 | - |
| Total current assets | <u>7,915,941</u> | <u>8,499</u> | <u>7,924,440</u> | <u>11,166</u> |
| Noncurrent assets: | | | | |
| Restricted assets: | | | | |
| Cash and interest-bearing deposits | - | 11,836 | 11,836 | - |
| Capital assets, net | 14,211,306 | 566,498 | 14,777,804 | - |
| Total noncurrent assets | <u>14,211,306</u> | <u>578,334</u> | <u>14,789,640</u> | <u>-</u> |
| Total assets | <u>22,127,247</u> | <u>586,833</u> | <u>22,714,080</u> | <u>11,166</u> |
| LIABILITIES | | | | |
| Current liabilities: | | | | |
| Cash overdraft | 143,097 | - | 143,097 | 16,947 |
| Accounts and other payables | 134,733 | - | 134,733 | 837 |
| Contracts payable | 411,253 | - | 411,253 | - |
| Due to primary government | - | - | - | 7,045 |
| Due to other governmental units | 224,326 | - | 224,326 | - |
| Bonds and notes payable | 998,314 | 1,170 | 999,484 | - |
| Accrued interest | 45,696 | - | 45,696 | - |
| Performance bonds payable | 143,468 | - | 143,468 | - |
| Deferred revenue | 20,198 | - | 20,198 | - |
| Compensated absences payable | 4,644 | - | 4,644 | - |
| Capital leases payable | 30,331 | - | 30,331 | - |
| Total current liabilities | <u>2,156,060</u> | <u>1,170</u> | <u>2,157,230</u> | <u>24,829</u> |
| Noncurrent liabilities: | | | | |
| Compensated absences payable | 50,390 | - | 50,390 | - |
| Capital leases payable | 105,670 | - | 105,670 | - |
| Environmental compliance liability | 48,000 | - | 48,000 | - |
| Customers deposits payable | 2,635 | 2,654 | 5,289 | - |
| Claims payable | 15,896 | - | 15,896 | - |
| Bonds and notes payable | 10,174,319 | 74,211 | 10,248,530 | - |
| Total noncurrent liabilities | <u>10,396,910</u> | <u>76,865</u> | <u>10,473,775</u> | <u>-</u> |
| Total liabilities | <u>12,552,970</u> | <u>78,035</u> | <u>12,631,005</u> | <u>24,829</u> |
| NET ASSETS | | | | |
| Invested in capital assets, net of related debt | 2,902,672 | 492,287 | 3,394,959 | - |
| Restricted for debt service | 1,481,021 | 10,666 | 1,491,687 | - |
| Unrestricted | 5,190,584 | 5,845 | 5,196,429 | (13,663) |
| Total net assets | <u>\$ 9,574,277</u> | <u>\$ 508,798</u> | <u>\$ 10,083,075</u> | <u>\$ (13,663)</u> |

The accompanying notes are an integral part of the basic financial statements.

EVANGELINE PARISH POLICE JURY
Ville Platte, Louisiana

Statement of Activities
For the Year Ended December 31, 2003

| Activities | Program Revenues | | | Net (Expense) Revenues and Changes in Net Assets | | | Component Unit |
|--|------------------|---------------------------------------|------------------------------------|--|-------------------------|--------------------------|----------------|
| | Expenses | Fees, Fines, and Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities | Business-Type Activities | |
| Primary government: | | | | | | | |
| Governmental activities: | | | | | | | |
| General government | \$ 1,323,480 | \$ 211,879 | \$ - | \$ 310,675 | \$ (800,926) | \$ - | \$ (800,926) |
| Public safety | 301,624 | - | - | - | (301,624) | - | (301,624) |
| Public works | 4,370,288 | 39,067 | 4,559 | 1,741,310 | (2,585,352) | - | (2,585,352) |
| Health and welfare | 704,185 | - | - | 345,509 | (358,676) | - | (358,676) |
| Culture and recreation | 552,609 | 124,138 | 7,351 | - | (421,120) | - | (421,120) |
| Economic development | 72,965 | - | - | - | (72,965) | - | (72,965) |
| Interest on long-term debt | 568,804 | - | - | - | (568,804) | - | (568,804) |
| Total governmental activities | 7,893,956 | 375,084 | 11,910 | 2,397,494 | (5,109,468) | - | (5,109,468) |
| Business-type activities: | | | | | | | |
| Sewer | 48,324 | 32,168 | - | - | - | (16,156) | (16,156) |
| Total primary government | \$ 7,942,280 | \$ 407,252 | \$ 11,910 | \$ 2,397,494 | \$ (5,109,468) | \$ (16,156) | \$ (5,125,624) |
| Component unit: | | | | | | | |
| Criminal Court Fund | \$ 269,640 | \$ 162,995 | \$ - | \$ - | \$ - | \$ - | \$ (106,645) |
| General revenues: | | | | | | | |
| Taxes - | | | | | | | |
| Property taxes, levied for general purposes | | | | | \$ 2,105,157 | \$ - | \$ 2,105,157 |
| Sales and use taxes, levied for general purposes | | | | | 1,710,117 | - | 1,710,117 |
| Grants and contributions not restricted to specific programs - | | | | | | | |
| Beer taxes | | | | | 3,825 | - | 3,825 |
| State revenue sharing | | | | | 590,449 | - | 590,449 |
| Parish equalization | | | | | 1,066,634 | - | 1,066,634 |
| Interest and investment earnings | | | | | 114,043 | 244 | 114,287 |
| Miscellaneous | | | | | 231,048 | - | 231,048 |
| Transfers | | | | | (91,900) | - | (91,900) |
| Total general revenues and transfers | | | | | 5,729,373 | 244 | 5,729,617 |
| Change in net assets | | | | | 619,905 | (15,912) | 603,993 |
| Net assets - January 1, 2003 | | | | | 8,954,372 | 524,710 | 9,479,082 |
| Net assets - December 31, 2003 | | | | | \$ 9,574,277 | \$ 508,798 | \$ 10,083,075 |

The accompanying notes are an integral part of the basic financial statements.

FUND FINANCIAL STATEMENTS (FFS)

FUND DESCRIPTIONS

General Fund

The General Fund is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund.

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Special Grant Fund -

To account for grants received from the Louisiana Departments of Transportation and Development and Natural Resources for special road and bridge projects.

Health Unit Maintenance Fund -

To account for the maintenance of a health unit, which provides health and welfare services to the citizens of the parish. Major means of financing is provided by ad valorem taxes, state revenue sharing, and interest earnings on time deposits.

Public Library Maintenance Fund -

To account for the operation and maintenance of the parish library. Major means of financing are provided by parishwide ad valorem taxes, state revenue sharing and interest earned on time deposits.

District Road Maintenance Funds -

To account for maintenance and upkeep of parish roads and bridges within the respective road districts. The major means of financing for the districts is ad valorem taxes, which are levied against properties within the districts.

Louisiana Community Development Block Grant Fund (LCDBG) -

To account for the administration of grant funds received from the State of Louisiana Division of Administration for renovation of the Redell-Vidrine sewer plant.

Debt Service Fund

Debt service funds are used to accumulate resources to be used to make debt service principal and interest payments on general obligation long-term debt.

Public Improvement Sales Tax Bonds -

To accumulate monies for payment of the \$9,400,000 Public Improvement Sales Tax Bonds Series 1998 and the \$4,420,000 Public Improvement Sales Tax Bonds Series 2000. Debt service is financed by the collection of a two percent sales and use tax.

EVANGELINE PARISH POLICE JURY
Ville Platte, Louisiana

Balance Sheet
Governmental Funds
December 31, 2003

| ASSETS | General | Special Grant | Health Unit Maintenance | Public Library | Road District Maintenance | Community Development Block Grant | 2% Sales Tax District Debt Service | Other Governmental Funds | Totals | |
|------------------------------------|--------------|---------------|-------------------------|----------------|---------------------------|-----------------------------------|------------------------------------|--------------------------|--------------|--------------|
| | | | | | | | | | 2003 | 2002 |
| Cash and interest-bearing deposits | \$ 737,705 | \$ - | \$ 987,239 | \$ 277,097 | \$ 367,041 | \$ - | \$ 1,524,268 | \$ 868,617 | \$ 4,761,967 | \$ 4,309,629 |
| Investments | - | - | 425 | 67 | 198 | - | 441 | 334 | 1,465 | 1,453 |
| Receivables | 329,729 | - | 217,664 | 518,737 | 975,280 | - | - | 135,692 | 2,177,102 | 2,092,079 |
| Due from other funds | 55,003 | - | - | - | - | - | - | 45,700 | 100,703 | 95,995 |
| Due from component unit | 7,045 | - | - | - | - | - | - | - | 7,045 | 9,031 |
| Due from other governmental units | 334,547 | 313,938 | - | - | - | 188,889 | - | 70,068 | 907,442 | 587,921 |
| Inventory | 1,355 | - | - | - | - | - | - | - | 1,355 | 1,355 |
| Other assets | 34,365 | - | - | - | - | - | - | 25,198 | 59,563 | 58,739 |
| Total assets | \$ 1,499,749 | \$ 313,938 | \$ 1,205,328 | \$ 795,901 | \$ 1,342,519 | \$ 188,889 | \$ 1,524,709 | \$ 1,145,609 | \$ 8,016,642 | \$ 7,156,202 |

LIABILITIES AND FUND BALANCES

| | | | | | | | | | | |
|---|--------------|------------|--------------|------------|--------------|------------|--------------|--------------|--------------|--------------|
| Liabilities: | | | | | | | | | | |
| Cash overdraft | \$ - | \$ 139,484 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 3,613 | \$ 143,097 | \$ 147 |
| Accounts, salaries, and other payables | 84,927 | 13,110 | 4,274 | 2,712 | - | - | - | 29,710 | 134,733 | 240,747 |
| Contracts payable | - | 157,008 | - | - | 22,939 | 188,889 | - | 42,417 | 411,253 | - |
| Due to other funds | - | - | 1,064 | 160 | 61,979 | - | - | 37,498 | 100,701 | 95,995 |
| Due to other governmental units | 224,326 | - | - | - | - | - | - | - | 224,326 | 1,855 |
| Performance bonds payable | 143,468 | - | - | - | - | - | - | - | 143,468 | 138,468 |
| Sewer deposits payable | - | - | - | - | - | - | - | 2,635 | 2,635 | 1,750 |
| Deferred revenue | - | - | - | - | - | - | - | 20,198 | 20,198 | 27,729 |
| Total liabilities | 452,721 | 309,602 | 5,338 | 2,872 | 84,918 | 188,889 | - | 136,071 | 1,180,411 | 506,691 |
| Fund balances - | | | | | | | | | | |
| Reserved for inventory | 1,355 | - | - | - | - | - | - | - | 1,355 | 1,355 |
| Reserved for debt service | - | - | - | - | - | - | 1,524,709 | 2,008 | 1,526,717 | 1,348,056 |
| Reserved for housing purposes | - | - | - | - | - | - | - | 17,200 | 17,200 | 15,739 |
| Unreserved, designated for subsequent years' expenditures | - | 4,336 | - | - | - | - | - | 459,089 | 463,425 | 517,149 |
| Unreserved, undesignated | 1,045,673 | - | 1,199,990 | 793,029 | 1,257,601 | - | - | 531,241 | 4,827,534 | 4,767,212 |
| Total fund balances | 1,047,028 | 4,336 | 1,199,990 | 793,029 | 1,257,601 | - | 1,524,709 | 1,009,538 | 6,836,231 | 6,649,511 |
| Total liabilities and fund balances | \$ 1,499,749 | \$ 313,938 | \$ 1,205,328 | \$ 795,901 | \$ 1,342,519 | \$ 188,889 | \$ 1,524,709 | \$ 1,145,609 | \$ 8,016,642 | \$ 7,156,202 |

The accompanying notes are an integral part of the basic financial statements.

EVANGELINE PARISH POLICE JURY
Ville Platte, Louisiana

Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Assets
December 31, 2003

| | | |
|---|--------------------|---------------------|
| Total fund balances for governmental funds at December 31, 2003 | | \$ 6,836,231 |
| Cost of capital assets at December 31, 2003 | \$ 20,613,842 | |
| Less: Accumulated depreciation as of December 31, 2003 | <u>(6,402,536)</u> | 14,211,306 |
| Elimination of interfund assets and liabilities | | |
| Due from other funds | 100,701 | |
| Due to other funds | <u>(100,701)</u> | - |
| Long-term liabilities at December 31, 2003: | | |
| Bonds payable | (11,172,633) | |
| Capital leases payable | (136,001) | |
| Environmental compliance liability | (48,000) | |
| Claims payable | (15,896) | |
| Compensated absences payable | (55,034) | |
| Accrued interest payable | <u>(45,696)</u> | <u>(11,473,260)</u> |
| Net assets at December 31, 2003 | | <u>\$ 9,574,277</u> |

The accompanying notes are an integral part of the basic financial statements.

EVANGELINE PARISH POLICE JURY
Ville Platte, Louisiana

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

| | <u>General</u> | <u>Special Grant</u> | <u>Health Unit Maintenance</u> | <u>Public Library</u> |
|---|---------------------|--------------------------|------------------------------------|---------------------------|
| Revenues: | | | | |
| Taxes - | | | | |
| Ad valorem | \$ 314,624 | \$ - | \$ 207,984 | \$ 516,295 |
| Sales | - | - | - | - |
| Licenses and permits | 171,547 | - | - | - |
| Intergovernmental revenues - | | | | |
| Federal grants | 310,675 | 7,678 | - | - |
| State funds - | | | | |
| Parish transportation funds | - | - | - | - |
| State revenue sharing | 44,336 | - | 27,750 | 38,325 |
| Parish equalization funds | 1,024,697 | - | 23,569 | - |
| Other | 19,788 | 688,147 | - | 7,353 |
| Fees, charges and commissions | 28,928 | - | - | - |
| Use of money and property | 47,669 | 3 | 16,834 | 7,057 |
| Miscellaneous | 178,189 | - | 6,041 | 17,646 |
| Total revenues | <u>2,140,453</u> | <u>695,828</u> | <u>282,178</u> | <u>586,676</u> |
| Expenditures: | | | | |
| Current - | | | | |
| General government: | | | | |
| Legislative | 197,211 | - | - | - |
| Judicial | 257,399 | - | - | - |
| Elections | 60,606 | - | - | - |
| Finance and administration | 511,597 | - | - | - |
| Other | 232,869 | - | - | - |
| Public safety | 301,278 | - | - | - |
| Public works | 392,984 | 691,513 | - | - |
| Health and welfare | - | - | 312,653 | - |
| Culture and recreation | - | - | - | 414,638 |
| Economic development and assistance | 49,733 | - | - | - |
| Debt service | 123,107 | - | - | - |
| Total expenditures | <u>2,126,784</u> | <u>691,513</u> | <u>312,653</u> | <u>414,638</u> |
| Excess (deficiency) of revenues over expenditures | <u>13,669</u> | <u>4,315</u> | <u>(30,475)</u> | <u>172,038</u> |
| Other financing sources (uses): | | | | |
| Proceeds from issuance of debt | - | - | - | - |
| Proceeds from capital leases | - | - | - | - |
| Transfers in | 65,700 | - | - | - |
| Transfers out - component unit | (91,900) | - | - | - |
| Transfers out | (60,101) | - | - | - |
| Total other financing sources (uses) | <u>(86,301)</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net changes in fund balances | (72,632) | 4,315 | (30,475) | 172,038 |
| Fund balances, beginning | 1,119,660 | 21 | 1,230,465 | 620,991 |
| Fund balances, ending | <u>\$ 1,047,028</u> | <u>\$ 4,336</u> | <u>\$ 1,199,990</u> | <u>\$ 793,029</u> |

The accompanying notes are an integral part of the basic financial statements.

| Road District Maintenance | Community Development Block Grant | 2% Sales Tax District Debt Service | Other Governmental Funds | Totals | |
|---------------------------------|---|--|--------------------------------|---------------------|---------------------|
| | | | | 2003 | 2002 |
| \$ 940,191 | \$ - | \$ - | \$ 126,063 | \$ 2,105,157 | \$ 1,997,159 |
| - | - | 1,376,133 | 333,984 | 1,710,117 | 1,504,426 |
| - | - | - | - | 171,547 | 188,730 |
| 23,294 | 678,863 | - | 347,180 | 1,367,690 | 530,150 |
| - | - | - | 355,759 | 355,759 | 356,461 |
| 124,279 | - | - | 18,368 | 253,058 | 253,421 |
| - | - | - | - | 1,048,266 | 720,641 |
| - | - | - | 420 | 715,708 | 305,215 |
| - | - | - | 166,794 | 195,722 | 243,988 |
| 13,029 | - | 13,710 | 15,741 | 114,043 | 169,351 |
| 8,075 | - | - | 17,086 | 227,037 | 302,199 |
| <u>1,108,868</u> | <u>678,863</u> | <u>1,389,843</u> | <u>1,381,395</u> | <u>8,264,104</u> | <u>6,571,741</u> |
| - | - | - | - | 197,211 | 204,471 |
| - | - | - | - | 257,399 | 248,267 |
| - | - | - | - | 60,606 | 65,568 |
| - | - | - | - | 511,597 | 456,307 |
| - | - | - | - | 232,869 | 270,346 |
| - | - | - | - | 301,278 | 297,000 |
| 997,203 | 678,863 | - | 1,221,296 | 3,981,859 | 2,404,537 |
| - | - | - | 348,722 | 661,375 | 564,466 |
| - | - | - | 135,507 | 550,145 | 572,327 |
| - | - | - | - | 49,733 | 37,677 |
| <u>49,340</u> | <u>-</u> | <u>1,327,420</u> | <u>23,202</u> | <u>1,523,069</u> | <u>1,550,181</u> |
| <u>1,046,543</u> | <u>678,863</u> | <u>1,327,420</u> | <u>1,728,727</u> | <u>8,327,141</u> | <u>6,671,147</u> |
| <u>62,325</u> | <u>-</u> | <u>62,423</u> | <u>(347,332)</u> | <u>(63,037)</u> | <u>(99,406)</u> |
| - | - | - | 341,657 | 341,657 | 34,962 |
| - | - | - | - | - | 56,250 |
| 181,027 | - | 114,570 | 111,953 | 473,250 | 332,973 |
| - | - | - | - | (91,900) | 1,070 |
| <u>(277,314)</u> | <u>-</u> | <u>-</u> | <u>(135,835)</u> | <u>(473,250)</u> | <u>(393,593)</u> |
| <u>(96,287)</u> | <u>-</u> | <u>114,570</u> | <u>317,775</u> | <u>249,757</u> | <u>31,662</u> |
| (33,962) | - | 176,993 | (29,557) | 186,720 | (67,744) |
| <u>1,291,563</u> | <u>-</u> | <u>1,347,716</u> | <u>1,039,095</u> | <u>6,649,511</u> | <u>6,717,255</u> |
| <u>\$ 1,257,601</u> | <u>\$ -</u> | <u>\$ 1,524,709</u> | <u>\$ 1,009,538</u> | <u>\$ 6,836,231</u> | <u>\$ 6,649,511</u> |

EVANGELINE PARISH POLICE JURY
Ville Platte, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended December 31, 2003

| | |
|---|-------------------|
| Total net changes in fund balances at December 31, 2003 per Statement of Revenues, Expenditures and Changes in Fund Balances | \$ 186,720 |
| Add: Facilities acquisition, construction costs, and equipment which are considered expenditures on Statement of Revenues, Expenditures and Changes in Fund Balances | 82,244 |
| Less: Depreciation expense for year ended December 31, 2003 | (949,576) |
| Add: Bond principal retirement considered as an expenditure on Statement | 920,770 |
| Less: Excess of compensated absences earned over compensated absences used | (8,592) |
| Add: Difference between interest on long-term debt on modified accrual basis versus interest on long-term debt on accrual basis | 3,192 |
| Add: Capital lease principal payments considered as an expenditure on Statement | 30,303 |
| Add: Environmental compliance liability retired during year ended December 31, 2003 | 400,000 |
| Less: Environmental compliance liability considered as expenditure on Statement | (48,000) |
| Add: Payments reducing claims liability during year ended December 31, 2003 | <u>2,844</u> |
| Total changes in net assets at December 31, 2003 per Statement of Activities | <u>\$ 619,905</u> |

The accompanying notes are an integral part of the basic financial statements.

EVANGELINE PARISH POLICE JURY
Ville Platte, Louisiana

Comparative Statement of Net Assets
Proprietary Fund
December 31, 2003 and 2002

| | Enterprise Fund | |
|---|-----------------|------------|
| | 2003 | 2002 |
| ASSETS | | |
| Current assets: | | |
| Cash and interest-bearing deposits | \$ 7,716 | \$ 2,062 |
| Accounts receivable | 785 | 800 |
| Total current assets | 8,501 | 2,862 |
| Noncurrent assets: | | |
| Restricted assets - | | |
| Interest-bearing deposits | 11,836 | 6,129 |
| Capital assets, net of accumulated depreciation | 566,498 | 594,269 |
| Total noncurrent assets | 578,334 | 600,398 |
| Total assets | 586,835 | 603,260 |
| LIABILITIES | | |
| Current liabilities: | | |
| Accounts payable | - | 407 |
| Due to other funds | 2 | - |
| Revenue bonds payable | 1,170 | 1,060 |
| Total current liabilities | 1,172 | 1,467 |
| Noncurrent liabilities: | | |
| Customers' deposits | 2,654 | 1,700 |
| Revenue bonds payable | 74,211 | 75,381 |
| Total noncurrent liabilities | 76,865 | 77,081 |
| Total liabilities | 78,037 | 78,548 |
| NET ASSETS | | |
| Invested in capital assets, net of related debt | 492,287 | 518,888 |
| Restricted for debt service | 10,666 | 5,069 |
| Unrestricted | 5,845 | 753 |
| Total net assets | \$ 508,798 | \$ 524,710 |

The accompanying notes are an integral part of the basic financial statements.

EVANGELINE PARISH POLICE JURY
Ville Platte, Louisiana

Comparative Statement of Revenues, Expenses, and Changes in Fund Net Assets -
Proprietary Fund
For the Years Ended December 31, 2003 and 2002

| | Enterprise Fund | |
|--|-----------------|------------|
| | 2003 | 2002 |
| Operating revenue: | | |
| Charges for services - | | |
| Sewerage sales | \$ 31,881 | \$ 31,894 |
| Penalties | 274 | 417 |
| Miscellaneous | 13 | 20 |
| Total operating revenues | 32,168 | 32,331 |
| Operating expenses | 44,369 | 55,305 |
| Operating loss | (12,201) | (22,974) |
| Nonoperating revenues (expenses): | | |
| Interest income | 244 | 316 |
| Interest expense | (3,955) | (4,063) |
| Total nonoperating revenues (expenses) | (3,711) | (3,747) |
| Loss before transfers | (15,912) | (26,721) |
| Transfers in (out): | | |
| Transfers in | - | 3,300 |
| Change in net assets | (15,912) | (23,421) |
| Retained earnings, beginning | 524,710 | 548,131 |
| Retained earnings, ending | \$ 508,798 | \$ 524,710 |

The accompanying notes are an integral part of the basic financial statements.

EVANGELINE PARISH POLICE JURY
Ville Platte, Louisiana

Comparative Statement of Cash Flows
Proprietary Fund
For the Years Ended December 31, 2003 and 2002

| | Enterprise Fund | |
|---|-----------------|-----------|
| | 2003 | 2002 |
| Cash flows from operating activities: | | |
| Receipts from customers | \$ 31,881 | \$ 31,894 |
| Payments to suppliers | (16,927) | (18,743) |
| Payments to employees | (64) | (8,803) |
| Other receipts | 287 | 437 |
| Net cash provided by operating activities | 15,177 | 4,785 |
| Cash flows from noncapital financing activities: | | |
| Transfers from other funds | - | 3,300 |
| Net cash provided by noncapital financing activities | - | 3,300 |
| Cash flows from capital and related financing activities: | | |
| Principal paid on revenue bonds payable | (1,060) | (954) |
| Interest and fiscal charges paid on revenue bonds and notes payable | (3,955) | (4,063) |
| Net change in meter deposits | 955 | 468 |
| Net cash used by capital and related financing activities | (4,060) | (4,549) |
| Cash flows from investing activities: | | |
| Proceeds of investments and interest-bearing deposits with maturity in excess of ninety days | 5,123 | 4,356 |
| Purchase of investments and interest-bearing deposits with maturity in excess of ninety days | (5,781) | (5,123) |
| Interest on investments | 244 | 316 |
| Net cash used by investing activities | (414) | (451) |
| Net increase in cash and cash equivalents | 10,703 | 3,085 |
| Cash and cash equivalents, beginning of period | 3,068 | (17) |
| Cash and cash equivalents, end of period | \$ 13,771 | \$ 3,068 |

(continued)

EVANGELINE PARISH POLICE JURY
Ville Plate, Louisiana

Comparative Statement of Cash Flows
Proprietary Fund (continued)
For the Years Ended December 31, 2003 and 2002

| | Enterprise Fund | |
|---|------------------|-----------------|
| | 2003 | 2002 |
| Reconciliation of operating loss to net cash used by operating activities: | | |
| Operating loss | \$ (12,201) | \$ (22,974) |
| Adjustments to reconcile operating loss to net cash used by operating activities: | | |
| Depreciation | 27,770 | 27,770 |
| Changes in current assets and liabilities: | | |
| (Increase) decrease in accounts receivable | 15 | (106) |
| Increase (decrease) in accounts payable | <u>(407)</u> | <u>95</u> |
| Net cash provided by operating activities | <u>\$ 15,177</u> | <u>\$ 4,785</u> |
| Reconciliation of cash and cash equivalents per statement of cash flows to the balance sheet: | | |
| Cash and cash equivalents, beginning of period - | | |
| Interest-bearing deposits - unrestricted | \$ 2,062 | \$ (17) |
| Interest-bearing deposits - restricted | 6,129 | 4,356 |
| Less: Interest-bearing deposits with maturity in excess of 90 days | <u>(5,123)</u> | <u>(4,356)</u> |
| Total cash and cash equivalents, beginning of period | <u>3,068</u> | <u>(17)</u> |
| Cash and cash equivalents, end of period - | | |
| Interest-bearing deposits - unrestricted | 7,716 | 2,062 |
| Interest-bearing deposits - restricted | 11,836 | 6,129 |
| Less: Interest-bearing deposits with maturity in excess of 90 days | <u>(5,781)</u> | <u>(5,123)</u> |
| Total cash and cash equivalents, end of period | <u>13,771</u> | <u>3,068</u> |
| Net increase | <u>\$ 10,703</u> | <u>\$ 3,085</u> |

The accompanying notes are an integral part of the basic financial statements.

EVANGELINE PARISH POLICE JURY
Ville Platte, Louisiana

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies

The accompanying financial statements of the Evangeline Parish Police Jury (Police Jury) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. In the government-wide financial statements and the fund financial statements for the proprietary funds, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions on or before November 30, 1989, have been applied unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

Louisiana Revised Statute 33:1236 gives the Police Jury various powers in regulating and directing the affairs of the parish and its inhabitants. The more notable of those are the 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.

A. Financial Reporting Entity

The financial reporting entity should consist of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statement to be misleading or incomplete. These financial statements include the primary government and one component unit as follows:

Primary government:

Evangeline Parish Police Jury - The Police Jury is the governing authority for Evangeline Parish and is a political subdivision of the State of Louisiana. The Police Jury is governed by 9 jurors representing the various districts within the parish. The jurors serve four-year terms that expire when the first meeting is held in January of 2004.

EVANGELINE PARISH POLICE JURY
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

Individual component unit:

The component unit column in the Statement of Net Assets and Statement of Activities includes the financial data of one of the Police Jury's component units. It is reported in a separate column to emphasize that it is legally separate from the Police Jury and is described below:

-Thirteenth Judicial District Criminal Court - The Thirteenth Judicial District Court is composed of two judges elected from the parish. The Police Jury approves the operating budget of the Court and has responsibility for funding any deficits. In addition, one-half of any excess funds goes to the Police Jury's General Fund. Separate financial statements of the Thirteenth Judicial District Court are not issued.

Other political subdivisions, which would be required to be included, based on current standards, issue separate financial statements, which have not been included in these financial statements. The exclusion of these component units is a departure from generally accepted accounting principals.

Although the Parish Library has a separate Board, the Police Jury has interpreted the structure to indicate that the Library is not a legally separate entity with the right to sue and be sued. Therefore, the Library has not been regarded as a component unit.

In addition, numerous other authorities and governmental entities established within Evangeline Parish have been excluded because control and/or financial responsibility by the Police Jury is considered remote or due to the fact that such entities are governed by separately elected governmental officials.

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The statement of net assets and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The statement of activities presents a comparison between direct expenses and program revenues for the business-type activities of the Jury and for each function of the Police Jury's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

EVANGELINE PARISH POLICE JURY
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

Fund Financial Statements

The accounts of the Police Jury are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The various funds of the Police Jury are classified into two categories: governmental and proprietary. The emphasis on fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the Police Jury or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The major funds of the Police Jury are described below:

Governmental Funds -

General Fund -

The General Fund is the general operating fund of the Police Jury. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Grant Fund -

The Special Grant Fund is used to account for grants received from the Louisiana Departments of Transportation and Development and Natural Resources for special road and bridge projects.

Health Unit Maintenance Fund -

The Health Unit Maintenance Fund is used to account for the maintenance of a health unit, which provides health and welfare services to the citizens of the parish.

EVANGELINE PARISH POLICE JURY
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

Public Library Maintenance Fund-

The Public Library Maintenance Fund is used to account for the operation and maintenance of the parish library.

District Road Maintenance Funds-

Road Maintenance Funds are used to account for maintenance and upkeep of parish roads and bridges with the respective districts.

Louisiana Community Development Block Grant-

The LCDBG Fund is use to account for the administration of grant funds received from the State of Louisiana Division of Administration for renovation of the Redell-Vidrine sewer plant.

Public Improvement Sales Tax Bonds-

The P.I. Sales Tax Bond Fund is used to accumulate monies for payment of the \$9,400,000 Public Improvement Sales Tax Bonds, Series 1998, and the \$4,420,000 Public Improvement Sales Tax Bonds, Series 2000.

Additionally, the Police Jury reports the following fund types:

Special Revenue Funds

Special revenue funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. These funds account for the revenues and expenditures related to federal, state and local grant and entitlement programs.

Debt Service Funds

Debt service funds, established to meet requirements of bond ordinances, are used to account for the accumulation of resources for and the payment of general long-term debt principal, interest, and related costs.

Capital Projects Funds

Capital projects funds account for financial resources received and used to acquire, construct, or improve capital facilities not reported in other governmental funds.

EVANGELINE PARISH POLICE JURY
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

Proprietary Fund -

Enterprise Fund

Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The Evangeline Parish Police Jury's enterprise fund is the Utility Fund.

C. Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide statement of net assets and the statement of activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined in item b. below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

- a. All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. The proprietary fund utilizes an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net assets.

EVANGELINE PARISH POLICE JURY
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

Basis of Accounting

In the government-wide statement of net assets and statement of activities, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

The proprietary fund utilizes the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

D. Assets, Liabilities and Equity

Cash, interest-bearing deposits, and investments

For purposes of the statement of net assets, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the Police Jury.

Under state law, the Police Jury may invest in United States bonds, treasury notes, or certificates. Investments are stated at amortized cost.

For the purpose of the proprietary fund statement of cash flows, "cash and cash equivalents" include all demand and savings accounts, and certificates of deposit or short-term investments with an original maturity of three months or less.

Interfund receivables and payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as "due to and from other funds." Short-term interfund loans are reported as "interfund receivables and payables."

EVANGELINE PARISH POLICE JURY
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net assets.

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include ad valorem and sales and use taxes. Business-type activities report customer's utility service receivables as their major receivables. Uncollectible utility service receivables are recognized as bad debts at the time written off.

Inventory

The purchase method is used in which the cost is recorded as an expenditure when individual items are purchased. The reported inventory is offset equally by a fund balance reserve which indicates that it does not constitute "available spendable resources". Inventory of the general fund consists of janitorial and jail supplies purchased which are valued at cost (first-in, first-out).

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide or financial statements. Capital assets are capitalized at historical cost or estimated cost if historical is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Police Jury maintains a threshold level of \$5,000 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Prior to January 1, 2003, governmental funds' infrastructure assets were not capitalized. These assets have been valued at estimated historical cost.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

| | |
|---------------------------------|-------------|
| Buildings | 40 years |
| Equipment | 5 years |
| Utility system and improvements | 20-40 years |
| Infrastructure | 20 years |

EVANGELINE PARISH POLICE JURY
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

Restricted Assets

Restricted assets include cash and interest-bearing deposits of the proprietary fund that are legally restricted as to their use. The restricted assets are related to the revenue bond accounts.

Long-term debt

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term debt consists primarily of the revenue bonds payable and utility meter deposits payable.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for proprietary fund long-term debt is the same in the fund statements as it is in the government-wide statements.

Compensated Absences

After one year of service, employees of the Police Jury earn annual leave at the rate of 6 to 15 days each year, depending upon their length of service. Unused annual leave may be carried forward from year to year not to exceed one week. Upon termination, employees are paid for unused annual leave at the employee's current rate of pay.

Employees of the Police Jury receive from 5 to 15 days of sick leave each year, depending upon their length of service. Unused sick leave may be carried forward from year to year without limitation. Upon termination, unused sick leave is forfeited.

Library employees receive between 10 and 25 days of annual leave each year, depending upon their job classification and length of service. Employees may accumulate up to one and one-half times their annual allotment of annual leave. Upon termination, employees are paid for their accumulated annual leave at the employee's current rate of pay.

EVANGELINE PARISH POLICE JURY
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

Library employees receive 15 days of sick leave each year. Employees may carry forward unused sick leave without limitation. Upon termination, unused sick leave is forfeited.

At December 31, 2003, employees of the Police Jury have accumulated and vested \$55,034 of employee annual leave benefits, which are recorded as long term debt.

Equity Classifications

In the government-wide statements, equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

In the fund statements, governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated. Proprietary fund equity is classified the same as in the government-wide statements.

E. Revenues, Expenditures, and Expenses

Operating Revenues and Expenses

Operating revenues and expenses for proprietary funds are those that result from providing services and producing and delivering goods and/or services. It also includes all revenue and expenses not related to capital and related financing, noncapital financing, or investing activities.

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function for both governmental and business-type activities.

EVANGELINE PARISH POLICE JURY
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

In the fund financial statements, expenditures are classified as follows:

Governmental Funds - By Character:
Proprietary Fund - By Operating and Nonoperating

In the fund financial statements, governmental funds report expenditures of financial resources. Proprietary funds report expenses relating to use of economic resources.

Interfund Transfers

Permanent reallocations of resources between funds of the reporting entity are classified as interfund transfers. For the purposes of the statement of activities, all interfund transfers between individual governmental funds have been eliminated.

F. Revenue Restrictions

The Police Jury has various restrictions placed over certain revenue sources from state or local requirements. The primary restricted revenue sources include:

| <u>Revenue Source</u> | <u>Legal Restrictions of Use</u> |
|-----------------------|-------------------------------------|
| Sales tax | See Note 4 |
| Sewer revenue | Debt service and utility operations |

The Police Jury uses unrestricted resources only when restricted resources are fully depleted.

G. Budget and Budgetary Accounting

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

1. Prior to December 15, the Treasurer submits to the Members of the Police Jury a proposed operating budget for the fiscal year commencing the following January 1.
2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.

EVANGELINE PARISH POLICE JURY
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of a resolution prior to the commencement of the fiscal year for which the budget is being adopted.
5. 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 the approval of the Members of the Jury.
6. All budgetary appropriations lapse at the end of each fiscal year.
7. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as amended by the Board of Aldermen. Such amendments were not material in relation to the original appropriations.

H. Capitalization of Interest Expense

It is the policy of the Evangeline Parish Police Jury to capitalize material amounts of interest resulting from borrowings in the course of the construction of capital assets in the Proprietary Fund. At December 31, 2003, there were no borrowings for assets under construction and no capitalized interest expense was recorded on the books.

I. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

J. Report Classification

Certain previously reported amounts for the year ended December 31, 2002 have been reclassified to conform to the December 31, 2003 classifications.

EVANGELINE PARISH POLICE JURY
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

(2) Changes in Accounting Principles

During the year ended December 31, 2003, the Police Jury implemented GASB Statement No. 34, Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments. GASB Statement No. 34 creates new basic financial statements for reporting on the Police Jury’s financial activities. The financial statements now include government-wide financial statements prepared on the accrual basis of accounting, and fund financial statements which present information for individual major funds rather than by fund type which has been the mode of presentation in previously issued financial statements. The Police Jury also implemented GASB Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions, No. 37, Basic Financial Statements – And Management’s Discussion and Analysis – For State and Local Governments: Omnibus, No. 38, Certain Financial Statement Note Disclosures, and Interpretation No. 6, Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements. At December 31, 2003, there was no effect on fund balance as a result of implementation of GASB Statement No. 33.

The implementation of GASB Statement No. 34 caused the opening fund balance at December 31, 2002 to be restated in terms of “net assets” as follows:

| | | | |
|---|--------------------|---------------------|--|
| Total fund balances - Governmental Funds - at December 31, 2002 | | \$ 6,649,511 | |
| Add: Cost of capital assets at December 31, 2002 | \$ 20,531,598 | | |
| Less: Accumulated depreciation at December 31, 2002 | <u>(5,452,960)</u> | 15,078,638 | |
| Less: Bond principal at December 31, 2002 | (12,093,403) | | |
| Compensated absences payable at December 31, 2002 | (46,442) | | |
| Capital leases payable at December 31, 2002 | (166,304) | | |
| Environmental compliance liability at December 31, 2002 | (400,000) | | |
| Medical claims payable at December 31, 2002 | (18,740) | | |
| Accrued interest payable at December 31, 2002 | <u>(48,888)</u> | <u>(12,773,777)</u> | |
| Net assets at December 31, 2002 | | <u>\$ 8,954,372</u> | |

(3) Ad Valorem Taxes

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied in September or October and are actually billed to taxpayers in November or December. Billed taxes become delinquent on January 1 of the following year. The taxes are based on assessed values determined by the Tax Assessor of Evangeline Parish and are collected by the Sheriff.

EVANGELINE PARISH POLICE JURY
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

For the year ended December 31, 2003, taxes of 82.88 mills were levied as follows:

| | |
|-------------------------|-----------------------|
| Parish wide taxes: | |
| Parish tax | 3.73 mills |
| Parish tax | 1.86 mills |
| Health unit | 2.04 mills |
| Library | 5.10 mills |
| District taxes: | |
| Road District No. 1 | 5.25 mills |
| Road District No. 2 | 15.25 mills |
| Road District No. 3 | 10.24 mills |
| Road District No. 4 | 14.97 mills |
| Road District No. 5 | 15.03 mills |
| Cemetery District No. 1 | 1.12 mills |
| Cemetery District No. 2 | 1.07 mills |
| Cemetery District No. 3 | 1.12 mills |
| Cemetery District No. 4 | 2.00 mills |
| Cemetery District No. 5 | 2.00 mills |
| Cemetery District No. 6 | 1.11 mills |
| Cemetery District No. 7 | <u>0.99</u> mills |
| Total | <u>\$ 82.88</u> mills |

Total taxes levied were \$2,125,383. Taxes receivable at December 31, 2003 were \$2,071,286.

(4) Sales and Use Tax

Proceeds of a 2% sales and use tax levied by the Evangeline Parish Police Jury beginning 1998, levied for fifteen years, (2003 collections \$1,710,117; 2002 collections \$1,504,426) are dedicated to the following purposes:

Constructing, improving, maintaining and resurfacing public roads and bridges in the District, including incidental drainage, and improving, maintaining and operating drainage facilities, including the acquisition of equipment, funding a debt service reserve fund and paying the cost of issuance of bonds.

EVANGELINE PARISH POLICE JURY
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

(5) Cash, Interest-Bearing Deposits and Investments

A. Cash and Interest-bearing Deposits

Under state law, the Police Jury may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Police Jury may invest in certificates and time deposits of the state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 2003, the Jury had cash and interest-bearing deposits (book balances) totaling \$4,769,683 as follows:

| | |
|-----------------------|-------------------------|
| Demand deposits | \$ 90,208 |
| Money market accounts | 605,245 |
| Time deposits | <u>4,074,230</u> |
| Total | <u>\$ 4,769,683</u> |

These deposits are stated at cost, which approximates market. Under state law, these deposits, (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. 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. Deposit balances (bank balances) at December 31, 2003 were secured as follows:

| | |
|---|-------------------------|
| Bank balances | <u>\$ 4,715,074</u> |
| Federal deposit insurance | \$ 301,435 |
| Pledged securities (Category 3) | <u>4,413,639</u> |
| Total FDIC insurance and pledged securities | <u>\$ 4,715,074</u> |

Pledged securities in Category 3 include uninsured or unregistered investments, for which securities are held by the broker or dealer, or by its trust department or agent, but not in the Police Jury's name. Even though the pledged securities are considered uncollateralized (Category 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.

EVANGELINE PARISH POLICE JURY
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

B. Investments

The Police Jury can invest in direct debt securities of the United States unless law expressly prohibits such an investment. The Police Jury's investments are categorized to give an indication of the level of risk assumed by it at year-end. Category 1 includes investments that are insured or registered or for which the securities are held by the Police Jury or its agent in the Police Jury's name. Category 2 includes uninsured and unregistered investments with securities held by the counterparty's trust department or agent in the Police Jury's name. Category 3 includes uninsured and unregistered investments with securities held by the counterparty, or by its trust department or agent, but not in the Police Jury's name.

In accordance with GASB Codification Section I50.165, the investment in LAMP is not categorized in the three risk categories provided by GASB Codification Section I50.164 because the investment is in the pool of funds and thereby not evidenced by securities that exist in physical or book entry form. LAMP is administered by LAMP, Inc.; a non-profit corporation organized under the laws of the State of Louisiana, and is governed by a board of directors comprised of representatives from various local governments and statewide professional organizations. Only local governments having contracted to participate in LAMP have an investment interest in its pool of assets. While LAMP is not required to be a registered investment company under the Investment Company Act of 1940, its investment policies are similar to those established by Rule 2-a7, which governs registered money market funds. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments.

The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U. S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with maturity in excess of 397 days. The fair market value of investments is determined on a weekly basis to monitor any variances between amortized cost and market value. The fair value of the Police Jury's investment in LAMP is the same as the value of the pool shares. Normally, investments are required to be reported at fair value. For purposes of determining participants' shares, investments are valued at amortized cost. Investments in an external investment pool can be reported at amortized cost if the external investment pool operates in a manner consistent with the Security Exchange Commission's (SEC's) Rule 2a7. LAMP is an external investment pool that operates in a manner consistent with SEC Rule 2a7. LAMP is designed to be highly liquid to give its participants immediate access to their account balances.

EVANGELINE PARISH POLICE JURY
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

At December 31, 2003, the Police Jury's investments totaled \$1,465, which was for governmental activities. Investment information is as follows:

| Description | Category | Interest Rate | Reported Amount | Approximate Fair Value |
|--|----------|---------------|-----------------|------------------------|
| Louisiana Asset Management Pool (LAMP) | N/A | Variable | \$ 1,465 | \$ 1,465 |

(6) Receivables

Receivables at December 31, 2003 of \$2,177,887 consist of the following:

| Fund | Accounts Receivable | Ad valorem and State Revenue Sharing | Other | Total |
|--------------------|---------------------|--------------------------------------|-----------------|---------------------|
| General | \$ - | \$ 328,657 | \$ 1,072 | \$ 329,729 |
| Health Unit | - | 217,664 | - | 217,664 |
| Public Library | - | 518,737 | - | 518,737 |
| Road Districts | - | 975,280 | - | 975,280 |
| Other Governmental | 3,424 | 132,268 | - | 135,692 |
| Utility | 785 | - | - | 785 |
| Total | \$ 4,209 | \$ 2,172,606 | \$ 1,072 | \$ 2,177,887 |

(7) Due from Other Governmental Units

Amounts due from other governmental units at December 31, 2003 consisted of the following:

| | |
|---|-------------------|
| Louisiana Department of the Treasury for general and timber severance | \$ 301,792 |
| Lone Pine Fire District | 9,000 |
| U.S. Department of HUD-Section 8 Housing Vouchers | 14,114 |
| Cable companies for franchise fees | 23,755 |
| Louisiana Department of the Treasury for Parish Transportation Funds | 55,954 |
| U.S. Department of HUD-Community Development Block Grant | 188,889 |
| Office of Homeland Security and Emergency Preparedness | 6,196 |
| Office of Rural Development and Office of Facility and Planning | 307,742 |
| | \$ 907,442 |

EVANGELINE PARISH POLICE JURY
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

(8) Restricted Assets - Proprietary Fund Type

Restricted assets consisted of the following at December 31, 2003:

| | |
|------------------------------|------------------|
| Revenue bond reserve account | <u>\$ 11,836</u> |
|------------------------------|------------------|

(9) Capital Assets

Capital asset activity for the year ended December 31, 2003 was as follows:

| | Balance 01/01/03 | Additions | Deletions | Balance 12/31/03 |
|--|----------------------|---------------------|-------------|----------------------|
| Governmental activities: | | | | |
| Capital assets not being depreciated: | | | | |
| Land | \$ 284,044 | \$ - | \$ - | \$ 284,044 |
| Other capital assets: | | | | |
| Buildings and improvements | 5,122,304 | - | - | 5,122,304 |
| Infrastructure | 13,062,144 | - | - | 13,062,144 |
| Vehicles | 75,645 | 16,300 | - | 91,945 |
| Equipment, furniture and fixtures | 1,987,461 | 65,944 | - | 2,053,405 |
| Totals | <u>20,531,598</u> | <u>82,244</u> | <u>-</u> | <u>20,613,842</u> |
| Less accumulated depreciation | | | | |
| Buildings | 2,449,421 | 125,822 | - | 2,575,243 |
| Infrastructure | 1,681,973 | 651,102 | - | 2,333,075 |
| Vehicles | 29,338 | 16,579 | - | 45,917 |
| Equipment, furniture and fixtures | 1,292,228 | 156,073 | - | 1,448,301 |
| Total accumulated depreciation | <u>5,452,960</u> | <u>949,576</u> | <u>-</u> | <u>6,402,536</u> |
| Governmental activities, capital assets, net | <u>\$ 15,078,638</u> | <u>\$ (867,332)</u> | <u>\$ -</u> | <u>\$ 14,211,306</u> |
| Business-type activities: | | | | |
| Sewer system | \$ 828,812 | \$ - | \$ - | \$ 828,812 |
| Less accumulated depreciation | <u>234,544</u> | <u>27,770</u> | <u>-</u> | <u>262,314</u> |
| Business-type activities, capital assets, net | <u>\$ 594,268</u> | <u>\$ (27,770)</u> | <u>\$ -</u> | <u>\$ 566,498</u> |

Depreciation expense was charged to governmental activities as follows:

| | |
|----------------------------|-------------------|
| General government | \$ 65,196 |
| Public works | 788,826 |
| Health and welfare | 42,051 |
| Economic development | 23,175 |
| Culture and recreation | 30,328 |
| Total depreciation expense | <u>\$ 949,576</u> |

EVANGELINE PARISH POLICE JURY
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

(10) Deferred Revenue

Deferred revenue at December 31, 2003 in the Governmental Funds of \$20,198 consisted of a special assessment tax levied in 1999 for the Sandtrap Road Paving Project. This special assessment is recorded in the Street Paving Assessment Special Revenue Fund.

(11) Changes in Long-Term Debt

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

| | Balance 1/1/2003 | Additions | Deletions | Balance 12/31/2003 | Amount due in one year |
|---|---------------------|------------------|--------------------|-----------------------|---------------------------|
| Business type activities: | | | | | |
| Revenue bonds | \$ 76,441 | \$ - | \$1,060,000 | \$ 75,381 | \$ 1,170 |
| Governmental activities: | | | | | |
| Compensated absences | 46,442 | 8,592 | - | 55,034 | 4,644 |
| Capital leases | 166,304 | - | 30,303 | 136,001 | 30,331 |
| Environmental compliance liability | 400,000 | 48,000 | 400,000 | 48,000 | - |
| Notes payable | 29,764 | - | 4,379 | 25,385 | 6,923 |
| Claims payable | 18,740 | - | 2,844 | 15,896 | - |
| General obligation bonds and certificates | <u>12,063,639</u> | <u>340,000</u> | <u>916,391</u> | <u>11,487,248</u> | <u>991,391</u> |
| | <u>\$12,801,330</u> | <u>\$396,592</u> | <u>\$1,354,977</u> | <u>\$11,842,945</u> | <u>\$ 1,034,459</u> |

General obligation Bonds payable at December 31, 2003, is comprised of the following individual issues:

\$550,000 Certificates of Indebtedness Series 1996, dated May 1, 1996, for the purpose of acquiring new and rebuilt improvements at the courthouse, equipment and to pay the costs incurred in connection with the issuance of the certificates. The principal is due in annual installments of \$55,000 to \$70,000 through May 1, 2006 at 5.30 percent, secured by a pledge and dedication of excess annual revenues above charges in each fiscal year. \$ 195,000

\$390,000 Certificates of Indebtedness Series 1997, dated August 1, 1997, for the purpose of constructing a new public building to house the medicaid office for the Parish, acquiring the necessary equipment therefor, and to pay the costs incurred in connection with the issuance of the certificates. The principal is due in annual installments of \$40,000 to \$50,000 through May 1, 2007 at 5.50 percent, secured by a pledge and dedication of excess annual revenues above charges in each fiscal year. 180,000

EVANGELINE PARISH POLICE JURY
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

| | |
|---|----------------------|
| <p>\$340,000 Certificates of Indebtedness, Series 2002, dated April 30, 2003, for the purpose of paying the costs of energy efficiency contracts and to pay the costs of issuance incurred in connection with the issuance of the certificates. The principal is due in annual installments of \$20,000 to \$35,000 through May 1, 2017, at an interest rate of 3.68% to 3.69%, payable from a pledge and dedication of the energy cost savings resulting from the Project and the excess of annual revenues above statutory, necessary and usual charges.</p> | 340,000 |
| <p>\$120,331 Paving Certificates, Series 1997, dated January 1, 1997, for the purpose of construction of street paving improvements on certain streets set out in Local or Special Assessment Ordinance No. 1 of the Parish. The principal is due in annual installments of \$12,033 through January 1, 2007 at 5.625 percent, formerly secured by the irrevocable pledge and dedication of the funds to be derived from the collection of the unpaid local or special assessments levied by the assessment ordinance. Beginning in 1998, secured by the pledge and dedication of the 2% sales and use tax.</p> | 36,098 |
| <p>\$9,400,000 Public Improvement Bonds, Series 1998, for the purpose of constructing, improving and resurfacing public roads and bridges, including incidental drainage, improving drainage facilities, funding a debt service reserve fund and paying the costs of issuance of the Bonds. The principal is due in annual installments of \$490,000 to \$890,000 through December 1, 2013 at a interest rate of 3.80% to 7.00%, secured by an irrevocable pledge and dedication of the avails or proceeds of the 2% sales and use tax.</p> | 7,065,000 |
| <p>\$43,582 Paving Certificates, Series 1999, dated October 16, 1999, for the purpose of covering unpaid costs of the construction of street paving improvements on a certain street set out in Local or Special Assessment Ordinance No. 1 of the Parish. The principal is due in annual installments of \$4,358 through October 16, 2009 at an interest rate of 5.25%, secured by the pledge of funds to be derived from the collection of the unpaid local or special assessments levied by the assessment ordinance.</p> | 26,150 |
| <p>\$4,420,000 Public Improvement Bonds, Series 2000, dated November 1, 2000, for the purpose of construction, improving and resurfacing public roads within the corporate boundaries of Road and Drainage Sales Tax District No. 1 of the Parish. The principal is due in installments of \$280,000 to \$400,000 through December 1, 2013 at an interest rate of 5.00% to 6.00%, secured by an irrevocable pledge and dedication of the avails or proceeds to the 2% sales and use tax.</p> | 3,645,000 |
| | <u>\$ 11,487,248</u> |

EVANGELINE PARISH POLICE JURY
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

Notes payable at December 31, 2003 are comprised of the following loan:

\$34,962 Promissory Note from Sabine State Bank dated February 21, 2002, for the purpose of acquiring equipment. The principal and interest payments are due in monthly installments of \$647.75 through March 21, 2007, with interest at 4.25%, to be paid from Road District Three Maintenance Fund. \$ 25,385

Revenue bonds at December 31, 2003 are comprised of the following individual issue:

\$83,000 Sewer Revenue Bonds dated July 19, 1994, for the purpose of constructing and acquiring a sanitary sewage collection and disposal system in Police Jury Ward No. 1. The principal and interest payments are due in monthly installments of \$417 through July 19, 2034, with interest at 5.25 percent. These bonds are secured by revenues derived from the operation of the sanitary sewage collection and disposal system. \$ 75,381

The bonds are due as follows:

| Year ending December 31, | Governmental Activities | | Business-type Activities | |
|-----------------------------|-------------------------|----------------------|--------------------------|----------------------|
| | Principal payments | Interest payments | Principal payments | Interest payments |
| 2004 | \$ 998,314 | \$ 510,604 | \$ 1,050 | \$ 3,966 |
| 2005 | 1,068,616 | 448,410 | 1,141 | 3,875 |
| 2006 | 1,113,931 | 398,260 | 1,202 | 3,814 |
| 2007 | 1,078,055 | 347,369 | 1,267 | 3,749 |
| 2008 | 1,069,358 | 302,762 | 1,335 | 3,681 |
| 2009-2034 | <u>6,184,359</u> | <u>808,750</u> | <u>69,386</u> | <u>54,655</u> |
| Total | <u>\$ 11,512,633</u> | <u>\$ 2,816,155</u> | <u>\$ 75,381</u> | <u>\$ 73,740</u> |

(12) Leases

Capital leases -

The Police Jury is obligated under three capital leases. The leased assets are included in capital assets and applicable debt recorded in long-term debt. The cost of such leased assets totaled \$207,648. The following is a schedule of future minimum lease payments under the capital leases and the present value of the net minimum lease payments as of December 31, 2003:

EVANGELINE PARISH POLICE JURY
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

| Fiscal Year | Total Amount |
|---|-----------------|
| 2004 | \$ 39,713 |
| 2005 | 27,750 |
| 2006 | 27,750 |
| 2007 | 25,892 |
| 2008 | 16,603 |
| 2009-2010 | 33,208 |
| Total minimum lease payments | 170,916 |
| Less: Amount representing interest | (34,915) |
| Present value of net minimum lease payments | \$ 136,001 |

Operating leases -

As a lessee, the Police Jury entered into numerous operating leases for the use of land, buildings and equipment with lease terms of one year. The minimum annual commitments under these operating leases are considered to be immaterial.

(13) Environmental Compliance Liability

In March of 2004, pursuant to the Louisiana Environmental Quality Act (La. R.S. 30:2001), a compliance order was served to the Evangeline Parish Police Jury from the State of Louisiana, Department of Environmental Quality. This compliance order cited violations involving the Dupre-Soileau Subdivision sewage treatment plant. It was estimated that compliance with this order would cost the Police Jury a minimum of \$48,000. This renovation will most likely be funded with General Fund revenues. As of December 31, 2003, no expenditures have been incurred.

(14) Employee Retirement

The Police Jury participates in four cost-sharing multiple-employer, public employee retirement systems (PERS): Parochial Employees Retirement System of Louisiana (Plan A), Louisiana State Employees Retirement System, District Attorneys Retirement System and Registrar of Voters Employees Retirement System. Each system is administered and controlled by a separate board of trustees.

EVANGELINE PARISH POLICE JURY
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

A. Parochial Employees Retirement System of Louisiana

The system provides retirement, disability and death benefits to plan members and beneficiaries. Benefits under the system are established and amended by Louisiana state statutes. A publicly available financial report that includes financial statements and required supplemental information may be obtained by writing to the Parochial Employees' Retirement System, P.O. Box 14619, Baton Rouge, Louisiana 70898-4619, (225) 928-1361.

All employees working at least 28 hours per week and all elected parish officials are eligible to participate. Under Plan A, members are required by state statute to contribute 9.5% of their annual covered salary and the employer is required to contribute at an actuarially determined rate. The current rate is 7.75% of annual covered payroll. Contributions to the retirement system also include one-fourth of 1% of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active plan members of each plan. The employer's contributions to the retirement system for the years ending December 31, 2003, 2002 and 2001 were \$106,535, \$105,231 and \$93,104, respectively, equal to the required contributions for each year.

B. Louisiana State Employees Retirement System

The system provides retirement, disability and death benefits to plan members and beneficiaries. Benefits under the system are established and amended by Louisiana state statutes. A publicly available financial report that includes financial statements and required supplemental information may be obtained by writing to the Louisiana State Employees' Retirement System, P.O. Box 44213, Baton Rouge, Louisiana 70804.

Plan members are required to contribute 12% of their annual covered salary. The Police Jury contributed at the statutory rate of 16% of annual covered payroll. The Police Jury's contributions to the system for the year ended December 31, 2003, 2002 and 2001 were \$1,072, \$982 and \$942, respectively, equal to the required contribution for each year.

C. Federal Social Security System

Employees of the Police Jury who are not eligible to participate in any other retirement system are members of the Federal Social Security System. The Police Jury and its employees contribute a percentage of each employee's salary to the System (7.65 percent contributed by the Police Jury; 7.65 percent contributed by the employee). The Police Jury's contribution during the year ended December 31, 2003 amounted to \$46,394.

EVANGELINE PARISH POLICE JURY
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

D. Registrar of Voters Employees Retirement System

The system provides retirement, disability and death benefits to plan members and beneficiaries. Benefits under the system are established and amended by Louisiana state statutes. A publicly available financial report that includes financial statements and required supplemental information may be obtained by writing to the Registrar of Voters' Retirement System, P.O. Box 57, Jennings, Louisiana 70546.

Plan members are required to contribute 7.0 percent of their annual covered salary. The Police Jury contributed at the statutory rate of 3.25% of annual covered payroll.

(15) Post Employment Benefits

The Evangeline Parish Police Jury provides certain continuing health care insurance benefits for its 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. Benefits for retirees are provided through an insurance company whose monthly premiums are paid by the Police Jury and reimbursed by the employee. Currently, one retiree is receiving benefits. The Police Jury recognizes the cost of providing these benefits as an expenditure when paid during the year and recognizes the revenue when they are due the reimbursement from the employee.

(16) Criminal Court Fund

Louisiana Revised Statute 15:571.11 requires that one-half of any balance remaining in the Criminal Court Fund at year-end is transferred to the parish General Fund. For the period January 1, 2003 through December 31, 2003, the Criminal Court Fund reflected a deficit fund balance and therefore no amount is due to the General Fund.

(17) Litigation and Claims

As of December 31, 2003, the Evangeline Parish Police Jury was involved in various lawsuits. The Police Jury's legal counsel has reviewed the claims and lawsuits in order to evaluate the likelihood of an unfavorable outcome to the Police Jury and to arrive at an estimate, if any, of the amount of range of potential loss to the Police Jury. As a result of the review, the various claims and lawsuits have been categorized as "remote," as defined by the Governmental Accounting Standards Board. It is the opinion of the Police Jury that the liability, if any, which might arise from these lawsuits would not have a material adverse effect on the Police Jury's financial position.

The Police Jury is liable at December 31, 2003 for medical claims incurred in prior years. Long-term debt in the governmental fund reflects a balance of \$15,896 at December 31, 2003.

EVANGELINE PARISH POLICE JURY
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

(18) Federal Compliance Contingencies

The Police Jury receives grants for specific purposes that are subject to review and audit by governmental agencies. Such audits could result in a request for reimbursement by the grantor for expenditures disallowed under the terms and conditions of the appropriate agency. In the opinion of the Police Jury, such disallowances, if any, will not be significant.

(19) Intergovernmental Agreement

Effective January 1, 2000, the Road and Drainage Sales Tax District No. 1 of Evangeline Parish entered into an agreement with the City of Ville Platte, Louisiana. This agreement was made for the purpose of avoiding duplicate collection of sales taxes for certain areas of the Parish, which were incorporated by the City. The City agreed to abate the collection of its two percent sales and use tax in those areas. The agreement provides for the designation of an annual Per Capita Revenue of \$72,000 of the monthly tax proceeds remitted to the District. Of this amount, \$38,640 will be applied to debt service payments of the District, 30% of the remainder will be retained by the District and 70% of the remainder will be remitted to the City. The agreement will be in effect through September 30, 2013. At December 31, 2003, \$17,543 was owed to the City.

(20) Compensation of Police Jurors

A summary of compensation paid to police jurors for the year ended December 31, 2003, follows:

| | |
|-----------------|-------------------|
| Ronald Doucet | \$ 14,400 |
| Sidney Fontenot | 14,400 |
| Bill Guidry | 15,600 |
| Marc Guillory | 14,400 |
| Hill Johnson | 14,400 |
| Davis Manuel | 14,400 |
| Robert Manuel | 14,400 |
| Mitch Ardoin | 14,400 |
| Richard Thomas | 14,400 |
| | <u>\$ 130,800</u> |

(21) Risk Management

The Jury is exposed to risks of loss in the areas of health care, general and auto liability, property hazards and workers' compensation and employee dishonesty. All of these risks are handled by purchasing commercial insurance coverage. There have been no significant reductions in the insurance coverage during the year.

EVANGELINE PARISH POLICE JURY
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

Due to current insurance market conditions, the Evangeline Parish Police Jury is retaining the risk for its general liability exposures in areas where there is no affordable insurance coverage available.

(22) Interfund Transactions

A. Receivables and Payables

A summary of interfund receivables and payables at December 31, 2003 follows:

| | <u>Interfund Receivables</u> | <u>Interfund Payables</u> |
|-----------------------------------|----------------------------------|-------------------------------|
| Major governmental funds: | | |
| General Fund | \$ 55,003 | \$ - |
| Health Unit Maintenance | - | 1,064 |
| Public Library | - | 160 |
| Road District Maintenance | - | 61,979 |
| Total major governmental funds | <u>55,003</u> | <u>63,203</u> |
| Nonmajor governmental funds: | | |
| Special revenue funds- | | |
| Parish Road | 45,700 | 29,627 |
| Rent Subsidy | - | 4,557 |
| Crooked Creek | - | 315 |
| Reddell Sewer System | - | 2 |
| Cemetery District Maintenance | - | 603 |
| Courthouse Building Construction | - | 1,099 |
| 2% Sales Tax District | - | 1,295 |
| Total nonmajor governmental funds | <u>45,700</u> | <u>37,498</u> |
| Proprietary funds: | | |
| Ward One Sewer System | <u>-</u> | <u>2</u> |
| Total | <u>\$ 100,703</u> | <u>\$ 100,703</u> |

The above amounts are for reimbursements owed for expenditures paid for those funds, amounts owed to the general fund for workers compensation, and for short-term loans.

EVANGELINE PARISH POLICE JURY
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

B. Transfers consisted of the following at December 31, 2003:

| | Transfers In | Transfers Out |
|--|-------------------|-------------------|
| Major funds: | | |
| General Fund | \$ 65,700 | \$ 152,001 |
| Road District Maintenance | 181,027 | 277,314 |
| 2% Sales Tax District Debt Service | 114,570 | - |
| Total major funds | 361,297 | 429,315 |
| Nonmajor funds: | | |
| Parish Road Fund | 74,038 | - |
| Industrial District Fund | 3,000 | - |
| Crooked Creek Recreation | 9,000 | - |
| Country Estate Sewer | 2,650 | - |
| Eugene Subdivision Sewer | 2,000 | - |
| Sand Trap Road Assessment | 21,265 | - |
| Courthouse Building Construction | - | 114,570 |
| 2% Sales Tax District Capital Projects | - | 21,265 |
| Total nonmajor funds | 111,953 | 135,835 |
| Component Unit: | | |
| Criminal Court Fund | 91,900 | - |
| | \$ 565,150 | \$ 565,150 |

Transfers are used to (a) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to (b) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

(23) Deficits in Individual Funds

The Crooked Creek Recreation Funds reflect a deficit fund balance of \$4,376. It is anticipated that the deficit will be funded by excess revenues in subsequent periods.

(24) Hospital Service District of Evangeline Parish

On November 30, 2001, the Hospital Service District of Evangeline Parish, a component unit of the Evangeline Parish Police Jury, sold all assets (the Ville Platte Medical Center) to LifePoint Hospitals, Inc., thereby terminating its lease with the Ville Platte Medical Center. The proceeds from the sale have been placed in an irrevocable trust to provide for future debt payments on the defeased general obligation bonds of the Hospital Service District. The trust accounts assets and the liability for the defeased bonds are not in the Police Jury's financial statements. On December 31, 2003, \$5,465,000 of bonds outstanding are considered defeased.

**REQUIRED
SUPPLEMENTARY INFORMATION**

EVANGELINE PARISH POLICE JURY
Ville Platte, Louisiana
General Fund

Budgetary Comparison Schedule
For the Year Ended December 31, 2003
With Comparative Actual Amounts for the Year Ended December 31, 2002

| | 2003 | | | Variance with Final Budget Positive (Negative) | 2002 Actual |
|---|-------------------|-------------------|---------------------|---|---------------------|
| | Budget | | Actual | | |
| | Original | Final | | | |
| Revenues: | | | | | |
| Taxes - ad valorem | \$ 320,000 | \$ 324,056 | \$ 314,624 | \$ (9,432) | \$ 328,755 |
| Licenses and permits | 184,100 | 183,490 | 171,547 | (11,943) | 188,730 |
| Intergovernmental revenues - | | | | | |
| Federal grants | - | 316,811 | 310,675 | (6,136) | 144,218 |
| State funds - | | | | | |
| State revenue sharing | 45,000 | 44,996 | 44,336 | (660) | 44,500 |
| Parish equalization funds | 678,000 | 772,214 | 1,024,697 | 252,483 | 720,641 |
| Other | 17,000 | 234,881 | 19,788 | (215,093) | 103,457 |
| Fees, charges and commissions | 20,600 | 63,308 | 28,928 | (34,380) | 84,179 |
| Use of money and property | 10,450 | 40,237 | 47,669 | 7,432 | 55,114 |
| Miscellaneous | 230,500 | 213,377 | 178,189 | (35,188) | 188,730 |
| Total revenues | <u>1,505,650</u> | <u>2,193,370</u> | <u>2,140,453</u> | <u>(52,917)</u> | <u>1,858,324</u> |
| Expenditures: | | | | | |
| Current - | | | | | |
| General government: | | | | | |
| Legislative | 322,150 | 383,977 | 197,211 | 186,766 | 204,471 |
| Judicial | 256,000 | 282,966 | 257,399 | 25,567 | 248,267 |
| Elections | 98,450 | 104,619 | 60,606 | 44,013 | 65,568 |
| Finance and administration | 391,150 | 589,770 | 511,597 | 78,173 | 456,307 |
| Other | 233,200 | 236,549 | 232,869 | 3,680 | 270,346 |
| Public safety | 303,250 | 315,776 | 301,278 | 14,498 | 297,000 |
| Public works | 32,700 | 828,812 | 392,984 | 435,828 | 75,998 |
| Economic development and assistance | 10,200 | 30,053 | 49,733 | (19,680) | 37,677 |
| Debt service | 117,700 | 126,298 | 123,107 | 3,191 | 123,373 |
| Total expenditures | <u>1,764,800</u> | <u>2,898,820</u> | <u>2,126,784</u> | <u>772,036</u> | <u>1,779,007</u> |
| Excess (deficiency) of revenues over expenditures | <u>(259,150)</u> | <u>(705,450)</u> | <u>13,669</u> | <u>719,119</u> | <u>79,317</u> |
| Other financing sources (uses): | | | | | |
| Transfers in | 66,500 | 77,226 | 65,700 | (11,526) | 58,618 |
| Transfers in - component unit | - | - | - | - | 1,070 |
| Transfers out | <u>(74,000)</u> | <u>(1,170)</u> | <u>(152,001)</u> | <u>(150,831)</u> | <u>(166,110)</u> |
| Total other financing sources (uses) | <u>(7,500)</u> | <u>76,056</u> | <u>(86,301)</u> | <u>(162,357)</u> | <u>(106,422)</u> |
| Excess (deficiency) of revenue and other financing sources over expenditures and other financing uses | <u>(266,650)</u> | <u>(629,394)</u> | <u>(72,632)</u> | <u>556,762</u> | <u>(27,105)</u> |
| Fund balance, beginning | <u>1,119,660</u> | <u>1,119,660</u> | <u>1,119,660</u> | <u>-</u> | <u>1,146,765</u> |
| Fund balance, ending | <u>\$ 853,010</u> | <u>\$ 490,266</u> | <u>\$ 1,047,028</u> | <u>\$ 556,762</u> | <u>\$ 1,119,660</u> |

EVANGELINE PARISH POLICE JURY
Ville Platte, Louisiana
Special Grant Fund

Budgetary Comparison Schedule
For the Year Ended December 31, 2003
With Comparative Actual Amounts for the Year Ended December 31, 2002

| | 2003 | | | Variance with Final Budget Positive (Negative) | 2002 Actual |
|--|-------------------|------------------|-----------------|---|-----------------|
| | Budget | | Actual | | |
| | Original | Final | | | |
| Revenues: | | | | | |
| Federal grants | \$ - | \$ 28,000 | \$ 7,678 | \$ (20,322) | \$ - |
| State funds - | | | | | |
| Other | 373,162 | 688,147 | 688,147 | - | 180,535 |
| Use of money and property | <u>-</u> | <u>1</u> | <u>3</u> | <u>2</u> | <u>35</u> |
| Total revenues | 373,162 | 716,148 | 695,828 | (20,320) | 180,570 |
| Expenditures: | | | | | |
| Current - | | | | | |
| Public works | <u>188,584</u> | <u>691,513</u> | <u>691,513</u> | <u>-</u> | <u>180,765</u> |
| Excess (deficiency) of revenues over expenditures | 184,578 | 24,635 | 4,315 | (20,320) | (195) |
| Other financing sources (uses): | | | | | |
| Transfers in | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>18,940</u> |
| Excess of revenue and other financing sources over expenditures | 184,578 | 24,635 | 4,315 | (20,320) | 18,745 |
| Fund balance (deficit), beginning | <u>21</u> | <u>21</u> | <u>21</u> | <u>-</u> | <u>(18,724)</u> |
| Fund balance, ending | <u>\$ 184,599</u> | <u>\$ 24,656</u> | <u>\$ 4,336</u> | <u>\$ (20,320)</u> | <u>\$ 21</u> |

EVANGELINE PARISH POLICE JURY
 Ville Platte, Louisiana
 Health Unit Maintenance Fund

Budgetary Comparison Schedule
 For the Year Ended December 31, 2003
 With Comparative Actual Amounts for the Year Ended December 31, 2002

| | 2003 | | | Variance with Final Budget Positive (Negative) | 2002 Actual |
|--|---------------------|---------------------|---------------------|---|---------------------|
| | Budget | | Actual | | |
| | Original | Final | | | |
| Revenues: | | | | | |
| Taxes - ad valorem | \$ 189,241 | \$ 201,702 | \$ 207,984 | \$ 6,282 | \$ 215,755 |
| State funds - | | | | | |
| State revenue sharing | 37,490 | 27,888 | 27,750 | (138) | 27,998 |
| Other | 13,000 | 30,000 | 23,569 | (6,431) | 19,375 |
| Use of money and property | 18,250 | 18,300 | 16,834 | (1,466) | 23,329 |
| Miscellaneous | 4,470 | 5,768 | 6,041 | 273 | 6,176 |
| Total revenues | <u>262,451</u> | <u>283,658</u> | <u>282,178</u> | <u>(1,480)</u> | <u>292,633</u> |
| Expenditures: | | | | | |
| Current - | | | | | |
| Health and welfare | <u>268,827</u> | <u>297,751</u> | <u>312,653</u> | <u>(14,902)</u> | <u>219,508</u> |
| Excess (deficiency) of revenues over expenditures | (6,376) | (14,093) | (30,475) | (16,382) | 73,125 |
| Fund balance, beginning | <u>1,230,465</u> | <u>1,230,465</u> | <u>1,230,465</u> | - | <u>1,157,340</u> |
| Fund balance, ending | <u>\$ 1,224,089</u> | <u>\$ 1,216,372</u> | <u>\$ 1,199,990</u> | <u>\$ (16,382)</u> | <u>\$ 1,230,465</u> |

EVANGELINE PARISH POLICE JURY
 Ville Platte, Louisiana
 Public Library Maintenance Fund

Budgetary Comparison Schedule
 For the Year Ended December 31, 2003
 With Comparative Actual Amounts for the Year Ended December 31, 2002

| | 2003 | | | Variance with Final Budget Positive (Negative) | 2002 Actual |
|--|------------------|------------------|------------------|---|------------------|
| | Budget | | Actual | | |
| | Original | Final | | | |
| Revenues: | | | | | |
| Taxes - ad valorem | \$323,000 | \$308,960 | \$516,295 | \$ 207,335 | \$335,285 |
| State funds - | | | | | |
| State revenue sharing | 38,000 | 15,200 | 38,325 | 23,125 | 38,670 |
| Other | 20,070 | 20,070 | 7,353 | (12,717) | 21,223 |
| Use of money and property | 8,250 | 8,250 | 7,057 | (1,193) | 9,553 |
| Miscellaneous | 17,588 | 16,000 | 17,646 | 1,646 | 17,571 |
| Total revenues | <u>406,908</u> | <u>368,480</u> | <u>586,676</u> | <u>218,196</u> | <u>422,302</u> |
| Expenditures: | | | | | |
| Current - | | | | | |
| Culture and recreation | <u>405,023</u> | <u>409,142</u> | <u>414,638</u> | <u>(5,496)</u> | <u>420,880</u> |
| Excess (deficiency) of revenues over expenditures | 1,885 | (40,662) | 172,038 | 212,700 | 1,422 |
| Fund balance, beginning | <u>620,991</u> | <u>620,991</u> | <u>620,991</u> | - | <u>619,569</u> |
| Fund balance, ending | <u>\$622,876</u> | <u>\$580,329</u> | <u>\$793,029</u> | <u>\$ 212,700</u> | <u>\$620,991</u> |

EVANGELINE PARISH POLICE JURY
 Ville Platte, Louisiana
 Road District Maintenance Fund

Budgetary Comparison Schedule
 For the Year Ended December 31, 2003
 With Comparative Actual Amounts for the Year Ended December 31, 2002

| | 2003 | | | Variance with Final Budget Positive (Negative) | 2002 Actual |
|---|---------------------|---------------------|---------------------|---|---------------------|
| | Budget | | Actual | | |
| | Original | Final | | | |
| Revenues: | | | | | |
| Taxes - ad valorem | \$ 851,411 | \$ 910,935 | \$ 940,191 | \$ 29,256 | \$ 986,123 |
| Intergovernmental revenues - | | | | | |
| Federal grants | - | - | 23,294 | 23,294 | - |
| State funds - | | | | | |
| State revenue sharing | 175,786 | 123,841 | 124,279 | 438 | 123,841 |
| Use of money and property | 13,350 | 12,789 | 13,029 | 240 | 18,246 |
| Miscellaneous | - | 31,369 | 8,075 | (23,294) | - |
| Total revenues | <u>1,040,547</u> | <u>1,078,934</u> | <u>1,108,868</u> | <u>29,934</u> | <u>1,128,210</u> |
| Expenditures: | | | | | |
| Current - | | | | | |
| Public works | 902,177 | 961,577 | 997,203 | (35,626) | 917,782 |
| Debt service | 135,164 | 75,858 | 49,340 | 26,518 | 76,158 |
| Total expenditures | <u>1,037,341</u> | <u>1,037,435</u> | <u>1,046,543</u> | <u>(9,108)</u> | <u>993,940</u> |
| Excess of revenues over expenditures | <u>3,206</u> | <u>41,499</u> | <u>62,325</u> | <u>20,826</u> | <u>134,270</u> |
| Other financing sources (uses): | | | | | |
| Proceeds from issuance of debt | - | - | - | - | 34,962 |
| Proceeds from capital leases | - | - | - | - | 56,250 |
| Transfers in | 115,898 | 174,876 | 181,027 | 6,151 | 77,046 |
| Transfers out | (142,601) | (271,193) | (277,314) | (6,121) | (210,563) |
| Total other financing sources (uses) | <u>(26,703)</u> | <u>(96,317)</u> | <u>(96,287)</u> | <u>30</u> | <u>(42,305)</u> |
| Excess (deficiency) of revenue and other financing sources over expenditures and other financing uses | <u>(23,497)</u> | <u>(54,818)</u> | <u>(33,962)</u> | <u>20,856</u> | <u>91,965</u> |
| Fund balance, beginning | <u>1,291,563</u> | <u>1,291,563</u> | <u>1,291,563</u> | <u>-</u> | <u>1,199,598</u> |
| Fund balance, ending | <u>\$ 1,268,066</u> | <u>\$ 1,236,745</u> | <u>\$ 1,257,601</u> | <u>\$ 20,856</u> | <u>\$ 1,291,563</u> |

EVANGELINE PARISH POLICE JURY
 Ville Platte, Louisiana
 Louisiana Community Development Block Grant

Budgetary Comparison Schedule
 For the Year Ended December 31, 2003
 With Comparative Actual Amounts for the Year Ended December 31, 2002

| | 2003 | | | Variance with Final Budget Positive (Negative) | 2002 Actual |
|---|----------------|----------------|----------------|---|----------------|
| | Budget | | Actual | | |
| | Original | Final | | | |
| Revenues: | | | | | |
| Intergovernmental revenues - | | | | | |
| Federal grants | \$ 678,863 | \$ 678,863 | \$ 678,863 | \$ - | \$ 51,375 |
| Expenditures: | | | | | |
| Current - | | | | | |
| Public works | <u>678,863</u> | <u>678,863</u> | <u>678,863</u> | <u>-</u> | <u>51,375</u> |
| Excess of revenues over expenditures | - | - | - | - | - |
| Fund balance, beginning | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund balance, ending | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

OTHER SUPPLEMENTARY INFORMATION

OTHER FINANCIAL INFORMATION

EVANGELINE PARISH POLICE JURY
 Ville Platte, Louisiana
 Public Improvement Sales Tax Bonds

Budgetary Comparison Schedule
 For the Year Ended December 31, 2003
 With Comparative Actual Amounts for the Year Ended December 31, 2002

| | 2003 | | | Variance with Final Budget Positive (Negative) | 2002 Actual |
|--|---------------------|---------------------|---------------------|---|---------------------|
| | Budget | | Actual | | |
| | Original | Final | | | |
| Revenues: | | | | | |
| Taxes - sales | \$ 1,410,718 | \$ 1,376,134 | \$ 1,376,133 | \$ (1) | \$ 1,409,615 |
| Use of money and property | 29,000 | 13,976 | 13,710 | (266) | 37,587 |
| Total revenues | <u>1,439,718</u> | <u>1,390,110</u> | <u>1,389,843</u> | <u>(267)</u> | <u>1,447,202</u> |
| Expenditures: | | | | | |
| Debt service | <u>1,328,420</u> | <u>1,327,420</u> | <u>1,327,420</u> | - | <u>1,327,541</u> |
| Excess of revenues over expenditures | 111,298 | 62,690 | 62,423 | (267) | 119,661 |
| Other financing sources (uses): | | | | | |
| Transfers in | <u>-</u> | <u>-</u> | <u>114,570</u> | <u>114,570</u> | <u>-</u> |
| Excess of revenue and other financing sources over expenditures | 111,298 | 62,690 | 176,993 | 114,303 | 119,661 |
| Fund balance, beginning | <u>1,347,716</u> | <u>1,347,716</u> | <u>1,347,716</u> | - | <u>1,228,055</u> |
| Fund balance, ending | <u>\$ 1,459,014</u> | <u>\$ 1,410,406</u> | <u>\$ 1,524,709</u> | <u>\$ 114,303</u> | <u>\$ 1,347,716</u> |

EVANGELINE PARISH POLICE JURY
 Ville Platte, Louisiana
 Nonmajor Governmental Funds

Combining Balance Sheet
 December 31, 2003
 With Comparative Totals for December 31, 2002

| | Special Revenue | Debt Service | Capital Projects | Totals | |
|---|--------------------|-----------------|---------------------|---------------------|---------------------|
| | | | | 2003 | 2002 |
| ASSETS | | | | | |
| Cash and interest bearing deposits | \$ 342,801 | \$ 2,006 | \$ 523,810 | \$ 868,617 | \$ 887,304 |
| Investments, at cost | 147 | 2 | 185 | 334 | 334 |
| Receivables | 135,692 | - | - | 135,692 | 142,488 |
| Due from other funds | 45,700 | - | - | 45,700 | 45,700 |
| Due from other governmental units | 70,068 | - | - | 70,068 | 57,347 |
| Other assets | 25,198 | - | - | 25,198 | 32,729 |
| TOTAL ASSETS | \$ 619,606 | \$ 2,008 | \$ 523,995 | \$ 1,145,609 | \$ 1,165,902 |
| LIABILITIES AND FUND BALANCES | | | | | |
| Liabilities: | | | | | |
| Bank overdraft | \$ 3,613 | \$ - | \$ - | \$ 3,613 | \$ 147 |
| Accounts payable | 9,615 | - | 20,095 | 29,710 | 60,448 |
| Contracts payable | - | - | 42,417 | 42,417 | - |
| Due to other funds | 35,104 | - | 2,394 | 37,498 | 34,878 |
| Due to other governmental units | - | - | - | - | 1,855 |
| Sewer deposits payable | 2,635 | - | - | 2,635 | 1,750 |
| Deferred revenue | 20,198 | - | - | 20,198 | 27,729 |
| Total liabilities | 71,165 | - | 64,906 | 136,071 | 126,807 |
| Fund balances: | | | | | |
| Reserved for debt service | - | 2,008 | - | 2,008 | 340 |
| Reserved for housing purposes | 17,200 | - | - | 17,200 | 15,739 |
| Unreserved, designated for subsequent years expenditures | - | - | 459,089 | 459,089 | 517,149 |
| Unreserved, undesignated | 531,241 | - | - | 531,241 | 505,867 |
| Total fund balances | 548,441 | 2,008 | 459,089 | 1,009,538 | 1,039,095 |
| TOTAL LIABILITIES AND FUND BALANCES | \$ 619,606 | \$ 2,008 | \$ 523,995 | \$ 1,145,609 | \$ 1,165,902 |

EVANGELINE PARISH POLICE JURY
 Ville Platte, Louisiana
 Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Year Ended December 31, 2003
 With Comparative Totals for December 31, 2002

| | Special Revenue | Debt Service | Capital Projects | Totals | |
|---|--------------------|-----------------|---------------------|---------------------|---------------------|
| | | | | 2003 | 2002 |
| Revenues: | | | | | |
| Taxes- | | | | | |
| Ad valorem | \$ 126,063 | \$ - | \$ - | \$ 126,063 | \$ 131,241 |
| Sales | - | - | 333,984 | 333,984 | 94,811 |
| Intergovernmental revenues - | | | | | |
| Federal grants | 346,550 | - | 630 | 347,180 | 334,557 |
| State funds: | | | | | |
| Parish transportation funds | 355,759 | - | - | 355,759 | 356,461 |
| State revenue sharing (net) | 18,368 | - | - | 18,368 | 18,412 |
| Other | - | - | 420 | 420 | - |
| Fees, charges and commissions | 163,205 | 3,589 | - | 166,794 | 159,809 |
| Use of money and property | 7,553 | 16 | 8,172 | 15,741 | 25,487 |
| Other revenues | 5,050 | - | 12,036 | 17,086 | 70,347 |
| Total revenues | <u>1,022,548</u> | <u>3,605</u> | <u>355,242</u> | <u>1,381,395</u> | <u>1,191,125</u> |
| Expenditures: | | | | | |
| Current - | | | | | |
| Public works | 602,172 | - | 619,124 | 1,221,296 | 1,178,617 |
| Health and welfare | 348,722 | - | - | 348,722 | 344,958 |
| Culture and recreation | 135,507 | - | - | 135,507 | 151,447 |
| Debt service | - | 23,202 | - | 23,202 | 23,109 |
| Total expenditures | <u>1,086,401</u> | <u>23,202</u> | <u>619,124</u> | <u>1,728,727</u> | <u>1,698,131</u> |
| Deficiency of revenues over expenditures | <u>(63,853)</u> | <u>(19,597)</u> | <u>(263,882)</u> | <u>(347,332)</u> | <u>(507,006)</u> |
| Other financing sources (uses): | | | | | |
| Proceeds from issuance of debt | - | - | 341,657 | 341,657 | - |
| Transfers in | 90,688 | 21,265 | - | 111,953 | 178,369 |
| Transfers out | - | - | (135,835) | (135,835) | (16,920) |
| Total other financing sources (uses) | <u>90,688</u> | <u>21,265</u> | <u>205,822</u> | <u>317,775</u> | <u>161,449</u> |
| Excess (deficiency) of revenues and other sources over expenditures and other uses | <u>26,835</u> | <u>1,668</u> | <u>(58,060)</u> | <u>(29,557)</u> | <u>(345,557)</u> |
| Fund balances, beginning | <u>521,606</u> | <u>340</u> | <u>517,149</u> | <u>1,039,095</u> | <u>1,384,652</u> |
| Fund balances, ending | <u>\$ 548,441</u> | <u>\$ 2,008</u> | <u>\$ 459,089</u> | <u>\$ 1,009,538</u> | <u>\$ 1,039,095</u> |

NONMAJOR SPECIAL REVENUE FUNDS

Parish Road Fund -

To account for the construction and maintenance of roads and bridges on a parish wide basis. Financing is provided by the State of Louisiana Parish Transportation Fund.

Industrial District No. 1 Fund-

To account for the operation and maintenance of the industrial district for the inducement of industry to Evangeline Parish. The major means of financing are ad valorem taxes, utility sales, rent income and interest income.

Rent Subsidy Fund -

To account for funds provided under the Section 8 Housing Choice Vouchers Program by the United States Department of Housing and Urban Development. The monies are used to aid low income families in obtaining decent, safe and sanitary housing through a system of rental subsidies.

Crooked Creek Recreation Maintenance Fund-

To account for the costs of providing recreation facilities for residents of the parish. Major means of financing are provided by fees and operating transfers from the General Fund and charges for services.

Street Paving Assessment Fund -

To account for the paving of Sandtrap Road.

Reddell Sewer System Maintenance Fund-

To account for the residual amount remaining in the fund after the sewer system was leased to the Evangeline Sewer Company, Inc.

Cemetery District Maintenance Funds -

To account for maintenance and upkeep of parish cemeteries within the respective cemetery districts. The major means of financing for the districts is ad valorem taxes, which are levied against properties within the districts.

Country Estate Sewer System Fund -

To account for the operation and maintenance of the Country Estate Sewer System.

Eugene Subdivision Sewer System Fund -

To account for the operation and maintenance of the Eugene Subdivision Sewer System.

EVANGELINE PARISH POLICE JURY
Ville Platte, Louisiana
Nonmajor Special Revenue Funds

Combining Balance Sheet
December 31, 2003
With Comparative Totals for December 31, 2002

| | Parish Road Fund | Industrial District No. 1 Fund | Rent Subsidy Fund | Crooked Creek Recreation Fund | Street Paving Assessment Fund |
|--------------------------------------|---------------------|--------------------------------------|-------------------------|--|--|
| ASSETS | | | | | |
| Cash and interest-bearing deposits | \$ 21,655 | \$ - | \$ 14,123 | \$ - | \$ 1,035 |
| Investments | 10 | - | - | - | - |
| Receivables | - | - | - | - | - |
| Due from other funds | 45,700 | - | - | - | - |
| Due from other governmental units | 55,954 | - | 14,114 | - | - |
| Other assets | - | 5,000 | - | - | 20,198 |
| | <u>\$ 123,319</u> | <u>\$ 5,000</u> | <u>\$ 28,237</u> | <u>\$ -</u> | <u>\$ 21,233</u> |
| LIABILITIES AND FUND BALANCES | | | | | |
| Liabilities: | | | | | |
| Bank overdraft | \$ - | \$ 575 | \$ - | \$ 2,170 | \$ - |
| Accounts payable | 672 | - | 6,480 | 1,891 | - |
| Contracts payable | - | - | - | - | - |
| Due to other funds | 29,627 | - | 4,557 | 315 | - |
| Due to other governmental units | - | - | - | - | - |
| Sewer deposits payable | - | - | - | - | - |
| Deferred revenue | - | - | - | - | 20,198 |
| | <u>30,299</u> | <u>575</u> | <u>11,037</u> | <u>4,376</u> | <u>20,198</u> |
| Fund balances (deficit): | | | | | |
| Reserved for housing purposes | - | - | 17,200 | - | - |
| Unreserved, undesignated | 93,020 | 4,425 | - | (4,376) | 1,035 |
| | <u>93,020</u> | <u>4,425</u> | <u>17,200</u> | <u>(4,376)</u> | <u>1,035</u> |
| | <u>\$ 123,319</u> | <u>\$ 5,000</u> | <u>\$ 28,237</u> | <u>\$ -</u> | <u>\$ 21,233</u> |

| Reddell Sewer System Maintenance Fund | Cemetery District Maintenance Fund | Country Estate Sewer System Fund | Eugene Subdivision Sewer System Fund | Totals | |
|--|---|--|---|-------------------|-------------------|
| | | | | 2003 | 2002 |
| \$ 53,212 | \$ 252,191 | \$ - | \$ 585 | \$ 342,801 | \$ 347,819 |
| 16 | 121 | - | - | 147 | 146 |
| 1,164 | 132,268 | 1,487 | 773 | 135,692 | 142,488 |
| - | - | - | - | 45,700 | 45,700 |
| - | - | - | - | 70,068 | 57,347 |
| - | - | - | - | 25,198 | 32,729 |
| <u>\$ 54,392</u> | <u>\$ 384,580</u> | <u>\$ 1,487</u> | <u>\$ 1,358</u> | <u>\$ 619,606</u> | <u>\$ 626,229</u> |
| \$ - | \$ - | \$ 868 | \$ - | \$ 3,613 | \$ 147 |
| 572 | - | - | - | 9,615 | 39,876 |
| - | - | - | - | - | - |
| 2 | 603 | - | - | 35,104 | 33,266 |
| - | - | - | - | - | 1,855 |
| 2,012 | - | 198 | 425 | 2,635 | 1,750 |
| - | - | - | - | 20,198 | 27,729 |
| <u>2,586</u> | <u>603</u> | <u>1,066</u> | <u>425</u> | <u>71,165</u> | <u>104,623</u> |
| - | - | - | - | 17,200 | 15,739 |
| <u>51,806</u> | <u>383,977</u> | <u>421</u> | <u>933</u> | <u>531,241</u> | <u>505,867</u> |
| <u>51,806</u> | <u>383,977</u> | <u>421</u> | <u>933</u> | <u>548,441</u> | <u>521,606</u> |
| <u>\$ 54,392</u> | <u>\$ 384,580</u> | <u>\$ 1,487</u> | <u>\$ 1,358</u> | <u>\$ 619,606</u> | <u>\$ 626,229</u> |

EVANGELINE PARISH POLICE JURY
 Ville Platte, Louisiana
 Nonmajor Special Revenue Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Year Ended December 31, 2003
 With Comparative Totals for Year Ended December 31, 2002

| | <u>Parish Road Fund</u> | <u>Industrial District No. 1 Fund</u> | <u>Rent Subsidy Fund</u> | <u>Crooked Creek Recreation Fund</u> | <u>Street Paving Assessment Fund</u> |
|--|-----------------------------|---|----------------------------------|--|--|
| Revenues: | | | | | |
| Taxes - Ad valorem | \$ - | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental revenues - | | | | | |
| Federal grants | 1,041 | - | 345,509 | - | - |
| State funds: | | | | | |
| Parish transportation funds | 355,759 | - | - | - | - |
| State revenue sharing (net) | - | - | - | - | - |
| Fees, charges and commissions | - | 12,186 | - | 124,138 | - |
| Use of money and property | 80 | 1,521 | 349 | 84 | 14 |
| Other revenues | 180 | 75 | 4,325 | 300 | - |
| Total revenues | <u>357,060</u> | <u>13,782</u> | <u>350,183</u> | <u>124,522</u> | <u>14</u> |
| Expenditures: | | | | | |
| Current - | | | | | |
| Public works | 403,033 | 26,842 | - | - | - |
| Health and welfare | - | - | 348,722 | - | - |
| Culture and recreation | - | - | - | 135,507 | - |
| Total expenditures | <u>403,033</u> | <u>26,842</u> | <u>348,722</u> | <u>135,507</u> | <u>-</u> |
| Excess (deficiency) of revenues over expenditures | (45,973) | (13,060) | 1,461 | (10,985) | 14 |
| Other financing sources (uses): | | | | | |
| Transfers in | <u>74,038</u> | <u>3,000</u> | <u>-</u> | <u>9,000</u> | <u>-</u> |
| Excess (deficiency) of revenues and other sources over expenditures and other uses | 28,065 | (10,060) | 1,461 | (1,985) | 14 |
| Fund balances (deficit), beginning | <u>64,955</u> | <u>14,485</u> | <u>15,739</u> | <u>(2,391)</u> | <u>1,021</u> |
| Fund balances (deficit), ending | <u>\$ 93,020</u> | <u>\$ 4,425</u> | <u>\$ 17,200</u> | <u>\$ (4,376)</u> | <u>\$ 1,035</u> |

| Reddell Sewer System Maintenance Fund | Cemetery District Maintenance Fund | Country Estate Sewer System Fund | Eugene Subdivision Sewer System Fund | Totals | |
|--|---|--|---|-------------------|-------------------|
| | | | | 2003 | 2002 |
| \$ - | \$ 126,063 | \$ - | \$ - | \$ 126,063 | \$ 131,241 |
| - | - | - | - | 346,550 | 334,557 |
| - | - | - | - | 355,759 | 356,461 |
| - | 18,368 | - | - | 18,368 | 18,412 |
| 18,975 | - | 4,550 | 3,356 | 163,205 | 154,832 |
| 878 | 4,625 | 1 | 1 | 7,553 | 11,380 |
| - | 170 | - | - | 5,050 | 20,347 |
| <u>19,853</u> | <u>149,226</u> | <u>4,551</u> | <u>3,357</u> | <u>1,022,548</u> | <u>1,027,230</u> |
| 19,019 | 140,663 | 7,873 | 4,742 | 602,172 | 737,734 |
| - | - | - | - | 348,722 | 344,958 |
| - | - | - | - | 135,507 | 151,447 |
| <u>19,019</u> | <u>140,663</u> | <u>7,873</u> | <u>4,742</u> | <u>1,086,401</u> | <u>1,234,139</u> |
| 834 | 8,563 | (3,322) | (1,385) | (63,853) | (206,909) |
| - | - | 2,650 | 2,000 | 90,688 | 161,449 |
| 834 | 8,563 | (672) | 615 | 26,835 | (45,460) |
| <u>50,972</u> | <u>375,414</u> | <u>1,093</u> | <u>318</u> | <u>521,606</u> | <u>567,066</u> |
| <u>\$ 51,806</u> | <u>\$ 383,977</u> | <u>\$ 421</u> | <u>\$ 933</u> | <u>\$ 548,441</u> | <u>\$ 521,606</u> |

NONMAJOR DEBT SERVICE FUNDS

Street Paving Certificates -

To accumulate monies for payment of the 1997 \$120,331 Paving Certificates. Debt service was formerly financed by a special assessment tax to land owners, but as of 1998 is now financed by the collection of a two percent sales tax approved for the issuance of the \$9,400,000 Public Improvement Sales Tax Bonds, Series 1998.

Sandtrap Road Assessment-

To accumulate monies for payment of the expenses to pave Sandtrap Road at the request of the residents. The project was financed through the original Street Paving Certificates which is financed by the collection of a two percent sales tax.

EVANGELINE PARISH POLICE JURY
 Ville Platte, Louisiana
 Nonmajor Debt Service Funds

Combining Balance Sheet
 December 31, 2003
 With Comparative Totals for December 31, 2002

| | <u>Street Paving Certificates</u> | <u>Sandtrap Road Assessment</u> | <u>Totals</u> | |
|------------------------------------|---|---|-----------------|---------------|
| | | | <u>2003</u> | <u>2002</u> |
| ASSETS | | | | |
| Cash and interest-bearing deposits | \$ 90 | \$ 1,916 | \$ 2,006 | \$ 337 |
| Investments | <u>-</u> | <u>2</u> | <u>2</u> | <u>3</u> |
| Total assets | <u>\$ 90</u> | <u>\$ 1,918</u> | <u>\$ 2,008</u> | <u>\$ 340</u> |
| FUND BALANCES | | | | |
| Fund balances: | | | | |
| Reserved for debt service | <u>\$ 90</u> | <u>\$ 1,918</u> | <u>\$ 2,008</u> | <u>\$ 340</u> |

EVANGELINE PARISH POLICE JURY
 Ville Platte, Louisiana
 Nonmajor Debt Service Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Year Ended December 31, 2003
 With Comparative Totals for Year Ended December 31, 2002

| | <u>Street Paving Certificates</u> | <u>Sandtrap Road Assessment</u> | <u>Totals</u> | |
|---|---|---|-----------------|---------------|
| | | | 2003 | 2002 |
| Revenues: | | | | |
| Fees, charges and commissions | \$ - | \$ 3,589 | \$ 3,589 | \$ 4,977 |
| Use of money and property | <u>1</u> | <u>15</u> | <u>16</u> | <u>51</u> |
| Total revenues | 1 | 3,604 | 3,605 | 5,028 |
| Expenditures: | | | | |
| Debt service | <u>-</u> | <u>23,202</u> | <u>23,202</u> | <u>23,109</u> |
| Excess (deficiency) of revenues over expenditures | 1 | (19,598) | (19,597) | (18,081) |
| Other financing sources: | | | | |
| Operating transfers in | <u>-</u> | <u>21,265</u> | <u>21,265</u> | <u>16,920</u> |
| Excess (deficiency) of revenues and other sources over expenditures | 1 | 1,667 | 1,668 | (1,161) |
| Fund balances, beginning | <u>89</u> | <u>251</u> | <u>340</u> | <u>1,501</u> |
| Fund balances, ending | <u>\$ 90</u> | <u>\$ 1,918</u> | <u>\$ 2,008</u> | <u>\$ 340</u> |

NONMAJOR CAPITAL PROJECTS FUNDS

Courthouse Building Construction Fund -

To account for the costs of construction of a new courthouse, which was completed in 1977. Numerous deficiencies existed in the new building, and suits were filed against the contractor and the bonding company. The fund was kept open pending settlement of these suits. The suits were settled and judgment was rendered on August 16, 1982, in favor of the Police Jury. Proceeds from the settlement were deposited into this fund and are being expended for the renovations and corrections of deficiencies in the original construction and maintenance of the facility.

Drainage Improvement Construction Fund -

To account for funds remaining from the \$1,000,000 parish wide drainage improvement bond issue dated September 1, 1967. These funds are used in a continuing program of drainage improvements projects in the parish.

2% Sales Tax District #1-

To account for the costs of constructing, improving and resurfacing public roads within the corporate boundaries of Road & Drainage Sales Tax No. 1 of the Parish.

EVANGELINE PARISH POLICE JURY
 Ville Platte, Louisiana
 Nonmajor Capital Projects Funds

Combining Balance Sheet
 December 31, 2003
 With Comparative Totals for December 31, 2002

| | <u>Courthouse Building Construction</u> | <u>Drainage Improvement Construction</u> | <u>2% Sales Tax District #1</u> | <u>Totals</u> | |
|---|---|--|---|-------------------|-------------------|
| | | | | 2003 | 2002 |
| ASSETS | | | | | |
| Cash and interest-bearing deposits | \$ 67,011 | \$107,479 | \$ 349,320 | \$ 523,810 | \$ 539,148 |
| Investments | 4 | 69 | 112 | 185 | 185 |
| Total assets | <u>\$ 67,015</u> | <u>\$107,548</u> | <u>\$ 349,432</u> | <u>\$ 523,995</u> | <u>\$ 539,333</u> |
| LIABILITIES AND FUND BALANCES | | | | | |
| Liabilities: | | | | | |
| Accounts payable | \$ - | \$ - | \$ 20,095 | \$ 20,095 | \$ 20,572 |
| Contracts payable | 42,417 | - | - | 42,417 | - |
| Due to other funds | 1,099 | - | 1,295 | 2,394 | 1,612 |
| Total liabilities | 43,516 | - | 21,390 | 64,906 | 22,184 |
| Fund balances: | | | | | |
| Unreserved, designated for subsequent years expenditures | 23,499 | 107,548 | 328,042 | 459,089 | 517,149 |
| Total liabilities and fund balances | <u>\$ 67,015</u> | <u>\$107,548</u> | <u>\$ 349,432</u> | <u>\$ 523,995</u> | <u>\$ 539,333</u> |

EVANGELINE PARISH POLICE JURY
 Ville Platte, Louisiana
 Nonmajor Capital Projects Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Year Ended December 31, 2003
 With Comparative Totals for Year Ended December 31, 2002

| | <u>Courthouse Building Construction</u> | <u>Drainage Improvement Construction</u> | <u>2% Sales Tax District #1</u> | <u>Totals</u> | |
|--|---|--|---|-------------------|-------------------|
| | | | | <u>2003</u> | <u>2002</u> |
| Revenues: | | | | | |
| Taxes - sales | \$ - | \$ - | \$ 333,984 | \$ 333,984 | \$ 94,811 |
| Intergovernmental revenues - | | | | | |
| Federal grants | - | - | 630 | 630 | - |
| State funds | - | - | 420 | 420 | - |
| Use of money and property | 1,540 | 1,746 | 4,886 | 8,172 | 14,056 |
| Other | - | - | 12,036 | 12,036 | 50,000 |
| Total revenues | <u>1,540</u> | <u>1,746</u> | <u>351,956</u> | <u>355,242</u> | <u>158,867</u> |
| Expenditures: | | | | | |
| Public works | <u>327,107</u> | <u>19,678</u> | <u>272,339</u> | <u>619,124</u> | <u>440,883</u> |
| Excess (deficiency) of revenues over expenditures | <u>(325,567)</u> | <u>(17,932)</u> | <u>79,617</u> | <u>(263,882)</u> | <u>(282,016)</u> |
| Other financing sources (uses): | | | | | |
| Proceeds from issuance of debt | 341,657 | - | - | 341,657 | - |
| Transfers out | <u>(114,570)</u> | <u>-</u> | <u>(21,265)</u> | <u>(135,835)</u> | <u>(16,920)</u> |
| Total financing sources (uses) | <u>227,087</u> | <u>-</u> | <u>(21,265)</u> | <u>205,822</u> | <u>(16,920)</u> |
| Excess (deficiency) of revenues and other sources over expenditures and other uses | <u>(98,480)</u> | <u>(17,932)</u> | <u>58,352</u> | <u>(58,060)</u> | <u>(298,936)</u> |
| Fund balances, beginning | <u>121,979</u> | <u>125,480</u> | <u>269,690</u> | <u>517,149</u> | <u>816,085</u> |
| Fund balances, ending | <u>\$ 23,499</u> | <u>\$ 107,548</u> | <u>\$ 328,042</u> | <u>\$ 459,089</u> | <u>\$ 517,149</u> |

COMPLIANCE, INTERNAL CONTROL

AND

OTHER GRANT INFORMATION

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA*
Russell F. Champagne, CPA*
Victor R. Slaven, CPA*
Conrad O. Chapman, CPA*
P. Troy Courville, CPA*
Gerald A. Thibodeaux, Jr., CPA*

P.O. Box 588
Ville Platte, LA 70586

Phone (337) 363-2792
Fax (337) 363-3049

WEB SITE:
WWW.KCSRPCAS.COM

Robert S. Carter, CPA
Allen J. LaBry, CPA
Harry J. Clostro, CPA
Penny Angelle Scruggins, CPA
Christine L. Cousin, CPA
Mary T. Thibodeaux, CPA
Kelly M. Doucet, CPA
Kenneth J. Rachal, CPA
Cheryl L. Bartley, CPA, CVA

MEMBER OF:

AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

* A Professional Accounting Corporation

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

To the Members of the Police Jury
Evangeline Parish
Ville Platte, Louisiana

We have audited the financial statements of the Evangeline Parish Police Jury (the Police Jury) as of and for the year ended December 31, 2003, and have issued our report thereon dated June 9, 2004. We conducted our 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 Police Jury's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards. However, we noted certain immaterial instances of noncompliance that we have reported to management of the Police Jury in a separate letter dated June 9, 2004.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Police Jury's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Police Jury's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. The reportable condition is described in the accompanying summary schedule of current and prior year audit findings and corrective action plan as item 03-1(IC).

183 South Beadle Road
Lafayette, LA 70508
Phone (337) 232-4141
Fax (337) 232-8660

113 East Bridge Street
Breaux Bridge, LA 70517
Phone (337) 332-4020
Fax (337) 332-2867

133 East Waddil
Marksville, LA 71351
Phone (318) 253-9252
Fax (318) 253-8681

1234 David Drive, Suite 105
Morgan City, LA 70380
Phone (985) 384-2020
Fax (985) 384-3020

408 W. Cotton Street
Ville Platte, LA 70586
Phone (337) 363-2792
Fax (337) 363-3049

332 W. Sixth Avenue
Oberlin, LA 70655
Phone (337) 639-4737
Fax (337) 639-4568

200 South Main Street
Abbeville, LA 70510
Phone (337) 893-7944
Fax (337) 893-7946

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe the reportable condition described above is a material weakness.

This report is intended solely for the information and use of the Police Jury's management and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Ville Platte, Louisiana
June 9, 2004

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC
CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA*
Russell F. Champagne, CPA*
Victor R. Slaven, CPA*
Conrad O. Chapman, CPA*
P. Troy Courville, CPA*
Gerald A. Thibodeaux, Jr., CPA*

P.O. Box 588
Ville Platte, LA 70586

Phone (337) 363-2792
Fax (337) 363-3049

WEB SITE:
WWW.KCSRPCAS.COM

Robert S. Carter, CPA
Allen J. LaBry, CPA
Harry J. Clostio, CPA
Penny Angelle Scroggins, CPA
Christine L. Cousin, CPA
Mary T. Thibodeaux, CPA
Kelly M. Doucet, CPA
Kenneth J. Rachal, CPA
Cheryl L. Bartley, CPA, CVA

MEMBER OF:
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

* A Professional Accounting Corporation

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

To the Members of the Police Jury
Evangeline Parish
Ville Platte, Louisiana

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

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

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

Internal Control Over Compliance

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

183 South Beadle Road
Lafayette, LA 70508
Phone (337) 232-4141
Fax (337) 232-8660

113 East Bridge Street
Breaux Bridge, LA 70517
Phone (337) 332-4020
Fax (337) 332-2867

133 East Waddil
Marksville, LA 71351
Phone (318) 253-9252
Fax (318) 253-8681

1234 David Drive, Suite 105
Morgan City, LA 70380
Phone (985) 384-2020
Fax (985) 384-3020

408 W. Cotton Street
Ville Platte, LA 70586
Phone (337) 363-2792
Fax (337) 363-3049

332 W. Sixth Avenue
Oberlin, LA 70655
Phone (337) 639-4737
Fax (337) 639-4568

200 South Main Street
Abbeville, LA 70510
Phone (337) 893-7944
Fax (337) 893-7946

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

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

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Ville Platte, Louisiana
June 9, 2004

EVANGELINE PARISH POLICE JURY

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

| Federal Grantor/Pass-Through Grantor/Program Name | CFDA Number | Revenue Recognized | Expenditures |
|--|----------------|-----------------------|---------------------|
| United States Department of Housing and Urban Development - | | | |
| Section 8 Housing Choice Vouchers | 14.871 | \$ 345,509 | \$ 345,509 |
| Community Development Block Grants/ State's Program | 14.228 | 678,863 | 678,863 |
| Federal Emergency Management Agency - Public Assistance Grants | 83.544 | 335,640 | 335,640 |
| Department of Homeland Security - Passed-Through Louisiana Office of Homeland Security and Emergency Preparedness: | | | |
| Citizens Corps | 97.053 | 1,482 | 1,482 |
| Community Emergency Response Teams (CERT) | 97.054 | <u>6,196</u> | <u>6,196</u> |
| Total | | <u>\$ 1,367,690</u> | <u>\$ 1,367,690</u> |

EVANGELINE PARISH POLICE JURY
Ville Platte, Louisiana

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

(1) General

The accompanying Schedule of Expenditures of Federal Awards presents the federal grant activity of the Evangeline Parish Police Jury. All federal financial assistance received directly from federal agencies is included on the schedule as well as federal financial assistance passed through other government agencies.

(2) Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the Police Jury's financial statements for the year ending December 31, 2003.

EVANGELINE PARISH POLICE JURY
Ville Platte, Louisiana

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

Part I. Summary of Auditor's Results:

1. An adverse opinion was issued on the financial statements.
2. A reportable condition in internal control was disclosed by the audit of the basic financial statements. The reportable condition is considered to be a material weakness.
3. No instances of noncompliance material to the financial statements which would be required to be reported in accordance with Government Auditing Standards, were disclosed by the audit of the financial statements.
4. No reportable conditions in internal control over the major programs were disclosed by the audit of the basic financial statements.
5. An unqualified opinion was issued on compliance for the major programs.
6. The audit disclosed no findings required to be reported under Section 510(a) of Circular A-133.
7. The major programs were:
Federal Emergency Management Agency, Public Assistance Grants
U.S. Department of HUD, Community Development Block Grants
8. The dollar threshold used to distinguish between Type A and Type B programs, as described in Section 520(b) of Circular A-133 was \$300,000.
9. The auditee did not qualify as a low-risk auditee under Section 530 of Circular A-133.

Part II. Findings which are required to be reported in accordance with generally accepted governmental auditing standards:

A. Compliance Findings –

There were no findings noted that were required to be reported under the above guidance.

B. Internal Control Findings –

See internal control finding 03-1(IC) on the Summary Schedule of Current and Prior Year Audit Findings and Corrective Action Plan.

(Continued)

EVANGELINE PARISH POLICE JURY
Ville Platte, Louisiana

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

Part III. Findings and questioned costs for Federal awards which include audit findings as defined in Section 510(a) of Circular A-133:

There are no findings that are required to be reported under the above guidance.

EVANGELINE PARISH POLICE JURY
Ville Platte, Louisiana

Summary Schedule of Current and Prior Year Audit Findings
and Corrective Action Plan
Year Ended December 31, 2003

| Fiscal Year Finding Initially Occurred | Description of finding | Corrective Action Taken | Name of Contact Person | Anticipated Completion Date |
|--|--|-------------------------|-----------------------------------|-----------------------------|
| <u>CURRENT YEAR (12/31/03)</u> | | | | |
| <u>Internal Control:</u> | | | | |
| 03-1(IC) Unknown | Due to the small number of employees, the Police Jury did not have adequate segregation of functions within the accounting system. | N/A | Doug Deville, Secretary-Treasurer | N/A |
| <u>Management Letter:</u> | | | | |
| 03-2(ML) 2003 | The Police Jury did not implement a three-year capital improvement program for 2003, 2004 and 2005, in accordance with the Parish Transportation Act. | No | Doug Deville, Secretary-Treasurer | Immediately |
| 03-3(ML) Unknown | Regarding the sewer system in Police Jury Ward No. 1, services should be provided and collected in accordance with Section 10 of the Resolution approved by the Police Jury. | Partial | Doug Deville, Secretary-Treasurer | N/A |
| <u>PRIOR YEAR (12/31/02)</u> | | | | |
| <u>Internal Control:</u> | | | | |
| 02-1(IC) Unknown | Due to the small number of employees, the Police Jury did not have adequate segregation of functions within the accounting system. | N/A | Doug Deville, Secretary-Treasurer | N/A |

(continued)

EVANGELINE PARISH POLICE JURY
Ville Platte, Louisiana

Summary Schedule of Current and Prior Year Audit Findings
and Corrective Action Plan (Continued)
Year Ended December 31, 2003

| Fiscal Year Finding Initially Occurred | Description of finding | Corrective Action Taken | | Name of Contact Person | Anticipated Completion Date |
|---|--|-------------------------------|---|--|-----------------------------------|
| | | Corrective Action Taken | Corrective Action Planned | | |
| 02-2(IC) | In performing the audit for the year ending 12/31/02, it was noted that differences on bank reconciliations for the payroll account are not being investigated in order to make the appropriate corrections. | Yes | N/A | Doug Deville, Secretary- Treasurer | N/A |
| <u>Internal Control:</u> | | | | | |
| 02-3(ML) | Regarding the sewer system in Police Jury Ward No. 1, we offer the following suggestion: Services should be provided and collected in accordance with Section 10 of the Resolution approved by the Police Jury. | Partial | Continued efforts will be made by the Police Jury to collect delinquent accounts. | Doug Deville, Secretary- Treasurer | N/A |
| 02-4(ML) | The Police Jury should adopt and implement policies and procedures to ensure an accurate listing of fixed assets is maintained. | Yes | N/A | Doug Deville, Secretary- Treasurer | N/A |

Management Letter:

02-3(ML) Unknown

OTHER SUPPLEMENTAL INFORMATION

EVANGELINE PARISH POLICE JURY
Ville Platte, Louisiana

Other Supplemental Information - Utility Department
(Unaudited)
December 31, 2003

Number of Sewer Customers

Records maintained by the Police Jury indicated the following number of customers were being serviced during the month of December 2003.

| | <u>2003</u> |
|-----------------|------------------|
| Residential | 64 |
| Commercial | <u>1</u> |
| Total customers | <u><u>65</u></u> |

Aged Accounts Receivable

Aged accounts receivable for the Police Jury Ward No. 1 Sewer System at December 31, 2003 are as follows:

| | |
|--------------|-------------------------|
| 0 - 30 days | \$ 278 |
| 31 - 60 days | 507 |
| 61 - 90 days | 41 |
| over 90 days | <u>12,215</u> |
| Total | <u><u>\$ 13,041</u></u> |

Sewer Rates

The sewer rates for the Police Jury Ward No. 1 sewer system are \$15 per month for residential and \$16.50 for commercial buildings for the year ended December 31, 2003.

EVANGELINE PARISH POLICE JURY
Ville Platte, Louisiana

Schedule of Insurance in Force
(Unaudited)
December 31, 2003

| Description of Coverage | Expiration Date | Coverage Amounts |
|--|-----------------|------------------|
| Workmen's Compensation: | | Statutory |
| Government Risk Management | 1/1/04 | \$ 100,000 |
| Commercial property insurance: | | |
| Health Unit-1010 W. LaSalle Street - | | |
| Building | 10/1/04 | 800,000 |
| Contents | 10/1/04 | 75,000 |
| Building-1204 Chauncey Pitre Road | 12/3/04 | 200,000 |
| Medicaid office | 2/4/04 | 300,000 |
| Evangeline Parish Library - | | |
| Building and contents | 8/19/04 | 1,402,000 |
| Fire and extended coverage: | | |
| Evangeline Parish Sheriff's Office (Courthouse Annex): | 1/6/04 | 183,000 |
| Government office, Court St. (County Extension) - | | |
| Building | 3/15/04 | 175,000 |
| Contents | 3/15/04 | 20,000 |
| Courthouse - | | |
| Building | 6/13/04 | 1,750,000 |
| Contents | 6/13/04 | 750,000 |
| Food stamp office - | | |
| Building | 6/13/04 | 90,000 |
| Contents | 6/13/04 | 20,000 |
| Health Unit and Library, Mamou, Louisiana - | | |
| Buildings | 7/22/04 | 150,000 |
| Contents | 7/22/04 | 30,000 |
| USDA Building | 3/8/04 | 250,000 |

(Continued)

EVANGELINE PARISH POLICE JURY
Ville Platte, Louisiana

Schedule of Insurance in Force (Continued)
(Unaudited)
December 31, 2003

| Description of Coverage | Expiration Date | Coverage Amounts |
|-------------------------------------|-----------------|------------------|
| Surety Bonds: | | |
| Secretary-treasurer | 11/19/04 | 50,000 |
| Assist. Secretary-treasurer | 4/15/04 | 50,000 |
| Payroll Clerk | 6/20/04 | 5,000 |
| President | 2/25/04 | 40,000 |
| Vice President | 1/10/04 | 40,000 |
| Registrar of Voters | 1/31/04 | 5,000 |
| All risk physical damage: | | |
| Police Jury road equipment - | 7/25/04 | various |
| Mechanical breakdown policy: | | |
| Property and liability | 12/2/04 | 1,250,000 |
| Property equipment breakdown | 12/2/04 | 1,562,000 |
| Commercial Auto | 2/1/04 | 100,000 |
| Commercial Auto | 2/4/04 | 100,000 |

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA*
Russell F. Champagne, CPA*
Victor R. Slaven, CPA*
Conrad O. Chapman, CPA*
P. Troy Courville, CPA*
Gerald A. Thibodeaux, Jr., CPA*

P.O. Box 588
Ville Platte, LA 70586

Phone (337) 363-2792
Fax (337) 363-3049

RECEIVED
LEGISLATIVE AUDITOR
WEB SITE:
WWW.KCSRPCAS.COM

04 JUL 20 AM 11:04

MEMBER OF:

AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

Robert S. Carter, CPA
Allen J. LaBry, CPA
Harry J. Clostio, CPA
Penny Angelle Scruggins, CPA
Christine L. Cousin, CPA
Mary T. Thibodeaux, CPA
Kelly M. Doucet, CPA
Kenneth J. Rachal, CPA
Cheryl L. Bartley, CPA, CVA

Management Letter

* A Professional Accounting Corporation

To the Members of the Police Jury
Evangeline Parish
Ville Platte, Louisiana

During our audit of the financial statements of the Evangeline Parish Police Jury, as of and for the year ended December 31, 2003, we noted areas in which improvements in the accounting system and financial practices may be desirable. Therefore, we submit the following suggestions for your consideration:

- Regarding the Ward One Sewer System, services should be provided for and collected in accordance with Section 10 of the Resolution approved by the Police Jury.
- The Police Jury should implement a three-year capital improvement program for 2003, 2004 and 2005, in accordance with the Parish Transportation Act.

We would like to express our appreciation to you and your office staff for the courtesies and assistance rendered to us during the performance of our audit. Should you have any questions or need assistance in implementing any of our suggestions, please feel free to contact us.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Ville Platte, Louisiana
June 9, 2004

183 South Beadle Road
Lafayette, LA 70508
Phone (337) 232-4141
Fax (337) 232-8660

113 East Bridge Street
Breaux Bridge, LA 70517
Phone (337) 332-4020
Fax (337) 332-2867

133 East Waddil
Marksville, LA 71351
Phone (318) 253-9252
Fax (318) 253-8681

1234 David Drive, Suite 105
Morgan City, LA 70380
Phone (985) 384-2020
Fax (985) 384-3020

408 W. Cotton Street
Ville Platte, LA 70586
Phone (337) 363-2792
Fax (337) 363-3049

332 W. Sixth Avenue
Oberlin, LA 70655
Phone (337) 639-4737
Fax (337) 639-4568

200 South Main Street
Abbeville, LA 70510
Phone (337) 893-7944
Fax (337) 893-7946