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LAFOURCHE PARISH
Primary Government
Financial Statements and Schedules
December 31, 2003

With Independent Auditors' Report Thereon

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

Release Date 7-7-04



Postlethwaite & Netterville
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LAFOURCHE PARISH
Thibodaux, Louisiana

Primary Government Financial Statements

For the year ended December 31, 2003

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Independent Auditors' Report

To the President and Members of the
Council of Lafourche Parish:

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 Lafourche Parish (the Parish) as of and for the year ended December 31, 2003, which collectively comprise the Parish's basic financial statements of the Parish's primary government as listed in the table of contents. These financial statements are the responsibility of the Parish's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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 opinion.

The financial statements referred to above include only the primary government of the Parish, which consists of all funds, organizations, institutions, agencies, departments, and offices that comprise the Parish's legal entity. The financial statements do not include financial data for the Parish's legally separate component units, which accounting principles generally accepted in the United States of America require to be reported with the financial data of the Parish's primary government. As a result, the primary government financial statements do not purport to, and do not, present fairly the financial position of the reporting entity of the Parish, as of December 31, 2003, and the changes in its financial position and its cash flows, where applicable, for the year ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 14 to the financial statements, Lafourche Parish adopted the provisions of Governmental Accounting Standards Board Statement No. 34 – *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* in 2003.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information for the primary government of the Parish, 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.

In accordance with *Government Auditing Standards*, we have also issued a report dated June 4, 2004 on our consideration of the Parish'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 management's discussion and analysis and budgetary comparison information on pages 3 through 11 and 45 through 49 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Parish's basic financial statements. The accompanying financial information as listed in the Table of Contents as Supplemental Information Schedules, pages 56 through 99 is presented for purposes of additional analysis and is not a required part of the primary government financial statements of the Parish. Such information has been subjected to the auditing procedures applied in the audit of the primary government financial statements and the combining and individual fund financial statements and schedules, and, in our opinion, is fairly stated in all material respects in relation to the financial statements of each of the respective individual funds taken as a whole.

Postlethwaite & Netterville

Metairie, Louisiana
June 4, 2004

MANAGEMENT'S DISCUSSION AND ANALYSIS

As financial management of the Parish government, we offer readers of this financial statement an overview and analysis of the financial activities of the Lafourche Parish Government. This narrative is designed to assist the reader in focusing on significant financial issues, identify changes in the government's financial position, identify any material deviations from the approved budget documents, and identify individual fund issues or concerns. The Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes, and currently known facts. It should be read in conjunction with the Letter of Transmittal and the financial statements that begin with Statement A.

FINANCIAL HIGHLIGHTS

- Assets of the Lafourche Parish primary government exceeded its liabilities at the close of the most recent fiscal year by \$17,930,000 (*net assets*). Of this amount, \$11,330,000 may be used to meet the government's ongoing obligations to citizens and creditors.
- The primary government's total net assets increased by \$6,030,000 during 2003. Governmental activities' net assets increased \$6,000,000 during 2003, primarily as a result of the increase in net capital assets (\$3,300,000), the reduction of prior-year long-term debt (\$3,800,000), the increase in ad valorem taxes (\$200,000), additional grant revenues (\$60,000), increases in state revenue sharing (\$840,000), and other miscellaneous revenue increases (\$380,000).
- As of the close of the current fiscal year, the primary government's governmental funds reported combined ending fund balances of \$40,240,000, a decrease of \$1,710,000 in comparison with the prior year.
- At December 31, 2003, unreserved fund balance for the General Fund was \$3,600,000, or 72% of total 2003 General Fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

With the implementation of Governmental Accounting Standards Board Statement 34, a government's presentation of financial statements has been greatly changed. The new statements focus on the government as a whole (government-wide) and the major individual funds. Both perspectives (government-wide and major fund) allow the reader to address relevant questions, broaden a basis for comparison (year to year or government to government) and should enhance the Parish's accountability.

Government-Wide Financial Statements

The government-wide financial statements (see Statement A and B) are designed to be similar to those of private sector businesses in that all governmental and business-type activities are consolidated into columns which add to a total for the primary government. The statements combine all governmental funds' current financial resources with capital assets and long-term obligations. Expenditures for infrastructure prior to 2003 are expected to be included by 2007. Also presented in the government-wide financial statements is a total column for the business-type activities of the primary government. All Parish component unit agencies issue separate independently audited financial statements.

The Statement of Net Assets (Statement A) presents information on all the government's assets and liabilities, with the difference between the two reported as net assets. Over time, changes in net assets may serve as a useful indicator of whether the financial position of the Parish is improving or

deteriorating.

The *Statement of Activities (Statement B)* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows only in future fiscal periods. For example, uncollected taxes and earned but unused vacation leave result in cash flows for future periods. The focus of the *Statement of Activities* is on both the gross and net cost of various activities which are funded by the Parish's general tax and other revenues. This is intended to summarize information and simplify the user's analysis of the cost of various governmental services and/or subsidy to various business-type activities.

The governmental activities reflect the Parish's basic services including general government services (executive, legislative, judicial), public safety (fire, law enforcement, emergency medical services, emergency preparedness, communications), public works (solid waste treatment and street and road maintenance), health and welfare (mosquito control and animal control), conservation and development (social programs), culture and recreation (library and athletics), and intergovernmental.

These services are financed primarily with taxes. The business-type activities reflect private sector type operations (sewer utilities) where the fee for service typically covers all or most of the cost of operations, including depreciation.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Traditional users of governmental financial statements will find the fund financial statements presentation more familiar. The focus is now on major funds, rather than generic fund types.

Governmental Funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. The Governmental Major Fund (see Statement C and E) presentation is presented on a modified accrual basis. This is the manner in which the financial plan is typically developed excluding certain timing differences between the budget basis and the generally accepted accounting principle (GAAP) basis. Unlike the government-wide financial statements, governmental fund financial statements focus on near-term outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's current financing requirements. The Parish has presented the General Fund, Royalty Road Fund, Solid Waste Fund, Head Start Fund, and Board of Health Fund as major funds. All non-major governmental funds are presented in one column, titled Non-Major Fund Type. Combining financial statements of the non-major funds can be found in the Combining and Individual Fund Statements and Schedules that follow the basic financial statements.

Proprietary Funds encompass both enterprise and internal service funds on the fund financial statements. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Internal service funds are an accounting device used to accumulate and allocate costs internally among the Parish's various functions. The government uses internal service funds to account for the self insurance of worker's compensation. Because these services predominantly benefit governmental rather than business-type functions, they have been included within

the governmental activities section in the government-wide financial statements. Combining statements of the non-major individual enterprise and internal service funds can be found in the Combining and Individual Fund Statements following the basic financial statements.

Fund financial statements also allow the Parish to present *fiduciary funds*. While these funds represent a trust responsibility, these assets are restricted in purpose and do not represent discretionary assets of the government. Therefore, these assets are not presented as part of the government-wide financial statements.

While the total column on the business-type fund financial statements for enterprise funds (see Statement H) is the same as the business-type column at the government-wide financial statement, the governmental major funds total column requires a reconciliation because of the different measurement focus which is reflected on the page following each statement (see Statements D and F). The flow of current financial resources will reflect bond proceeds and interfund transfers as other financing sources and will show capital expenditures and bond principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligations into the Governmental Activities column in the government-wide statements.

Capital Assets

General capital assets include land, improvements to land, easements, buildings, vehicles, machinery and equipment, infrastructure, and all other tangible assets that are used in operations and that have initial useful lives greater than two years and exceed the government's capitalization threshold (see Financial Statement Note 2). The Parish has capitalized all purchased general capital assets. Infrastructure assets (those placed into the government's maintenance through contributions from private development) have not been capitalized in this financial presentation for the years 1980 through 2002. Governmental Accounting Standards Board Statement No. 34 allows the Parish a transitional period for reporting infrastructure assets purchased prior to 2003 until 2007. Prior to the implementation of the new reporting model, no depreciation was charged on general capital assets. Accumulated depreciation was recorded for the first time based on the date of acquisition and the life span of the asset in the 2003 financial statements.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are a required part of the basic financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning major fund budgetary comparisons. Required supplementary information can be found at Schedules 1.1 to 1.5.

The combining statements referred to earlier in connection with the non-major governmental and proprietary funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules include Schedules 2 through 18 of the report.

Certain supplementary financial information can be found in Schedule 19 of this report. This schedule is included for additional information and analysis and does not constitute a part of the audited financial statements.

Government-Wide Financial Analysis

The following table reflects the condensed Statement of Net Assets for 2003:

**Lafourche Parish Government
Condensed Statement of Net Assets
December 31, 2003**

	<u>Governmental Activities</u>	<u>Type Activities</u>	<u>Total</u>
Assets:			
Current and Other Assets	\$ 42,750,000	\$ 20,000	\$ 42,770,000
Restricted Assets	2,500,000	-	2,500,000
Capital Assets	8,300,000	3,040,000	11,340,000
Total Assets	<u>53,550,000</u>	<u>3,060,000</u>	<u>56,610,000</u>
Liabilities:			
Current Liabilities	3,740,000	90,000	3,830,000
Long-Term Liabilities	34,850,000	-	34,850,000
Total Liabilities	<u>38,590,000</u>	<u>90,000</u>	<u>38,680,000</u>
Net Assets:			
Invested in Capital Assets Net of Debt	(26,530,000)	3,040,000	(23,490,000)
Restricted	6,600,000	-	6,600,000
Unrestricted	34,890,000	(70,000)	34,820,000
Total Net Assets	<u>\$ 14,960,000</u>	<u>\$ 2,970,000</u>	<u>\$ 17,930,000</u>

For more detailed information see Statement A, the Statement of Net Assets. Approximately (\$23,490,000) of the Parish's net assets as of December 31, 2003, reflects the government's investment in capital assets (land, buildings, infrastructure, machinery and equipment) less any related outstanding debt used to acquire those assets. The Parish government uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Another \$6,600,000 of the government's net assets is subject to external restrictions on how those assets may be used, such as sales tax approved by the electorate for specific purposes.

The table below provides a summary of the changes in net assets for the year ended December 31, 2003:

**Lafourche Parish Government
Condensed Statement of Changes in Net Assets
For the Year Ended December 31, 2003**

	<u>Governmental Activities</u>	<u>Business- Type Activities</u>	<u>Total</u>
Revenues:			
Program Revenue:			
Charges for Services	\$ 1,040,000	\$ 100,000	\$ 1,140,000
Operating Grants and Contributions	7,640,000	-	7,640,000
Capital Grants and Contributions	910,000	-	910,000
General Revenue:			
Advalorem Taxes	8,270,000	-	8,270,000
Sales Taxes	10,750,000	-	10,750,000
State Revenue Sharing	4,270,000	-	4,270,000
Grants and Contributions Not Restricted to Specific Program	700,000	-	700,000
Other	2,140,000	210,000	2,350,000
Total Revenues	<u>35,720,000</u>	<u>310,000</u>	<u>36,030,000</u>
Expenses:			
General Government	4,860,000	-	4,860,000
Public Safety	1,440,000	-	1,440,000
Public Works	14,700,000	-	14,700,000
Sewer	-	280,000	280,000
Health and Welfare	5,370,000	-	5,370,000
Culture and Recreation	820,000	-	820,000
Other	70,000	-	70,000
Depreciation	660,000	-	660,000
Interest on Long-Term Debt	1,800,000	-	1,800,000
Total Expenses	<u>29,720,000</u>	<u>280,000</u>	<u>30,000,000</u>
Increase in Net Assets	<u>6,000,000</u>	<u>30,000</u>	<u>6,030,000</u>
Net Assets, January 1	<u>8,960,000</u>	<u>2,940,000</u>	<u>11,900,000</u>
Net Assets, December 31	<u>\$ 14,960,000</u>	<u>\$ 2,970,000</u>	<u>\$ 17,930,000</u>

The government's net assets increased \$6,030,000 during the current fiscal year. *Governmental Activities* net assets increased \$6,000,000 in 2003, primarily due to:

- (1) An increase in net capital assets of approximately \$3,300,000 capitalized during the year which included \$2,990,000 of road construction and/overlays. Of this total \$700,000 was for the St. Charles and Burma Roads.
- (2) An additional \$200,000 in ad valorem tax due to growth of the tax rolls.
- (3) An additional \$840,000 in state revenue sharing.

- (4) A net decrease of approximately \$3,800,000 in long-term debt caused by the principal payments and refunding of bonds payable.
- (5) Grant revenues of approximately \$5,140,000 (\$5,080,000 in 2002) which included the Head Start grant of \$3,290,000 from the Department of Health and Human Services and other grants totaling \$810,000 from the Federal Emergency Management Agency.
- (6) Other miscellaneous increases of \$380,000.

Business Type Activities' net assets increased \$30,000 in 2003. Charges for services and other sewer revenue was \$310,000 and sewer expenses totaled \$280,000.

Financial Analysis of the Government's Funds

As noted earlier, the Parish uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds: The focus of the Parish's governmental funds is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the Parish's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the primary government's governmental funds reported combined ending fund balances of \$40,240,000, a decrease of \$1,710,000 in comparison with the prior year. Certain balances in the fund balance are *reserved* to indicate that it is not available for new spending because it has already been committed to: (1) liquidation of contracts and purchase orders of the prior period (\$310,000), (2) payment of debt service (\$6,600,000), or (3) prepaid insurance (\$450,000).

The General Fund is the chief operating fund of the Lafourche Parish Government. At the end of the current fiscal year fund balance of the General Fund was \$4,010,000, which included an unreserved and undesignated balance of \$3,560,000 and \$450,000 reserved for prepaid insurance. The fund balance of the General Fund at the end of 2002 was also \$4,010,000.

The fund balance of the Royalty Road Fund increased from \$5,490,000 to \$6,340,000. The increase was the result of receiving \$2,550,000 from State revenue sharing and transferring out \$1,760,000. Other revenue in the Fund totaled \$60,000.

The fund balance of the Solid Waste Fund decreased \$2,120,000 resulting from public works expenditures of \$6,870,000 and only \$4,750,000 of sales and use tax revenue.

The Head Start Program Fund accounts for the Head Start cost reimbursement grant. The Fund had total expenditures of \$4,150,000, including the Parish match of \$860,000. The Parish received \$3,290,000 in grant funds from the Department of Health and Human Services.

The fund balance of the Board of Health Fund increased \$880,000. The fund received \$1,320,000 of ad valorem taxes and \$100,000 of other revenue. Health and Welfare expenditures in the Fund totaled \$540,000.

Proprietary Funds: The Parish's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Net assets of the Sewerage Funds (Enterprise Funds) at December 31, 2003 totaled \$2,970,000. The Funds had unrestricted net assets of (\$70,000) and net assets of \$3,060,000 invested in capital assets, net of related debt. The funds received revenue from charges for services of \$100,000 and a capital contribution of \$210,000. General operating expenditures of the funds were \$130,000 and depreciation totaled \$150,000.

Net assets of the Workers' Compensation Fund (Internal Service Fund) at December 31, 2003 totaled \$730,000. Charges for insurance received from the other funds totaled \$320,000 and investment income totaled \$10,000. The fund's operating expenses totaled \$310,000. Of this total \$230,000 was for insurance premiums and \$80,000 was for claims.

General Fund Budgetary Highlights

The Parish did not adopt an operating budget for 2003. The Parish operated under the 2000 budget for the year with the Parish Council approving supplemental appropriations to amend certain 2000 budgeted line items. Major increases in appropriations were as follows (1) \$900,000 in the Recreation Fund for improvements and land purchases, (2) \$150,000 in the General Fund for animal control, (3) \$2,100,000 in the Board of Health Fund for major expansion and renovation of two Health Units, (4) \$120,000 in the General Fund for the feeding of prisoners, (5) \$190,000 in the General Fund for salaries in the District Attorney's office. Material differences between actual results and final amended budgeted amounts are as follows:

- The four road construction funds budgeted \$5,900,000 for expenditures. Actual expenditures in the funds were only \$3,000,000 because a court order during the year ceased road construction and maintenance. New road construction and maintenance ceased until it could be determined by the courts which elected officials of the Parish had the authority sign contracts on behalf of the Parish.
- The FEMA Acquisition Fund budgeted \$1,300,000 for the purchase and demolition or the raising of homes in flood prone areas. During the year only \$580,000 was spent for this purpose. The project will continue in 2004.
- The Morristown Sewerage Project Fund budgeted \$990,000 for the construction of a sewerage treatment plant in a low income community. During the year only \$70,000 was spent for engineering services. The Parish applied for the funds from the Department of Housing and Urban Development. The funds to complete the project should be received in 2004.
- The DOTD/DNR Fund budgeted \$3,200,000 for a feasibility study regarding the construction of an overpass on State Highway LA 1 which is the sole flood and hurricane evacuation route of many Parish residents. In addition, the overpass would service Port Fourchon and allow for increased commercial use of the Port. During 2003 only \$1,710,000 has been spent relating to the project. Costs related to the feasibility study should continue in 2004.
- The Recreation Fund received increased appropriations of \$900,000 in 2003 for improvements and land purchases. The total budget after the appropriations was \$1,490,000, but only \$850,000 was spent. The additional funds appropriated will be used for 2004 expenditures.
- The Board of Health Fund received increased appropriations of \$2,100,000 for the expansion of the Thibodeaux Health Center and the renovation of the Galliano Health Center. The projects

were not completed during the year, and as a result, the fund had only \$550,000 of expenditures.

Capital Asset and Debt Administration

Capital Assets: The Lafourche Parish Government's investment in capital assets for its governmental and business type activities as of December 31, 2003, amounts to \$11,560,000 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, machinery and equipment, vehicles, roads and highways, and sewerage systems. The total increase in the Parish's investment in capital assets for the current fiscal year was \$3,900,000, a 28% increase for governmental activities. This increase includes \$2,990,000 of roads and highways. Governmental Accounting Standards Board Statement No. 34 allows the Parish a transitional period for reporting infrastructure assets purchased prior to 2003 until 2007. For business-type activities, capital assets increased \$210,000 or 5%.

Lafourche Parish Government Capital Assets (Net of Depreciation) December 31, 2003

	Activities	Activities	Total
Land	\$ 450,000	\$ -	\$ 450,000
Buildings	6,420,000	-	6,420,000
Roads	2,990,000	-	2,990,000
Sewerage System Plant and Equipment	-	4,200,000	4,200,000
Construction In Progress	440,000	-	440,000
Improvements, Other Than Buildings	470,000	-	470,000
Furniture and Equipment	4,360,000	-	4,360,000
Automobiles	1,420,000	-	1,420,000
	<u>16,550,000</u>	<u>4,200,000</u>	<u>20,750,000</u>
Less: Accumulated Depreciation	<u>(8,030,000)</u>	<u>(1,160,000)</u>	<u>(9,190,000)</u>
	<u>\$ 8,520,000</u>	<u>\$ 3,040,000</u>	<u>\$ 11,560,000</u>

Major capital asset events during the current fiscal year included the following:

- Road construction or overlays totaling \$2,990,000.
- Furniture and equipment purchases for the Head Start Program of \$400,000.
- Construction in progress of \$440,000, including \$170,000 for the Kraemer Pump Station Project and \$70,000 for the Morristown Sewerage Project.
- Capital improvements to the drainage system of \$210,000, including \$90,000 for the Leighton Pump Project.

Additional information on the Parish's capital assets can be found in Note 7 of this report.

Long-Term Debt: At the end of the current fiscal year, the Parish had total bonded debt outstanding of \$34,670,000. The debt represents bonds secured by specified revenue sources such as the general sales tax. On April 1, 2003, the Parish issued \$10,000,000 Refunding Bonding Bonds Series 2003 Road Sales Tax District 2. The bond proceeds were used in the redemption of \$3,200,000 Certificate of Indebtedness Series 1999 Road Sales Tax District 2, \$1,880,000 of Certificate of Indebtedness Series 2000A Road Sales Tax District 1, and \$6,290,000 Certificate of Indebtedness Series 1998. Additional information on debt administration can be found in Note 8 of this report.

Economic Factors and Next Year's Budget and Rates

The Parish receives approximately 30% of its revenues from sales tax levied by the Parish and 25% from ad valorem taxes; therefore, economic indicators are very important in forming the budget estimates for the Parish funds. Revenue assumptions are reviewed by the Parish Council and Parish President. The uncertainties of the national, state and local economy requires prudent budgeting by the Parish's elected officials. As a result of economic uncertainties, 2004 budgets of sales tax and ad valorem taxes are similar to 2003. The Parish continues to apply for federal and state grants in order to improve the quality of life for the people of the Parish. The budget for 2004 reflects federal and state awards and the anticipated expenditures of the various grant programs.

Requests For Information

This financial report is designed to provide a general overview of the finances of the Parish of Lafourche, for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Department of Finance, Accounting Division, P.O. Drawer 5548, Thibodeaux, Louisiana, 70302.

Statement A

LAFOURCHE PARISH

Statement of Net Assets

December 31, 2003

	Governmental Activities	Business Type Activities	Total
Assets:			
Cash and cash equivalents	\$ 2,360,858	9,779	2,370,637
Investments	27,523,317	9	27,523,326
Receivables	12,091,619	7,602	12,099,221
Prepays and other assets	765,585	-	765,585
Restricted assets:			
Cash	1,967,756	-	1,967,756
Investments	457,303	-	457,303
Other	77,531	-	77,531
Capital assets:			
Land	450,681	-	450,681
Capital assets, net of depreciation	7,416,590	3,041,356	10,457,946
Construction in progress	438,961	-	438,961
Total assets	\$ 53,550,201	3,058,746	56,608,947
Liabilities:			
Accounts, salaries and other payables	\$ 3,348,693	17,138	3,365,831
Internal balances	(69,597)	69,597	-
Deferred revenues	36,711	-	36,711
Claims payable	75,966	-	75,966
Other liabilities	354,751	-	354,751
Long-term liabilities:			
Due within one year	4,645,287	-	4,645,287
Due in more than one year	30,195,555	-	30,195,555
Total liabilities	\$ 38,587,366	86,735	38,674,101
Net Assets:			
Invested in capital assets, net of related debt	\$ (26,591,686)	3,041,356	(23,550,330)
Restricted for debt service	6,600,832	-	6,600,832
Unrestricted	34,953,689	(69,345)	34,884,344
Total net assets	\$ 14,962,835	2,972,011	17,934,846

See accompanying notes to financial statements.

LAFOURCHE PARISH

Statement of Activities

For the year ended December 31, 2003

Functions/Programs	Expenses	Charges for Services	Operating Grants and Contrib- utions	Capital Grants and Contrib- utions	Net (Expense) Revenue and Changes in Net Assets		
					Governmental Activities	Business-type Activities	Total
Governmental Activities:							
General Government							
Legislative	\$ 434,250	\$ -	\$ -	\$ -	(434,250)	\$ -	(434,250)
Judicial	2,332,718	604,956	309,522	-	(1,418,240)	-	(1,418,240)
Elections	74,984	-	-	-	(74,984)	-	(74,984)
Finance and Administrative	1,708,681	-	-	-	(1,708,681)	-	(1,708,681)
Other	319,367	24,282	68,192	-	(226,893)	-	(226,893)
Allocated Costs In (Out)	(6,858)	-	-	-	6,858	-	6,858
Public Safety	1,445,267	-	24,166	-	(1,421,101)	-	(1,421,101)
Public Works	14,736,336	415,493	2,362,221	911,266	(11,047,356)	-	(11,047,356)
Health and Welfare	5,373,013	-	4,856,973	-	(516,040)	-	(516,040)
Conservation	2,437	-	18,000	-	15,563	-	15,563
Culture and Recreation	823,065	-	-	-	(823,065)	-	(823,065)
Economic Development	16,126	-	-	-	(16,126)	-	(16,126)
Depreciation	657,227	-	-	-	(657,227)	-	(657,227)
Interest and Fiscal Charges	1,803,630	-	-	-	(1,803,630)	-	(1,803,630)
Total governmental activities	29,720,243	1,044,731	7,639,074	911,266	(20,125,172)	-	(20,125,172)
Business-Type Activities:							
Sewer	281,805	100,521	-	214,143	-	32,859	32,859
Total governmental activities	\$ 30,002,048	\$ 1,145,252	\$ 7,639,074	\$ 1,125,409	(20,125,172)	32,859	(20,092,313)
General revenues							
Taxes:							
Ad valorem (property) taxes					8,267,773	-	8,267,773
Sales and use taxes					10,746,240	-	10,746,240
State revenue sharing					4,270,718	-	4,270,718
Other State funding sources, including grants:							
Fines, forfeitures and other					1,709,514	-	1,709,514
Grants and contributions not restricted to specific programs					698,289	-	698,289
Interest and investment earnings					397,976	-	397,976
Miscellaneous					36,557	-	36,557
Total general revenues					26,127,067	-	26,127,067
Changes in net assets					6,001,895	32,859	6,034,754
Net assets, beginning of year as restated					8,960,940	2,939,152	11,900,092
Net assets, end of year					\$ 14,962,835	\$ 2,972,011	\$ 17,934,846

See accompanying notes to financial statements.

LAFOURCHE PARISH

Governmental Funds - Balance Sheet

December 31, 2003

	Major Fund Types					Total
	001 General	108 Royalty Road	107 Solid Waste	130 Head Start	109 Board of Health	
ASSETS						
Cash	\$ 1,313,038	\$ 606,510	\$ 364	\$ 54,201	\$ 8,452	\$ 4,172,669
Investment in LAMP	1,388,025	5,189,659	5,940,103	-	4,209,966	27,507,966
Receivables	1,980,974	649,501	341,055	204,374	1,285,424	11,289,553
Due from Other Funds	849,614	101,213	210	90,211	-	1,503,790
Other	194	-	-	-	-	364
Prepaid Assets	453,953	-	-	-	-	453,953
Total Assets	\$ 5,985,798	\$ 6,546,883	\$ 6,281,732	\$ 348,786	\$ 5,503,842	\$ 44,928,295

LIABILITIES AND FUND BALANCES

LIABILITIES						
Accounts Payable and Accrued Expenses	\$ 1,000,097	\$ 210,000	\$ 601,693	\$ 262,552	\$ 14,589	\$ 2,431,261
Retainage Payable	-	-	-	-	-	21,206
Salaries and Benefits Payable	142,766	-	6,084	69,936	5,769	389,318
Due to Other Funds	830,030	-	273	16,530	131	1,452,353
Due to Other Governmental Agencies	-	-	-	-	-	354,751
Deferred Revenue	-	-	-	-	-	36,711
Total Liabilities	1,972,893	210,000	608,050	349,018	20,489	4,685,600

FUND BALANCES

Reserved for Prepaid Insurance	453,953	-	-	-	-	453,953
Reserved for Debt Service	-	-	-	-	-	6,600,832
Reserved for Capital Contracts	-	-	-	-	-	311,751
Unreserved and Undesignated	3,558,952	6,336,883	5,673,682	(232)	5,483,353	32,876,159
Total Fund Balances	4,012,905	6,336,883	5,673,682	(232)	5,483,353	40,242,695
Total Liabilities and Fund Balances	\$ 5,985,798	\$ 6,546,883	\$ 6,281,732	\$ 348,786	\$ 5,503,842	\$ 44,928,295

See accompanying notes to financial statements.

LAFOURCHE PARISH

Reconciliation of the Governmental Funds' Balance Sheet to the Statement of Net Assets

December 31, 2003

Total fund balances – governmental funds	\$	40,242,695
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The cost of capital assets (land, buildings, furniture and equipment) purchased or constructed is reported as an expenditure in governmental funds. The Statement of Net Assets includes those capital assets among the assets of the Parish as a whole. The cost of those assets is allocated over their estimated useful lives (as depreciation expense) to the various programs and reported as governmental activities in the Statement of Activities. Because depreciation expense does not affect financial resources, it is not reported in governmental funds.

Cost of capital assets	\$	16,546,613	
Accumulated depreciation		<u>(8,240,381)</u>	8,306,232

Net assets of the internal service fund reported as proprietary fund type in the fund financial statement but included as governmental activities in the government-wide financial statement.

Total net assets		<u>728,954</u>	728,954
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Change in revenue accruals – Under modified accrual basis of accounting, revenues are not recognized unless they are deemed “available” to finance the expenditures of the current period. Accrual basis recognition is not limited to availability, so certain revenues need to be reduced by the amounts that were unavailable at the beginning of the year and increased by the amounts that were unavailable at the end of the year. This adjustment records a net increase in revenues.

	<u>758,131</u>	758,131
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Accrual basis recognition of prepaid expenditures anticipated to be recognized over the next several years

	<u>311,268</u>	311,268
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Accrual basis recognition of interest expenditures

	<u>(543,603)</u>	(543,603)
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Long-term liabilities applicable to the School Board's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All Liabilities – both current and long-term – are reported in the Statement of Net Assets.

Balance at June 30, 2003 are:

Bonds payable	(34,666,066)	
Compensated absences	<u>(174,776)</u>	<u>(34,840,842)</u>

Net assets – governmental activities	\$	<u>14,962,835</u>
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See accompanying notes to financial statements.

L'AUROUCHE PARISH

Statement of Revenues, Expenditures, and Changes in Fund Balances - All Governmental Fund Types

For the year ended December 31, 2003

	Major Fund Types					Total
	001 General	108 Royalty Road	107 Solid Waste	130 Head Start	109 Board of Health	
REVENUES						
Taxes						
Ad Valorem	\$ 1,105,974	\$ -	\$ -	\$ -	\$ 1,325,148	\$ 8,250,795
Sales and Use	-	-	4,668,468	-	-	10,711,314
Other	34,926	-	-	-	-	34,926
Intergovernmental	24,166	-	-	3,284,451	-	4,929,473
Federal Grants	-	-	-	-	-	-
State Funds	1,089,598	2,546,020	-	-	51,257	4,270,718
State Revenue Sharing	-	-	-	-	-	544,906
Parish Transportation Funds	-	-	-	-	-	2,846,949
Other	1,007,911	-	-	-	-	2,164,355
Fees, Licenses and Permits	2,125,007	-	-	-	-	598,256
Fines and Forfeitures	53,358	-	-	-	-	397,976
Use of Money and Property	62,440	60,847	79,431	-	47,863	975,492
Other	28,159	-	-	865,175	-	-
Total Revenues	5,531,539	2,606,867	4,747,899	4,149,626	1,424,268	35,705,160
EXPENDITURES						
General Government	434,250	-	-	-	-	434,250
Legislative	1,666,232	-	-	-	-	2,332,718
Judicial	74,984	-	-	-	-	74,984
Elections	872,435	-	-	-	-	1,783,841
Finance and Administrative	209,796	-	-	-	-	319,367
Other	(115,436)	-	-	77,311	-	1,254
Allocated Costs In (Out)	1,445,267	-	-	-	-	1,445,267
Public Safety	177,443	-	6,845,349	-	-	18,216,109
Public Works	137,211	-	-	-	480,559	5,373,013
Health and Welfare	-	-	-	-	-	2,437
Conservation	-	-	-	-	-	823,065
Culture and Recreation	16,126	-	-	-	-	16,126
Economic Development	-	-	-	-	-	-
Transportation	-	360	-	-	62	5,684,621
Debt Service	10,438	-	25,591	18,322	65,707	910,427
Capital Outlay	4,928,746	360	6,871,040	4,149,626	546,328	37,417,479
Total Expenditures	602,793	2,606,507	(2,123,141)	-	877,940	(1,712,319)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES						
OTHER FINANCING SOURCES (USES)						
Proceeds from issuance of bonds payable	-	-	-	-	-	10,000,000
Refunding of bonds	-	-	-	-	-	(10,000,000)
Operating Transfers In	215,578	-	-	-	-	17,910,412
Operating Transfers Out	(815,309)	(1,761,352)	-	-	-	(17,910,412)
Total Other Financing Sources (Uses)	(599,731)	(1,761,352)	-	-	-	2,361,083
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES AND EXPENDITURES AND OTHER USES						
	3,062	845,155	(2,123,141)	-	877,940	(1,712,319)
FUND BALANCES - BEGINNING OF YEAR	4,009,843	5,491,728	7,796,823	(232)	4,605,413	41,955,014
FUND BALANCES - END OF YEAR	\$ 4,012,905	\$ 6,336,883	\$ 5,673,682	\$ (232)	\$ 5,483,353	\$ 40,242,695

See accompanying notes to financial statements.

LAFOURCHE PARISH

Reconciliation of the Governmental Funds' Balance Sheet to the Statement of Activities

For the year ended December 31, 2003

Total net changes in fund balances – governmental funds	\$	(1,712,319)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeds capital outlays in the project.		
Capital outlays	\$ 4,390,200	
Depreciation expense	<u>(657,227)</u>	3,732,973
New bond issues provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets.	<u>(10,000,000)</u>	(10,000,000)
Repayment of bond principal and capital leases is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. This is the amount of repayments and refunding of bonds payables.	<u>13,835,512</u>	13,835,512
Change in revenue accruals - Under modified accrual basis of accounting, revenues are not recognized unless they are deemed "available" to finance the expenditures of the current period. Accrual basis recognition is not limited to availability, so certain revenues not available for spending are recognized in the current year.	<u>16,978</u>	16,978
Change in accrual basis recognition of prepaid expenditures	<u>75,160</u>	75,160
Change in accrual basis recognition of interest expenditures	<u>45,479</u>	45,479
In the Statement of Activities, certain operating expenses-compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year, vacation and sick time earned exceeded the amounts used by \$9,300.	<u>(9,300)</u>	(9,300)
All revenues, expenses and changes in fund net assets (deficits) of the internal service fund are reported as proprietary fund type in the fund financial statement, but included as governmental activities in the government-wide financial statement.	<u>17,412</u>	<u>17,412</u>
Change in net assets of governmental activities	\$	<u><u>6,001,895</u></u>

See accompanying notes to financial statements.

Statement G

LAFOURCHE PARISH

Proprietary Funds
Statement of Net Assets

December 31, 2003

	Enterprise Funds	Internal Service Fund
	<u> </u>	<u> </u>
ASSETS		
Cash	\$ 9,779	\$ 155,945
Investment in LAMP	9	472,654
Accounts Receivable	7,602	60,403
Due from Other Funds	5,193	60,164
Due from Other Agencies	<u>-</u>	<u>61,063</u>
Total Current Assets	<u>22,583</u>	<u>810,229</u>
PROPERTY, PLANT, AND EQUIPMENT		
Vehicles and Equipment	4,203,882	-
Less: Accumulated Depreciation	<u>(1,162,526)</u>	<u>-</u>
Property, Plant, and Equipment, net	<u>3,041,356</u>	<u>-</u>
Total Assets	<u>\$ 3,063,939</u>	<u>\$ 810,229</u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts and Other Payables	\$ 12,793	\$ 4,013
Salaries and Benefits Payable	-	1,296
Claims Payable	-	75,966
Retainage Payable	4,345	-
Due to Other Funds	<u>74,790</u>	<u>-</u>
Total Liabilities	<u>91,928</u>	<u>81,275</u>
NET ASSETS		
Invested in capital assets, net of related debt	3,041,356	-
Restricted	-	-
Unrestricted	<u>(69,345)</u>	<u>728,954</u>
Total Net Assets	<u>2,972,011</u>	<u>728,954</u>
Total Liabilities and Net Assets	<u>\$ 3,063,939</u>	<u>\$ 810,229</u>

See accompanying notes to financial statements.

LAFOURCHE PARISH

Proprietary Funds
Statement of Revenues, Expenses, and Changes in Net Assets

For the year ended December 31, 2003

	Enterprise Funds	Internal Service Fund
OPERATING REVENUES		
Charges for Insurance	\$ -	\$ 321,465
Charges for Service	100,521	-
Total Operating Revenues	100,521	321,465
OPERATING EXPENSES		
Insurance Premiums	-	234,620
Claims	-	75,818
General Operating and Other	129,197	150
Depreciation	152,608	-
Total Operating Expenses	281,805	310,588
Operating Income (Loss)	(181,284)	10,877
NON-OPERATING REVENUES		
Investment Income	-	6,535
Total Non-Operating Revenues	-	6,535
CAPITAL CONTRIBUTIONS	214,143	-
CHANGES IN NET ASSETS	32,859	17,412
NET ASSETS:		
BEGINNING OF YEAR	2,939,152	711,542
END OF YEAR	\$ 2,972,011	\$ 728,954

See accompanying notes to financial statements.

Statement I

LAFOURCHE PARISH

Proprietary Funds
Statements of Cash Flows

For the year ended December 31, 2003

	Enterprise Funds	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Customers	\$ 165,768	\$ -
Cash Received for Premiums	-	308,355
Cash Payments for Operating Costs	<u>(171,641)</u>	<u>(281,395)</u>
Net Cash Provided by (Used in) Operating Activities	<u>(5,873)</u>	<u>26,960</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Capital Contributions Received	214,143	-
Acquisition and Construction of Capital Assets	<u>(214,142)</u>	<u>-</u>
Net Cash Provided by Capital and Related Financing Activities	<u>1</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment Income	-	<u>6,535</u>
Net Cash Provided by Investing Activities	<u>-</u>	<u>6,535</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(5,872)	33,495
CASH AND CASH EQUIVALENTS:		
BEGINNING OF YEAR	<u>15,660</u>	<u>595,104</u>
END OF YEAR	<u>\$ 9,788</u>	<u>\$ 628,599</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:		
Operating Income (Loss)	\$ (181,284)	\$ 10,877
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities		
Depreciation	152,608	-
Increase (Decrease) in Assets:		
Receivables	65,247	26,106
Due from Other Funds	-	(13,110)
Other Assets	-	(2,194)
Increase (Decrease) in Liabilities:		
Claims Payable	(66,180)	899
Accounts, Salaries and Other Payables	-	4,382
Due to Other Funds	<u>23,736</u>	<u>-</u>
Net Cash Provided By (Used In) Operating Activities	<u>\$ (5,873)</u>	<u>\$ 26,960</u>

See accompanying notes to financial statements.

LAFOURCHE PARISH

Fiduciary Fund
Statement of Fiduciary Net Assets - Agency Funds

December 31, 2003

Assets:	
Cash and Cash Equivalents	\$ 1,308
Receivables	<u>56,251</u>
Total assets	\$ <u>57,559</u>
Liabilities:	
Accounts Payable	\$ 2,389
Salaries and Benefits Payable	11,858
Due to Other Funds	42,004
Due to Others	<u>1,308</u>
Total liabilities	\$ <u>57,559</u>

See accompanying notes to financial statements.

LAFOURCHE PARISH

Fiduciary Fund
Statement of Changes in Net Assets - Agency Funds

For the year ended December 31, 2003

	Balance January 1, 2003	Additions	Deletions	Balance December 31, 2003
Assets:				
Cash and Cash Equivalents	\$ 1,296	\$ 12	-	\$ 1,308
Receivables	68,833	523,186	535,768	56,251
Total assets	\$ 70,129	\$ 523,198	\$ 535,768	\$ 57,559
Liabilities:				
Accounts Payable	-	21,362	18,973	2,389
Salaries and Benefits Payable	9,914	11,858	9,914	11,858
Due to Other Funds	58,919	614,665	631,580	42,004
Due to Others	1,296	12	-	1,308
Total liabilities	\$ 70,129	\$ 647,897	\$ 660,467	\$ 57,559

See accompanying notes to financial statements.

LAFOURCHE PARISH
Thibodaux, Louisiana

NOTES TO PRIMARY GOVERNMENT FINANCIAL STATEMENTS

1. INTRODUCTION

Lafourche Parish (the Parish) is a political subdivision of the State of Louisiana. Nine Parish members representing the various districts within the Parish govern the Parish. The Parish President, elected by the voters of the Parish, is the chief executive officer of the Parish and is responsible for carrying out the policies adopted by the Parish and for administration of all Parish departments, offices, and agencies. A new Parish President and six new Parish members were elected in 2003 and began serving four year terms on January 10, 2004.

As provided by Article III of the Home Rule Charter, the Parish has all powers, functions, privileges, immunities, and authority previously possessed under Louisiana Revised Statute 33:1236. 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 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.

Lafourche Parish covers an area of 1,295 square miles and has a population of approximately 90,000. The Parish maintains over 1,250 roads covering in excess of 500 miles. At December 31, 2003, the Parish had approximately 400 employees.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements of the Parish have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Government Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Reporting Entity

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Parish for financial reporting purposes. The basic criterion for determining whether a governmental department, agency, institution, commission, public authority, or other governmental organization should be included in a primary governmental unit's reporting entity for general-purpose financial statements is financial accountability. Financial accountability includes the appointment of a voting majority of the organization's governing body and the ability of the primary government to impose its will on the organization or if there is a financial benefit/burden relationship. In addition, an organization that is fiscally dependent on the primary government should be included in its reporting entity.

LAFOURCHE PARISH
Thibodaux, Louisiana

NOTES TO PRIMARY GOVERNMENT FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Based upon the previous criteria, the Parish had determined that the following component units are part of the reporting entity:

Ambulance Service District No. 1
Central Lafourche Ambulance Service District
Lafourche Commission for Women
Lafourche Communications District
Drainage District No. 1
Drainage District Fifth Ward Gravity
Drainage District No. 6
Drainage District No. 12 - Sub District No. 3
Fire Protection District No. 1
Fire Protection District No. 2
Fire Protection District No. 3
Fire Protection District No. 4
Fire Protection District No. 5
Fire Protection District No. 6
Fire Protection District No. 7
Fire Protection District No. 8
Fire Protection District No. 9
Lafourche Parish Game and Fish Commission
Home Mortgage Authority
Hospital Service District No. 1
Hospital Service District No. 2
Hospital Service District No. 3
Juvenile Justice Commission
Lafourche Parish Library
Nuisance Alligator Hunters
Recreation District No. 1
Recreation District No. 2
Recreation District No. 3
Recreation District No. 4
Recreation District No. 5
Recreation District No. 8
Recreation District No. 11
Sewerage District No. 1
Sewerage District No. 2
Sewerage District No. 7

LAFOURCHE PARISH
Thibodaux, Louisiana

NOTES TO PRIMARY GOVERNMENT FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Sewerage District No. 11
South Lafourche Airport District
Lafourche Parish Water District No. 1
Lafourche Parish Tourist Commission
Lafourche Parish Coroner
Seventeenth Judicial District - District Court
The Private Industry Parish for Terrebonne Consortium,
Service Delivery Area Thirty-One, Inc. (d/b/a The Work Connection)

The Parish, as reporting entity, is the primary government. Governmental Accounting Standards Board Statement No. 14 provides for the issuance of primary governmental financial statements that are separate from those of the reporting entity.

However, a primary government's financial statements are not a substitute for the reporting entity's financial statements. The Parish has chosen to issue financial statements of the primary government only. As such, the accompanying financial statements are not intended to and do not report in accordance with Governmental Accounting Standards Board Statement No. 14.

Fund Accounting

The accounts of the Parish are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self balancing accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Revenues are accounted for in these individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. Fund accounting is designed to demonstrate legal compliance and to aide financial management by segregating transactions relating to certain government functions or activities.

Funds of the Parish are classified into three categories: governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate fund types. The fund classifications and a description of each existing fund type follows:

Governmental Funds

Governmental Funds are those through which most governmental functions of the Parish are financed. The acquisition, use and balances of the Parish's expendable financial resources and the related liabilities (except those accounted for in the proprietary funds) are accounted through government funds. The measurement focus is upon determination of changes in financial position, rather than net income determination.

LAFOURCHE PARISH
Thibodaux, Louisiana

NOTES TO PRIMARY GOVERNMENT FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Governmental Funds include:

1. **General Fund** - The general operating fund of the Parish accounts for all financial resources, except those required to be accounted for in other funds.
2. **Special Revenue Funds** – Special revenue funds account for the collection and disbursement of earmarked revenues. In addition, the General Fund of the Seventeenth Judicial District Court is reported as a special revenue fund.
3. **Debt Service Funds** – Debt service funds are established to meet the requirements of bond ordinances and to account for transactions relating to resources retained and used for the payment of principal and interest of those long-term obligations and related costs.
4. **Capital Projects Funds** – Capital projects funds account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in other governmental funds.

Proprietary Funds

Proprietary Funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration.

1. **Internal Service Funds** - Internal Service Funds account for operations that provide services to other departments or agencies of the Parish, on a cost-reimbursement basis.
2. **Enterprise Funds** - Enterprises Funds account for operations that provide services to external parties of the Parish, on a user fee basis.

Fiduciary Funds - Agency Funds

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

Basis of Accounting/Measurement Focus

Government-Wide Financial Statements (GWFS)

The Statement of Net Assets and the Statement of Activities displays information about the reporting government as a whole. Fiduciary funds are not included in the GWFS. Fiduciary Funds are reported only in the Statement of Fiduciary Net Assets and the Statement of Changes in Net Assets at the fund financial statement level.

LAFOURCHE PARISH
Thibodaux, Louisiana

NOTES TO PRIMARY GOVERNMENT FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Statement of Net Assets and the Statement of Activities were prepared using the economic resources management focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from the exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 "Accounting and Financial Reporting for Non-Exchange Transactions."

Internal Activities - The worker's compensation fund provides services to the governmental funds. Accordingly, this fund was rolled up into the governmental activities. Pursuant to GASB 34, as much as possible, the internal activities have been eliminated in order to avoid the "grossing-up" effect of a straight inclusion.

Program Revenues - Program revenues include 1) charges for services provided, 2) operating grants and contributions, and 3) capital grants and contributions; program revenues reduce the cost of the function to be financed from the Parish's general revenues. Charges for services consist primarily of sewerage service. Operating grants and contributions consist of the many grants received from the federal and state government.

Allocation of Indirect Expenses - The Parish reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately in the Statement of Activities. Other indirect expenses are not allocated.

Fund Financial Statements (FFS)

Fund financial statements report detailed information about the Parish. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. The major funds reported are the Royalty Road Fund, Solid Waste Fund, Head Start Fund, and Board of Health Fund. Non-major funds are aggregated and presented in a single column. The internal service funds are presented in a single column on the face of the proprietary fund statements.

Governmental Funds

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

LAFOURCHE PARISH
Thibodaux, Louisiana

NOTES TO PRIMARY GOVERNMENT FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The proprietary fund type is accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of this fund type are included on the balance sheet.

The Parish applies all applicable FASB pronouncements issued on or before November 30, 1989 in accounting for its proprietary fund operations unless those pronouncements conflict with or contradict GASB pronouncements.

The governmental and fiduciary fund types (agency funds) are reported in the financial statements on the modified accrual basis of accounting. Under the modified accrual basis, revenues are recorded when they become both measurable and available. Revenues not considered available are recorded as deferred revenues.

The following practices in recording revenues and expenditures have been used for governmental funds:

Revenues

Ad Valorem taxes and related state revenue sharing (which are based on population and homestead in the Parish) are recorded in the year the taxes are due and payable. Ad Valorem taxes, which are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected in December of the current year and January and February of the ensuing year.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the Parish; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

Federal and state grants are recorded when the Parish is entitled to the funds. Interest income on investments is recorded when earned. Sales and use tax revenues are recorded in the month collected by the Lafourche Parish School Board, which is contracted to collect the sales taxes.

At the time of levy, a special assessment receivable is recognized and is offset by deferred revenues. As the assessment becomes measurable and available, deferred revenues are reduced and the revenue is recognized. In addition, interest earned on special assessments is accrued when due, rather than when earned, because it approximately offsets the related interest expenditures that is also recognized when due. Substantially all other revenues are recorded when they become available to the Parish.

LAFOURCHE PARISH
Thibodaux, Louisiana

NOTES TO PRIMARY GOVERNMENT FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Expenditures

Salaries are recorded as expenditures when incurred. Compensated absences are recorded when earned by employees. Commitments under construction contracts are recognized as expenditures when earned by the contractor. All other expenditures are generally recognized under the accrual basis of accounting when the related fund liability is incurred.

All Proprietary Funds are accounted for using the accrual basis of accounting. Revenues are recognized when they are earned, and expenses are recognized when they are incurred.

Other Financing Sources

Proceeds from bond sales are recognized when the money becomes measurable and available.

Budget Practices

The Parish President prepares a comprehensive operating budget on the modified accrual basis of accounting. Prior to the beginning of each fiscal year, the Parish President is required to submit a budget to the Council for approval. The Parish adopted budgets for the General Fund, Special Revenue Funds, Enterprise Funds, and Capital Projects Funds for the year ended December 31, 2000. The Parish had not adopted a budget since 2000. The proposed budgets for 2000 were published in the official journal and made available for public inspection. The proposed budgets were legally adopted by ordinance on November 9, 1999. The Parish did not adopt a budget for 2003; therefore, the 2000 budget, by the charter of the Parish, was the budget for 2003.

The Parish employs formal budgetary integration and interim budget reporting practices. Budgeted amounts included in the accompanying financial statements include the original budget amounts and all subsequent amendments. The president and administrator are authorized to transfer amounts between budgeted line items within any fund. However, any unfavorable variances of revenues or expenditures of five percent or more within a fund must be presented to the Parish for action to amend fund budgets. Unexpended appropriations lapse at year-end.

Cash, Cash Equivalents, and Investments

Cash includes amounts in petty cash, demand deposits, interest-bearing demand deposits, money market accounts, and cash with the state treasury. Cash equivalents include amounts in certificates of deposit with original maturities of three months or less and U.S. Treasury obligations.

LAFOURCHE PARISH
Thibodaux, Louisiana

NOTES TO PRIMARY GOVERNMENT FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Under state law, the Parish may deposit or invest funds in demand deposits, interest bearing demand deposits, money market accounts, or certificates of deposit with state banks organized under Louisiana law and national banks having their principal offices in Louisiana and United States obligations. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool (LAMP), a non-profit corporation formed by the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool. Investments are stated at cost, which approximates fair value, and is the same as the value of the pool shares.

Interfund Receivables/Payables

During the normal course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as due from other funds or due to other funds.

Capital Assets

Land, building and improvements, and furniture and equipment are recorded as expenditures in the governmental or business-type activities columns in the government wide financial statements. Capital assets are recorded at historical cost or estimated historical cost, if actual historical cost is not available. Donated assets are valued at their estimated market value on the date of donation. 100% of general fixed assets are valued at historical cost. Capital assets are defined by the government as assets with an initial individual cost of more than \$1,000.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized over the remaining useful lives of the assets.

Capital assets are depreciated over their estimated useful lives (excluding any applicable salvage value). Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight line depreciation is used based on the following estimated useful lives:

Land	n/a
Building and improvements	10 - 40 Years
Roads	7 Years
Heavy equipment	7 - 10 Years
Office equipment	3 - 5 Years
Furniture and fixtures	5 - 7 Years

LAFOURCHE PARISH
Thibodaux, Louisiana

NOTES TO PRIMARY GOVERNMENT FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Parish has elected the option for its enterprise funds to close out depreciation expense on its contributed assets to "contributed capital" rather than to "retained earnings." The full amount of depreciation is still reported in the enterprise funds' operating statement, where it reduces the amount of net income reported. The amount of depreciation on contributed assets is then "added back", effectively decreasing contributed capital rather than retained earnings.

Encumbrances

The Parish uses encumbrance accounting, under which purchase orders, contracts, and other commitments are recorded. Encumbrances lapse at year-end.

Compensated Absences

Employees of the Parish and the Seventeenth Judicial District Criminal Court earn from 5 to 17 days of both vacation and sick leave each year, depending upon their length of service. Vacation leave may be accumulated to a maximum of 20 days and sick leave to a maximum of 90 days. All accumulated vacation days vest to the employees. However, all accumulated sick leave days lapse at separation of employment. Accumulated vacation and sick leave are recorded as an expenditure in the period in which incurred. Also, employees are not able to accrue compensatory time from year to year.

At December 31, 2003, employees of the Parish have accumulated and vested \$174,776 of compensated absence benefits in salary and salary related payments.

Reserves of Fund Balance

Reserves represent those portions of fund balances that are not available for appropriations or legally segregated for a specific use. Contributions from third-party entities to the enterprise funds for the acquisition of property, plant, and equipment are recorded as contributed capital in fund equity. Depreciation related to these contributed items is charged to contributed capital.

Interfund Transfers

Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions, except reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

Louisiana Revised Statute 15:571.11 requires that one-half of any balance remaining in the Criminal Court Fund at year end must be transferred to the Parish General Fund. At December 31, 2003, the amount due the General Fund was \$5,578 and was recorded as a transfer.

LAFOURCHE PARISH
Thibodaux, Louisiana

NOTES TO PRIMARY GOVERNMENT FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Sales Tax

Effective August 1, 1986, the Parish levied a one percent sales tax within Lafourche Parish. The sales tax proposition provides that the net proceeds of tax (after paying necessary and reasonable costs and expenses of collecting and administering the tax) are to be dedicated and used to pay the cost of constructing, acquiring, maintaining, and operating solid waste collection and disposal facilities and closing garbage dumps for the entire Parish of Lafourche. This tax was reduced to 7/10 per cent in November 1996. The net proceeds are deposited in the Solid Waste Special Revenue Fund.

Effective January 1, 1998, the Parish levied a ten-year one percent sales tax in Road Sales Tax District No. 2. The sales tax proposition provides that the net proceeds of tax (after paying necessary and reasonable costs and expenses of collecting and administering the tax) are to be dedicated and used for the purpose of constructing, improving, maintaining, and resurfacing public roads in Road Sales Tax District No. 2, including incidental drainage. This tax is also authorized to pay bonded debt incurred from time to time for such capital projects. The net proceeds are deposited in the Road Sales Tax District No. 2 Special Revenue Fund.

Effective January 1, 1999, the Parish levied a ten-year one percent sales tax in Road Sales Tax District No. 3. The sales tax proposition provides that the net proceeds of tax (after paying necessary and reasonable costs and expenses of collecting and administering the tax) are to be dedicated and used for the purpose of constructing, improving, maintaining, and resurfacing public roads in Road Sales Tax District No. 3, including incidental drainage. This tax is also authorized to pay bonded debt incurred from time to time for such capital projects. The net proceeds are deposited in the Road Sales Tax District No. 3 Special Revenue Fund.

Effective October 1, 1999, the Parish levied a ten-year one percent sales tax in Road Sales Tax District No. 5. The sales tax proposition provides that the net proceeds of tax (after paying necessary and reasonable costs and expenses of collecting and administering the tax) are to be dedicated and used for the purpose of constructing, improving, maintaining, and resurfacing public roads in Road Sales Tax District No. 5, including incidental drainage. This tax is also authorized to pay bonded debt incurred from time to time for such capital projects. The net proceeds are deposited in the Road Sales Tax District No. 5 Special Revenue Fund.

Effective October 1, 1999, the Parish levied a ten-year one percent sales tax in Road Sales Tax District No. 6. The sales tax proposition provides that the net proceeds of tax (after paying necessary and reasonable costs and expenses of collecting and administering the tax) are to be dedicated and used for the purpose of constructing, improving, maintaining, and resurfacing public roads in Road Sales Tax District No. 6, including incidental drainage. This tax is also authorized to pay bonded debt incurred from time to time for such capital projects. The net proceeds are deposited in the Road Sales Tax District No. 6 Special Revenue Fund.

LAFOURCHE PARISH
Thibodaux, Louisiana

NOTES TO PRIMARY GOVERNMENT FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Claims and Judgments

The Parish accounts for its workmen's compensation self-insurance program in its internal service fund. The liabilities for claims and judgments are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Because actual claims liabilities depend on such complex factors as inflation, changes in legal doctrines, and damage awards, the process used in computing claims liability does not necessarily result in an exact amount. Claims liabilities are reevaluated periodically to take into consideration recently settled claims, the frequency of claims, and other economic and social factors.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America includes the use of estimates that affect the financial statements. Accordingly, actual results could differ from those estimates.

3. LEVIED TAXES

The following is a summary of authorized and levied Ad Valorem taxes for the year.

	<u>Authorized</u>	<u>Levied</u>	<u>Expiration</u>
Parishwide Taxes:			
Parish	3.33	3.12	None
Criminal	0.88	0.84	None
Public Buildings	2.88	2.75	2006
Health Unit	0.96	0.90	2006
Parish Drainage	3.85	3.68	2006
Road Light	1.89	1.80	2006
Parish Recreation	1.91	1.82	2006
Road District No. 1	5.00	4.77	2008
Drainage	1.68	1.60	2008
Health	2.76	2.64	2008

LAFOURCHE PARISH
Thibodaux, Louisiana

NOTES TO PRIMARY GOVERNMENT FINANCIAL STATEMENTS

4. DEPOSITS AND INVESTMENTS

At December 31, 2003, the book balance and bank balance of the Parish's cash and cash equivalents deposits were \$4,339,701 and \$3,849,809, respectively. The bank balance of cash on hand and demand deposits as of December 31, 2003 was \$3,849,809. The bank balance is categorized as follows:

Amount insured by the FDIC, or collateralized with securities held by the Parish's agent in the Parish's name	\$ 336,298
Uncollateralized (includes balance that is collateralized with securities held by the pledging financial institution but not in the Parish's name)	<u>3,513,511</u>
	\$ <u>3,849,809</u>

The deposits and investments are stated at cost. The market value of deposits and investments is not materially different from the carrying value. Under state law, demand deposits, interest-bearing demand deposits (or the resulting bank balances) and certificates of deposit must be secured by the federal deposit insurance corporation or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Other deposits were pledged with securities that are considered uncollateralized (Category 3) under the provisions of GASB Statement 3; Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Parish that the fiscal agent has failed to pay deposited funds upon demand.

The Parish had \$27,980,629 invested in the Louisiana Asset Management Pool (LAMP), a local government investment pool. In accordance with GASB Codification Section 150.165, the investment in LAMP as of December 31, 2003 is not categorized in the three risk categories provided by GASB Codification 150.164 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form. LAMP is administered by LAMP, Inc., which is a nonprofit corporation organized under the laws of the State of Louisiana which was formed by an initiative of the State Treasurer, representatives from various organizations of local government, the Government Finance Officers Association of Louisiana, and the Society of Louisiana CPAs. Only local governments having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. 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, of 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 a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. Due to this immediate access feature, investments in LAMP are considered cash equivalents by the Parish.

LAFOURCHE PARISH
Thibodaux, Louisiana

NOTES TO PRIMARY GOVERNMENT FINANCIAL STATEMENTS

5. RECEIVABLES

Receivables at December 31, 2003 consisted of the following:

Ad valorem taxes	\$ 9,648,360
Sales and use taxes	674,158
State and federal grants	535,258
Special assessments	77,531
Other	<u>1,163,914</u>
Total	<u>\$12,099,221</u>

6. INTERFUND ASSETS/LIABILITIES

Balances due from/to other funds at December 31, 2003 are as follows:

	Interfund Receivable	Interfund Payable
Governmental Funds		
General Fund	\$ 849,614	\$ 830,030
Special Revenue Funds		
Board of Health	-	131
Building Maintenance	-	2,298
Roads and Bridges	428	18,700
Drainage Maintenance	-	17,268
Royalty Road	101,213	-
Solid Waste	210	273
Criminal Court	-	90,493
Recreation	-	2,320
CACFP Head Start	-	75,685
Head Start	90,211	16,530
LCAA Operating Fund	85,216	109,895
CACFP OCA	-	29,174
Weatherization	(1)	8,785
LIHEAP Grant Fund	1	1,696
BA- II Project	46	-
Coastal Zone Management	602	86
Christmas Tree Program	-	(51)
CSBG Summer Child Care Program	218	12,587

LAFOURCHE PARISH
Thibodaux, Louisiana

NOTES TO PRIMARY GOVERNMENT FINANCIAL STATEMENTS

6. INTERFUND ASSETS/LIABILITIES, (continued)

Special Revenue Funds, Continued

CSBG Child Care Program	\$ 82		\$ -
Child Care Block Grant-Wrap Around Program	-		32,279
Road Sales Tax District No. 2	3,262		24,208
DOTD/DNR Fund	283,323		-
Subtotal	564,811		441,694

Debt Service Funds

District #1 Series 2000 and 2001	34,970		-
Sales Tax Bond Sinking Fund Series 2003	20,808		33,115
Road Sales Tax District No. 5 Reserve	195		-
Road Sales Tax District No. 6 Reserve	97		-
Special Assessment Funds	33,295		33,295
Subtotal	89,365		66,410

Capital Projects Funds

Kraemer Drainage	-		49,857
State Highway 308	-		64,362
Subtotal	-		114,219

Subtotal – Governmental Funds

	1,503,790		1,452,353
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Enterprise Funds

Sewerage District No. 3	3,679		20,649
Sewerage District No. 4	443		20,008
Sewerage District No. 14	1,071		32,141
Rita Community Sewerage Fund	-		1,992
Subtotal	5,193		74,790

Internal Service Funds

Workers' Compensation Fund	60,164		-
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Agency Funds

Drug Court Supreme Court Fund	-		42,004
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	\$ 1,569,147		\$ 1,569,147
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LAFOURCHE PARISH
Thibodaux, Louisiana

NOTES TO PRIMARY GOVERNMENT FINANCIAL STATEMENTS

7. FIXED ASSETS

A summary of changes in general fixed assets is as follows:

	January 1, 2003	Additions	Deletions	December 31, 2003
Land	\$ 450,681	\$ -	\$ -	\$ 450,681
Buildings	6,415,565	-	-	6,415,565
Roads	-	2,987,373	-	2,987,373
Construction in progress	-	438,961	-	438,961
Improvements, other than buildings	471,989	-	-	471,989
Furniture and equipment	3,946,994	412,468	-	4,359,462
Automobiles	1,363,591	58,991	-	1,422,582
Less: Accumulated Depreciation	(7,583,154)	(657,227)	-	(8,240,381)
	<u>\$ 5,065,666</u>	<u>\$ 3,240,566</u>	<u>\$ -</u>	<u>\$ 8,306,232</u>

A summary of the Enterprise Funds – Property, Plant and Equipment at December 31, 2003 is as follows:

	January 1, 2003	Additions	Deletions	December 31, 2003
Sewerage System Plant and Equipment	\$ 3,989,740	\$ 214,142	\$ -	\$ 4,203,882
Less: Accumulated Depreciation	(1,009,918)	(152,608)	-	(1,162,526)
	<u>\$ 2,979,822</u>	<u>\$ 61,534</u>	<u>\$ -</u>	<u>\$ 3,041,356</u>

8. CHANGES IN GENERAL LONG-TERM OBLIGATIONS

A summary of changes in long-term obligations are as follows for the year ended December 31, 2003:

	Bonded Debt		Compensated Absences	Lease Purchase Agreements	Total
	Special Assessments	Other			
January 1	\$ 96,578	\$ 38,405,000	\$ 165,476	\$ 7,894	\$38,674,948
Additions	-	10,000,000	9,300	-	10,009,300
Reductions	(40,512)	(13,795,000)	-	(7,894)	(13,843,406)
December 31,	<u>\$ 56,066</u>	<u>\$ 34,610,000</u>	<u>\$ 174,776</u>	<u>\$ -</u>	<u>\$34,840,842</u>
Due within one year	<u>\$ 40,511</u>	<u>\$4,430,000</u>	<u>\$ 174,776</u>	<u>\$ -</u>	<u>\$4,645,287</u>

LAFOURCHE PARISH
Thibodaux, Louisiana

NOTES TO PRIMARY GOVERNMENT FINANCIAL STATEMENTS

8. CHANGES IN GENERAL LONG-TERM OBLIGATIONS (continued)

Bonded debt is comprised of the following individual issues:

Special Assessments:

Paving Certificates (Series 1994) of \$249,564 were issued on January 15, 1994, due in annual installments of \$24,956 bearing an interest rate of 5.51% per annum and are payable through January 15, 2004. \$ 24,956

Paving Certificates (Series 1995) of \$155,550 were issued on March 15, 1995, due in annual installments of \$15,555 bearing an interest rate of 6.44% per annum and are payable through March 15, 2005. 31,110

Total Special Assessment 56,066

Other:

\$385,000 of certificates of indebtedness (Series 1999) dated January 1, 1999, due in varying annual installments of \$35,000 to \$50,000, plus varying interest at 4.55% to 5.15% due in semi-annual installments through January 1, 2009. 255,000

\$4,500,000 of public improvement refunding bonds (Series 1999) dated May 1, 1999, due in varying annual installments of \$225,000 to \$425,000, plus varying interest at 5.3% to 4.8% due in semi-annual installments through May 1, 2014. 3,625,000

\$10,000,000 of refunding bonds, road sales tax bonds (Series 2003) dated April 1, 2003, due in varying annual installments of \$1,895,000 to \$2,120,000, plus varying interest at 2.0% to 3.2% due in semi-annual installments through March 2008. 10,000,000

\$9,000,000 of public improvement sales tax bonds (Series 2000) dated May 1, 2000, due in varying annual installments of \$420,000 to \$855,000, plus varying interest at 5.6% to 7.0% due in semi-annual installments through March 2015. 7,740,000

LAFOURCHE PARISH
Thibodaux, Louisiana

NOTES TO PRIMARY GOVERNMENT FINANCIAL STATEMENTS

8. CHANGES IN GENERAL LONG-TERM OBLIGATIONS (continued)

\$4,500,000 of public improvement sales tax bonds (Series 2000) dated May 1, 2000, due in varying annual installments of \$210,000 to \$430,000, plus varying interest at 5.6% to 7.0% due in semi-annual installments through March 2015.	\$ 3,870,000
\$1,550,000 of refunding bonds (Series 2001) dated March 1, 2001, due in varying annual installments of \$85,000 to \$160,000, plus interest at 5.2% due in semiannual installments through May 2014.	1,375,000
\$3,000,000 of road bonds (Series 2001) dated November 1, 2001, due in varying annual installments of \$170,000 to \$310,000, plus interest at 5.25% due in semiannual installments through January 2015.	2,830,000
\$2,000,000 of road bonds (Series 2001-B) dated December 1, 2001, due in varying annual installments of \$120,000 to \$200,000, plus interest at 5.25% due in semiannual installments through January 2015.	1,880,000
\$2,000,000 of certificates of indebtedness dated June 1, 2001, due in varying annual installments of \$170,000 to \$340,000, plus varying interest at 0.1% to 5.5% due in semiannual installments through March 2008.	1,560,000
\$1,990,000 of refunding bonds dated October 3, 2002, due in varying annual installments of \$515,000 to \$860,000, plus varying interest at 0.1% to 3.5% due in semiannual installments through January 2005.	<u>1,475,000</u>
Total Other	<u>34,610,000</u>
Total Bonded Debt	<u>\$ 34,666,066</u>

LAFOURCHE PARISH
Thibodaux, Louisiana

NOTES TO PRIMARY GOVERNMENT FINANCIAL STATEMENTS

8. CHANGES IN GENERAL LONG-TERM OBLIGATIONS (continued)

At December 31, 2003, the Parish has accumulated \$6,600,832 in the debt service funds for future debt requirements. The annual requirements to amortize all bonds and certificates outstanding at December 31, 2003, including interest of \$8,791,136 are as follows:

Year Ended December 31,	Paving Certificates	Other Bonds	Total
2004	\$ 43,890	\$ 5,950,756	\$ 5,994,646
2005	16,557	5,682,212	5,698,769
2006	-	5,038,683	5,038,683
2007	-	5,034,101	5,034,101
2008	-	5,032,685	5,032,685
2009 - 2013	-	12,437,690	12,437,690
2014 - 2018	-	4,220,628	4,220,628
	<u>\$ 60,447</u>	<u>\$ 43,396,755</u>	<u>\$ 43,457,202</u>

The paving certificates of \$56,066 are secured by the property held by the owners in the various owner-participation projects. The certificates of indebtedness of \$10,000,000 and \$3,625,000 are secured by sales taxes collected in Road Tax District No. 2 and No. 3, respectively. The certificates of indebtedness of \$255,000 are secured by excess annual revenues of the issuer above statutory payments of the General Fund. The \$7,740,000 of public improvement sales tax bonds are secured by a 1% sales tax collected in Road District No. 5. The \$3,870,000 of public improvement sales tax bonds are secured by a 1% sales tax collected in Road District No. 6. The \$1,375,000 of refunding bonds are secured by the excess revenues of the 1% sales and use tax collected in Road Sales Tax District No. 3. The \$2,830,000 and \$1,880,000 of road bonds are secured by excess annual revenues of the issuer above statutory payments of the General Fund. The \$1,560,000 of certificates of indebtedness are secured by a pledge of Ad Valorem taxes collected in Road Sales Tax District No. 1. The \$1,475,000 of refunding bonds are secured by the excess of annual revenues of the issuer above statutory payments of the Royalty Road Fund.

In accordance with Louisiana Revised Statutes 39:562, the Parish is legally restricted from incurring long-term bonded debt payable solely from Ad Valorem taxation in excess of ten percent of the assessed value of taxable property in the Parish. At December 31, 2003, the statutory limit is \$36,424,239. At December 31, 2003, outstanding debt payable solely from Ad Valorem taxation totaled \$1,560,000, and the legal debt margin was \$34,864,239.

The litigation and claims represent general damage claims. Compensated absences are computed on a net basis.

LAFOURCHE PARISH
Thibodaux, Louisiana

NOTES TO PRIMARY GOVERNMENT FINANCIAL STATEMENTS

9. FUND DEFICITS

The Parish has deficits in the following funds that are all expected to be eliminated by operations in the coming years.

Special Revenue Funds:	
Head Start Fund	\$ 232
CSBG Grant Fund	43
CACFP – OCA Fund	4,522
Commodities Grant Fund	12
LIHEAP	2,866
Medicaid Enrollment Center Program Fund	29
Child Care Block Grant – Wrap Around Program Fund	32,279
Capital Projects Fund:	
Kraemer Drainage Project	21,206
Road Construction District No. 3	68,316

The Parish has deficits in the following funds that are all expected to be eliminated with the collection of assessments.

Debt Service Funds - Special Assessment:	
West 86 th Street Assessment Fund	\$4,469
Emerald Park Drive Special Assessment Fund	3,134
Country Club Garden Special Assessment Fund	2,807
Bayou Oaks Subdivision Special Assessment Fund	10,896

The Parish has deficits in the following funds that are all expected to be eliminated with the collection of user fees in the coming years.

Enterprise Funds:	
Sewerage District No. 3	\$14,887
Sewerage District No. 4	21,903
Sewerage District No. 14	30,387
Rita Community Sewerage	2,168

LAFOURCHE PARISH
Thibodaux, Louisiana

NOTES TO PRIMARY GOVERNMENT FINANCIAL STATEMENTS

10. EXCESS EXPENDITURES OVER APPROPRIATIONS

The following individual funds had actual expenditures over budgeted expenditures for the year ended December 31, 2003:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable</u>	<u>Percent Variance</u>
Special Revenue Funds:				
Criminal Court	\$ 569,409	\$667,778	\$98,369	17.28%
LCAA Operating	-	3,344	3,344	100.00%
Special Assessment Funds:				
Oakview-Holly Street Special Assessment	-	28,060	28,060	100.00%
Dugas Subdivision Parkside Drive Special Assessment	-	18,645	18,645	100.00%
Debt Service Funds:				
Road Sales Tax District District No. 2	5,000	260,606	255,606	5112.12%
Capital Projects Funds:				
Kraemer Drainage Project	164,700	169,554	4,854	2.95%
Enterprise Funds:				
Sewerage District No. 3	146,665	156,521	9,856	6.72%
Sewerage District No. 4	52,618	70,919	18,301	34.78%
Sewerage District No. 14	24,055	26,456	2,401	9.98%

11. RISK MANAGEMENT

The Parish is subject to various legal proceedings, which arise in the normal course of operations and is exposed to various risks of loss related to theft of, damage to, and destruction of assets; error and omissions; injuries to employees; providing health, dental, and other medical benefits to employees; natural disasters; and worker's compensation claims. The Parish has purchased commercial liability insurance to cover risks of loss related to torts or negligence by employees and council members. Commercial insurance has also been obtained to cover risk of damages to or theft of computer equipment, boilers and other machinery, employee's health insurance, and general liability claims. Claims have not exceeded insurance coverage in any of the past three years.

The Parish established the Worker's Compensation Fund (Internal Service Fund) to account for and finance its uninsured risks of loss. The Parish carries commercial insurance coverage for worker's compensation claims in excess of \$10,000 with a \$300,000 limit per occurrence for a benefit period of two years. Claims in excess of \$300,000 with \$1,000,000 limit per occurrence are insured indefinitely. The Parish has \$57,817 in reinsurance receivable at December 31, 2003. The Parish carries commercial insurance coverage for group health insurance claims.

LAFOURCHE PARISH
Thibodaux, Louisiana

NOTES TO PRIMARY GOVERNMENT FINANCIAL STATEMENTS

11. RISK MANAGEMENT, (continued)

All funds of the Parish participate in the program and make payments to the Worker's Compensation Fund based on estimates of the amounts needed to pay prior and current year claims and to establish a reserve for anticipated losses. The estimated claims liability is based on estimates provided by the third party claims administrator, and includes claims incurred but not paid and claims incurred but not reported and out of pocket expenses. The estimated claims liability was \$75,966 at December 31, 2003. Changes in the Fund's claims liabilities balance in fiscal year 2003 and 2002 were:

	<u>Beginning Balance</u>	<u>Current Year Claims and Changes in Estimate</u>	<u>Claim Payments</u>	<u>Balance At Fiscal Year End</u>
2002	\$ 107,981	37,166	(70,080)	75,067
2003	\$ 75,067	215,099	(214,200)	75,966

12. DEFERRED COMPENSATION PLAN

The Parish offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all employees, permits them to defer a portion of their salary until future years. The deferred compensation plan is available to employees until termination, retirement, death, or an unforeseeable emergency.

All amounts of compensation deferred under this plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or beneficiary) held in trust for the exclusive benefit of the participants and their beneficiaries, and the benefits may not be diverted to any other use.

It is the opinion of the Parish that the Parish has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. The assets of the plan are managed by the Plan's trustee (Prudential). In accordance with GASB Statement No. 32, Accounting and Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans, the Parish is no longer required to account for the assets and related liabilities in an agency fund.

13. COMMITMENTS AND CONTINGENCIES

The Parish received funding under grants from various Federal and state governmental agencies. These grants specify the purpose of which the grant monies are to be used and such grants are subject to audit by the granting agency or its representative. If the grant monies received are not expended, the Parish may be required to reimburse the granting agency.

LAFOURCHE PARISH
Thibodaux, Louisiana

NOTES TO PRIMARY GOVERNMENT FINANCIAL STATEMENTS

14. CHANGE IN REPORTING

The Parish adopted Government Accounting Standards Board Statement No. 34 in 2003 which implemented a new reporting model for financial statement presentation for the Parish. The primary impact of the adoption of this statement was a change in format of the financial statements to include government-wide and fund financial statements.

LAFOURCHE PARISH

001 General Fund
Budget Comparison Schedule (GAAP Basis)

For the year ended December 31, 2003

	Original Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Taxes			
Ad Valorem	\$ 1,059,008	\$ 1,105,974	\$ 46,966
Other	20,000	34,926	14,926
Intergovernmental			
Federal Grants	38,822	24,166	(14,656)
State Funds			
State Revenue Sharing	991,892	1,089,598	97,706
Other	1,077,206	1,007,911	(69,295)
Fees, Licenses and Permits	2,214,000	2,125,007	(88,993)
Fines and Forfeitures	49,500	53,358	3,858
Use of Money and Property	57,600	62,440	4,840
Other	9,600	28,159	18,559
Total Revenues	<u>5,517,628</u>	<u>5,531,539</u>	<u>13,911</u>
EXPENDITURES			
General Government			
Legislative	428,565	434,250	(5,685)
Judicial	1,635,610	1,666,232	(30,622)
Elections	79,742	74,984	4,758
Finance and Administrative	874,111	872,435	1,676
Other	240,195	209,796	30,399
Allocated Costs In (Out)	(90,432)	(115,436)	25,004
Public Safety	1,378,895	1,445,267	(66,372)
Public Works	197,763	177,443	20,320
Health and Welfare	159,729	137,211	22,518
Economic Development	16,775	16,126	649
Capital Outlay	52,159	10,438	41,721
Total Expenditures	<u>4,973,112</u>	<u>4,928,746</u>	<u>44,366</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>544,516</u>	<u>602,793</u>	<u>(58,277)</u>
OTHER FINANCING SOURCES (USES)			
Operating Transfers In	251,574	215,578	(35,996)
Operating Transfers Out	(910,465)	(815,309)	95,156
Total Other Financing Sources (Uses)	<u>(658,891)</u>	<u>(599,731)</u>	<u>59,160</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>(114,375)</u>	<u>3,062</u>	<u>117,437</u>
FUND BALANCE:			
BEGINNING OF YEAR	<u>4,009,843</u>	<u>4,009,843</u>	<u>-</u>
END OF YEAR	<u>\$ 3,895,468</u>	<u>\$ 4,012,905</u>	<u>\$ 117,437</u>

See accompanying independent auditors' report.

LAFOURCHE PARISH

108 Royalty Fund
Budget Comparison Schedule (GAAP Basis)

For the year ended December 31, 2003

	Original Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Intergovernmental			
State Funds			
State Revenue Sharing	\$ 2,440,000	\$ 2,546,020	\$ 106,020
Use of Money and Property	96,500	60,847	(35,653)
Total Revenues	<u>2,536,500</u>	<u>2,606,867</u>	<u>70,367</u>
EXPENDITURES			
Debt Service	-	360	(360)
Total Expenditures	<u>-</u>	<u>360</u>	<u>(360)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>2,536,500</u>	<u>2,606,507</u>	<u>70,727</u>
OTHER FINANCING SOURCES (USES)			
Operating Transfers In	33,000	-	(33,000)
Operating Transfers Out	(2,075,202)	(1,761,352)	313,850
Total Other Financing Sources (Uses)	<u>(2,042,202)</u>	<u>(1,761,352)</u>	<u>313,850</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	494,298	845,155	350,857
FUND BALANCE: BEGINNING OF YEAR	<u>5,491,728</u>	<u>5,491,728</u>	<u>-</u>
END OF YEAR	<u>\$ 5,986,026</u>	<u>\$ 6,336,883</u>	<u>\$ 350,857</u>

See accompanying independent auditors' report.

LAFOURCHE PARISH

107 Solid Waste
Budget Comparison Schedule (GAAP Basis)

For the year ended December 31, 2003

	Original Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Taxes			
Sales and Use	\$ 4,592,555	\$ 4,668,468	\$ (75,913)
Use of Money and Property	114,000	79,431	34,569
Other	1,500	-	1,500
Total Revenues	<u>4,708,055</u>	<u>4,747,899</u>	<u>(39,844)</u>
EXPENDITURES			
Public Safety	6,794,678	6,845,349	(50,671)
Debt Service	100	100	-
Capital Outlay	51,200	25,591	25,609
Total Expenditures	<u>6,845,978</u>	<u>6,871,040</u>	<u>(25,062)</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	(2,137,923)	(2,123,141)	(14,782)
FUND BALANCE: BEGINNING OF YEAR	<u>7,796,823</u>	<u>7,796,823</u>	<u>-</u>
END OF YEAR	<u>\$ 5,658,900</u>	<u>\$ 5,673,682</u>	<u>\$ 14,782</u>

See accompanying independent auditors' report.

LAFOURCHE PARISH
 130 Head Start
 Budget Comparison Schedule (GAAP Basis)
 For the year ended December 31, 2003

	Original Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Taxes			
Intergovernmental			
Federal Grants	\$ 3,313,976.00	\$ 3,284,451.00	\$ (29,525.00)
Other	828,494	865,175	36,681
Total Revenues	<u>4,142,470</u>	<u>4,149,626</u>	<u>7,156</u>
EXPENDITURES			
General Government			
Allocated Costs In (Out)	22,000	77,311	(55,311)
Health and Welfare	4,120,470	4,053,993	66,477
Capital Outlay	-	18,322	(18,322)
Total Expenditures	<u>4,142,470</u>	<u>4,149,626</u>	<u>(7,156)</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE:			
BEGINNING OF YEAR	<u>(232)</u>	<u>(232)</u>	<u>-</u>
END OF YEAR	<u>\$ (232)</u>	<u>\$ (232)</u>	<u>\$ -</u>

See accompanying independent auditors' report.

LAFOURCHE PARISH

109 Board of Health
Budget Comparison Schedule (GAAP Basis)

For the year ended December 31, 2003

	Original Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Taxes			
Ad Valorem	\$ 1,220,000	\$ 1,325,148	\$ 105,148
Intergovernmental			
Other	51,200	51,257	57
Use of Money and Property	64,500	-	(64,500)
Other	15,800	47,863	32,063
Total Revenues	<u>1,351,500</u>	<u>1,424,268</u>	<u>72,768</u>
EXPENDITURES			
General Government			
Health and Welfare	470,455	480,559	(10,104)
Debt Service	100	62	38
Capital Outlay	2,027,590	65,707	1,961,883
Total Expenditures	<u>2,498,145</u>	<u>546,328</u>	<u>1,951,817</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(1,146,645)</u>	<u>877,940</u>	<u>(1,879,049)</u>
FUND BALANCE: BEGINNING OF YEAR	<u>4,605,413</u>	<u>4,605,413</u>	<u>-</u>
END OF YEAR	<u>\$ 3,458,768</u>	<u>\$ 5,483,353</u>	<u>\$ 2,024,585</u>

See accompanying independent auditors' report.

LAFOURCHE PARISH

Non-Major Governmental Funds
Combining Balance Sheet - By Fund Type

December 31, 2003

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
Assets				
Cash	\$ 202,595	\$ 1,967,756	\$ 19,753	\$ 2,190,104
Investment in LAMP	5,828,313	4,570,303	381,597	10,780,213
Receivables	6,636,475	77,531	114,219	6,828,225
Due from Other Funds	373,177	89,365	-	462,542
Other	170	-	-	170
Total Assets	\$ <u>13,040,730</u>	\$ <u>6,704,955</u>	\$ <u>515,569</u>	\$ <u>20,261,254</u>
Liabilities and Equity				
Liabilities:				
Accounts and Other Payables	\$ 272,736	\$ 1,201	\$ 68,393	\$ 342,330
Retainage Payable	-	-	21,206	21,206
Salaries and Benefits Payable	164,763	-	-	164,763
Due to Other Funds	424,760	66,410	114,219	605,389
Due to Other Governmental Agencies	354,751	-	-	354,751
Deferred Revenue	199	36,512	-	36,711
Total liabilities	<u>1,217,209</u>	<u>104,123</u>	<u>203,818</u>	<u>1,525,150</u>
Equity:				
Fund balances:				
Reserved for Debt Service	-	6,600,832	-	6,600,832
Reserved for Capital Projects	-	-	311,751	311,751
Unreserved - Designated	<u>11,823,521</u>	<u>-</u>	<u>-</u>	<u>11,823,521</u>
Total Equity	<u>11,823,521</u>	<u>6,600,832</u>	<u>311,751</u>	<u>18,736,104</u>
Total Liabilities and Equity	\$ <u>13,040,730</u>	\$ <u>6,704,955</u>	\$ <u>515,569</u>	\$ <u>20,261,254</u>

See accompanying independent auditors' report.

LAFOURCHE PARISH

Non-Major Governmental Funds
 Combining Statement of Revenue, Expenditures, and Changes in Fund Balance

For the year ended December 31, 2003

	Special Revenue	Debt Service	Capital Projects	Total
REVENUES				
Taxes				
Ad Valorem	\$ 5,819,673	\$ -	\$ -	\$ 5,819,673
Sales and Use	6,042,846	-	-	6,042,846
Intergovernmental				
Federal Grants	1,394,967	-	225,889	1,620,856
State Funds				
State Revenue Sharing	583,843	-	-	583,843
Parish Transportation Funds	544,906	-	-	544,906
Other	1,839,038	-	-	1,839,038
Fees, Licenses and Permits	19,348	-	-	19,348
Fines and Forfeitures	544,898	-	-	544,898
Use of Money and Property	77,511	54,249	15,635	147,395
Other	82,154	-	4	82,158
Total Revenues	16,949,184	54,249	241,528	17,244,961
EXPENDITURES				
General Government				
Legislative	-	-	-	-
Judicial	666,486	-	-	666,486
Elections	-	-	-	-
Finance and Administrative	911,406	-	-	911,406
Other	107,192	2,379	-	109,571
Allocated Costs In (Out)	39,379	-	-	39,379
Public Works	8,109,044	-	3,084,273	11,193,317
Health and Welfare	701,250	-	-	701,250
Conservation	2,437	-	-	2,437
Culture and Recreation	823,065	-	-	823,065
Debt Service	152,596	5,531,503	-	5,684,099
Capital Outlay	543,274	-	247,095	790,369
Total Expenditures	12,056,129	5,533,882	3,331,368	20,921,379
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	4,893,055	(5,479,633)	(3,089,840)	(3,676,418)
OTHER FINANCING SOURCES (USES)				
Proceeds from issuance of bonds payable	-	10,000,000	-	10,000,000
Refunding of bonds	-	(10,000,000)	-	(10,000,000)
Operating Transfers In	1,668,922	15,889,053	136,859	17,694,834
Operating Transfers Out	(5,281,030)	(10,052,721)	-	(15,333,751)
Total Other Financing Sources (Uses)	(3,612,108)	5,836,332	136,859	2,361,083
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	1,280,947	356,699	(2,952,981)	(1,315,335)
FUND BALANCES:				
BEGINNING OF YEAR	10,542,574	6,244,133	3,264,732	20,051,439
END OF YEAR	\$ 11,823,521	\$ 6,600,832	\$ 311,751	\$ 18,736,104

See accompanying independent auditors' report.

LAFOURCHE PARISH

SPECIAL REVENUE FUNDS

BUILDING AND MAINTENANCE FUND - The Building and Maintenance Fund accounts for the cost of acquiring, constructing, improving, operating, and maintaining public buildings. Financing is provided by specific Ad Valorem tax, state revenue sharing, and interest earnings.

ROADS AND BRIDGES FUND - The Roads and Bridges Fund accounts for maintenance of Parish highways, streets, and bridges. Major financing is provided by Ad Valorem Taxes, the State of Louisiana Parish Transportation Fund, and transfers from the Parish's Royalty Road Fund.

STREET LIGHT FUND - The Street Light Fund accounts for the cost of acquiring, constructing, improving, and maintaining electric lights on the streets, roads, highways, alleys, and public places throughout the parish. Financing is provided by a specific Ad Valorem tax and interest earnings.

PLANNING COMMISSION FUND - The Lafourche Parish Planning Commission Fund accounts for the planning of new subdivisions. Financing is provided by service charges and processing fees.

CRIMINAL COURT FUND - The Seventeenth Judicial District Criminal Court Fund is established under Section 571:11 of Title 15 of the Louisiana Revised Statutes of 1950, which provides that fines and forfeitures imposed by the district courts and district attorney conviction fees in criminal cases be transferred to the Parish treasurer and deposited into a special Criminal Court Fund to be used for the expenses of the criminal courts of the Parish. Expenditures are made from the fund on motion of the district attorney and approval of the district judges. The statute also requires that one-half of the fund balance in the Criminal Court Fund at December 31st of each year be transferred to the Parish's General Fund.

RECREATION FUND - The Recreation Fund accounts for the cost of acquiring, constructing, improving, maintaining, and providing recreational facilities for residents of the parish. Major financing is provided by Ad Valorem taxes and state revenue sharing.

RURAL DEVELOPMENT FUND - The Rural Development Fund accounts for funds used for the development of rural areas in the Parish. Financing for the projects are provided by State rural development funds.

HEAD START FUND - The Head Start Fund accounts for the financial resources received from the Department of Health and Human Services to provide comprehensive health, education, nutritional, social, and other services primarily to economically disadvantaged preschool children so that the children will attain social competence.

LAFOURCHE COMMUNITY ACTION AGENCY (LCAA) OPERATING FUND - The Operating Fund accounts for community action resources received from the Parish and other resources not required to be accounted for in other community action funds.

COMMUNITY SERVICES BLOCK GRANT (CSBG) FUND- The CSBG Fund accounts for the financial resources from the U.S. Department of Health and Human Services through the State of Louisiana, Department of Labor, and the Parish to provide for community based programs that assist in ameliorating the causes and consequences of poverty.

LAFOURCHE PARISH

SPECIAL REVENUE FUNDS

CHILD/ADULT CARE FOOD PROGRAM (CACFP) – HEAD START FUND - CACFP – Head Start is a nutrition program that accounts for the financial resources from the U.S. Department of Agriculture through the State of Louisiana Department of Education for those persons in the Head Start program. The provider is reimbursed for the meals they serve these children.

CHILD/ADULT CARE FOOD PROGRAM (CACFP) – OCA FUND - CACFP is a nutrition program that accounts for the financial resources from the U.S. Department of Agriculture through the State of Louisiana Department of Education for those persons that care for children in their homes. The provider is reimbursed for the meals they serve these children.

WEATHERIZATION GRANT FUND - The Weatherization Fund accounts for the financial resources received from the U.S. Department of Energy through the State of Louisiana Department of Social Services for the development, administration, and management of weatherization assistance to aid low-income persons.

COMMODITIES GRANT FUND - The Commodities Grant Fund accounts for the financial resources received from the U.S. Department of Agriculture, state and Parish on Aging for the distribution of various products to eligible households.

LOW INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP) GRANT FUND - LIHEAP accounts for the financial resources received from the Department of Energy through the State of Louisiana Department of Social Services to assist households in meeting the costs associated with heating and cooling. Participants must show financial need and meet the state income guidelines.

MEDICAID ENROLLMENT CENTER PROGRAM FUND - The purpose of an Enrollment Center is to offer the opportunity for families and individuals to apply for Medicaid services through outreach by assisting potential Medicaid eligible to complete an initial application for health care coverage.

B.A. II GIWW/CLOVELLY FUND - The purpose of the B.A. II GIWW/Clovelly Fund is to fund local administration, land rights, and monitoring of a 60,000-acre marsh management project located south of the Gulf Intracoastal Waterway and east of the Hurricane Protection levee.

COASTAL ZONE MANAGEMENT FUND - The purpose of the Coastal Zone Management Fund is for operating and/or managing a local wetlands management program. This program is to address land loss and protect natural resources while promoting energy activities.

CHRISTMAS TREE PROGRAM FUND - The purpose of the Christmas Tree Program Fund is to fund local wetland restoration efforts. Lafourche Parish has three sediment fences constructed out of Christmas trees. Also, this funding can be used to plant marsh vegetation.

COMMUNITY SERVICES BLOCK GRANT (CSBG) SUMMER CHILD CARE PROGRAM FUND - The purpose of the CSBG Summer Child Care Program is to provide quality child care to children identified by Head Start during the summertime.

CHILD CARE BLOCK GRANT - WRAP AROUND PROGRAM FUND - The Child Care Block Grant - Wrap Around Program Fund accounts for the financial resources from the Office of Family Support through the State of Louisiana Department of Social Services to provide childcare services for working parents.

LAFOURCHE PARISH

SPECIAL REVENUE FUNDS

ROAD SALES TAX DISTRICT NO. 2 FUND - The Road Sales Tax District No. 2 Fund accounts for the sales taxes collected in this District dedicated and used for the purpose of constructing, improving, maintaining, and resurfacing public roads in this district. This tax is also authorized to pay incidental drainage costs associated with the road projects and to pay bonded debt incurred from time to time for such capital projects.

ROAD SALES TAX DISTRICT NO. 3 FUND - The Road Sales Tax District No. 3 Fund accounts for the sales taxes collected in this District dedicated and used for the purpose of constructing, improving, maintaining, and resurfacing public roads in this district. This tax is also authorized to pay incidental drainage costs associated with the road projects and to pay bonded debt incurred from time to time for such capital projects.

ROAD SALES TAX DISTRICT NO. 5 FUND - The Road Sales Tax District No. 5 Fund accounts for the sales taxes collected in this District dedicated and used for the purpose of constructing, improving, maintaining, and resurfacing public roads in this district. This tax is also authorized to pay incidental drainage costs associated with the road projects and to pay bonded debt incurred from time to time for such capital projects.

ROAD SALES TAX DISTRICT NO. 6 FUND - The Road Sales Tax District No. 6 Fund accounts for the sales taxes collected in this District dedicated and used for the purpose of constructing, improving, maintaining, and resurfacing public roads in this district. This tax is also authorized to pay incidental drainage costs associated with the road projects and to pay bonded debt incurred from time to time for such capital projects.

HEALTH AND SAFETY HOUSING REHABILITATION PROGRAM FUND - The purpose of the Health and Safety Housing Rehabilitation Program is to provide housing rehabilitation service to income eligible Lafourche Parish residents and to assure that all housing repairs meet housing quality standards.

HEAT CRISIS EMERGENCY FUND - The Heat Crisis Emergency Fund accounts for the financial resources received from the U.S. Department of Health and Human Services through the State of Louisiana Department of Social Services to assist households in meeting the costs associated with cooling in a heat crisis emergency. Participants must show financial need and meet the state income guidelines.

TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF) FUND - The TANF fund provides grants to States, Territories, or Tribes to assist needy families with children so that children can be cared for in their own homes; to reduce dependency by promoting job preparation, work, and marriage; reduce and prevent out-of-wedlock pregnancies; and to encourage the formation and maintenance of two-parent families

DNR LOCAL PERMIT OFFICE FUND - The DNR Local Permit Office Project accounts for funding received from the State of Louisiana Department of Natural Resources to establish a local permit information and training center, where prospective applicants can meet with a permitting expert for assistance in finding out what permits they need and to help them prepare applications.

DRAINAGE MAINTENANCE FUND - The Drainage Maintenance Fund accounts for the cost of acquiring, constructing, improving, maintaining, and operating the Parish drainage system. Major financing is provided by parish wide Ad Valorem tax transfers from the Parish's Royalty Road Fund.

LAFOURCHE PARISH
SPECIAL REVENUE FUNDS

FEMA ACQUISITION FUND – The FEMA Acquisition Fund accounts for funding received from FEMA as part of the Hazard Mitigation Grant Program to purchase or elevate property located in flood prone areas.

LAFOURCHE PARISH
Non-Major Special Revenue Funds
Combining Balance Sheet

December 31, 2003

	102	103	105	118	113	110
	Building Maintenance Fund	Roads and Bridges Fund	Street Light Fund	Planning Commission Fund	Criminal Court Fund	Recreation Fund
ASSETS						
Cash	\$ 32,032	\$ 4,632	\$ 3,848	\$ 5,287	\$ 10,021	\$ 8,434
Investment in LAMP	373,713	9,653	1,376,559	101,831	27,865	831,431
Receivables	1,020,965	1,597,984	581,315	-	81,618	717,067
Due from Other Funds	-	428	-	-	-	-
Other	-	-	-	-	-	170
Total Assets	<u>\$ 1,426,710</u>	<u>\$ 1,612,697</u>	<u>\$ 1,961,722</u>	<u>\$ 107,118</u>	<u>\$ 119,504</u>	<u>\$ 1,557,102</u>

LIABILITIES AND FUND BALANCES

LIABILITIES						
Accounts Payable	\$ 51,340	\$ 27,771	\$ 42,886	\$ 65	\$ 16,060	\$ 53,937
Salaries and Benefits Payable	7,720	90,912	-	-	7,372	6,808
Due to Other Funds	2,298	18,700	-	-	90,493	2,320
Due to Other Governmental Agencies	-	-	-	-	-	-
Deferred Revenue	-	-	-	-	-	-
Total Liabilities	<u>61,358</u>	<u>137,383</u>	<u>42,886</u>	<u>65</u>	<u>113,925</u>	<u>63,065</u>

FUND BALANCES

Fund Balances (Accumulated Deficits):						
Unreserved and Undesignated	<u>1,365,352</u>	<u>1,475,314</u>	<u>1,918,836</u>	<u>107,053</u>	<u>5,579</u>	<u>1,494,037</u>
Total Fund Balances (Accumulated Deficits)	<u>1,365,352</u>	<u>1,475,314</u>	<u>1,918,836</u>	<u>107,053</u>	<u>5,579</u>	<u>1,494,037</u>
Total Liabilities and Fund Balances	<u>\$ 1,426,710</u>	<u>\$ 1,612,697</u>	<u>\$ 1,961,722</u>	<u>\$ 107,118</u>	<u>\$ 119,504</u>	<u>\$ 1,557,102</u>

(Continued)

See accompanying independent auditors' report.

LAFOURCHE PARISH
Non-Major Special Revenue Funds
Combining Balance Sheet

	December 31, 2003					
	122	131	142	150	143	
	Rural Development Fund	CACFP Head Start Fund	LCAA Operating Fund	CSBG Grant Fund	CACFP - OCA Fund	Weatherization Grant Fund
ASSETS						
Cash	\$ -	\$ -	\$ 30,510	\$ 159	\$ 21,587	\$ -
Investment in LAMP	-	-	-	-	-	-
Receivables	10,000	75,685	14,521	21,695	18,807	9,198
Due from Other Funds	-	-	85,216	218	-	(1)
Other	-	-	-	-	-	-
Total Assets	<u>\$ 10,000</u>	<u>\$ 75,685</u>	<u>\$ 130,247</u>	<u>\$ 22,072</u>	<u>\$ 40,394</u>	<u>\$ 9,197</u>

LIABILITIES AND FUND BALANCES

LIABILITIES						
Accounts Payable	\$ -	\$ -	\$ (14,525)	\$ 5,470	\$ 13,624	\$ 205
Salaries and Benefits Payable	-	-	499	4,058	1,919	678
Due to Other Funds	-	75,685	109,895	12,587	29,174	8,314
Due to Other Governmental Agencies	-	-	-	-	-	-
Deferred Revenue	-	-	-	-	199	-
Total Liabilities	<u>-</u>	<u>75,685</u>	<u>95,869</u>	<u>22,115</u>	<u>44,916</u>	<u>9,197</u>

FUND BALANCES

Fund Balances (Accumulated Deficits):						
Unreserved and Undesignated	10,000	-	34,378	(43)	(4,522)	-
Total Fund Balances (Accumulated Deficits)	<u>10,000</u>	<u>-</u>	<u>34,378</u>	<u>(43)</u>	<u>(4,522)</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 10,000</u>	<u>\$ 75,685</u>	<u>\$ 130,247</u>	<u>\$ 22,072</u>	<u>\$ 40,394</u>	<u>\$ 9,197</u>

(Continued)

See accompanying independent auditors' report.

LAFOURCHE PARISH
Non-Major Special Revenue Funds
Combining Balance Sheet

December 31, 2003

	145	144	146	182	181	183
	Commodities Grant Fund	LIHEAP Grant Fund	Medicaid Enrollment Center Program Fund	B.A.- II Project GIWW/ Clovelly Fund	Coastal Zone Management Fund	Christmas Tree Program Fund
ASSETS						
Cash	\$ -	\$ -	\$ -	\$ 795	\$ 2,732	\$ 67,114
Investment in LAMP	-	-	-	-	6	-
Receivables	-	-	-	-	20,066	-
Due from Other Funds	-	1	-	46	602	-
Other	-	-	-	-	-	-
Total Assets	\$ -	\$ 1	\$ -	\$ 841	\$ 23,406	\$ 67,114

LIABILITIES AND FUND BALANCES

LIABILITIES						
Accounts Payable	\$ 12	\$ 102	\$ -	\$ -	\$ 7,146	\$ 11
Salaries and Benefits Payable	-	1,069	-	-	2,389	-
Due to Other Funds	-	1,696	-	-	86	(51)
Due to Other Governmental Agencies	-	-	29	-	-	-
Deferred Revenue	-	-	-	-	-	-
Total Liabilities	12	2,867	29	-	9,621	(40)

FUND BALANCES

Fund Balances (Accumulated Deficits):						
Unreserved and Undesignated	(12)	(2,866)	(29)	841	13,785	67,154
Total Fund Balances (Accumulated Deficits)	(12)	(2,866)	(29)	841	13,785	67,154
Total Liabilities and Fund Balances	\$ -	\$ 1	\$ -	\$ 841	\$ 23,406	\$ 67,114

See accompanying independent auditors' report.

LAFOURCHE PARISH
 Non-Major Special Revenue Funds
 Combining Balance Sheet

December 31, 2003

	133	134	111	116	117	152
	CSBG Summer Child Care Program Fund	Child Care Block Grant - Wrap Around Program Fund	Road Sales Tax Dist. No. 3 Fund	Road Sales Tax Dist. No. 5 Fund	Road Sales Tax Dist. No. 6 Fund	Health Safety Housing Rehabilitation Program Fund
ASSETS						
Cash	\$ -	\$ -	\$ 1,487	\$ 6,948	\$ 3,915	\$ -
Investment in LAMP	-	-	738,968	223,449	690,715	-
Receivables	-	-	57,329	70,419	58,774	-
Due from Other Funds	82	-	-	-	-	-
Other	-	-	-	-	-	-
Total Assets	<u>\$ 82</u>	<u>\$ -</u>	<u>\$ 797,784</u>	<u>\$ 300,816</u>	<u>\$ 753,404</u>	<u>\$ -</u>

LIABILITIES AND FUND BALANCES

LIABILITIES						
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Salaries and Benefits Payable	-	-	-	-	-	-
Due to Other Funds	-	32,279	-	-	-	-
Due to Other Governmental Agencies	82	-	-	-	-	-
Deferred Revenue	-	-	-	-	-	-
Total Liabilities	<u>82</u>	<u>32,279</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES						
Fund Balances (Accumulated Deficits):						
Unreserved and Undesignated	-	(32,279)	797,784	300,816	753,404	-
Total Fund Balances (Accumulated Deficits)	<u>-</u>	<u>(32,279)</u>	<u>797,784</u>	<u>300,816</u>	<u>753,404</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 82</u>	<u>\$ -</u>	<u>\$ 797,784</u>	<u>\$ 300,816</u>	<u>\$ 753,404</u>	<u>\$ -</u>

(Continued)

See accompanying independent auditors' report.

LAFOURCHE PARISH
Non-Major Special Revenue Funds
Combining Balance Sheet

December 31, 2003

	153 Heat Crisis Emergency Fund	154 TANF Fund	194 DOTD/DNR Fund	104 Drainage Maintenance	106 Road Sales Tax Dist. No. 2	196 FEMA Acquisition Fund	Total
ASSETS							
Cash	\$ -	\$ -	\$ -	\$ 55	\$ 3,039	\$ -	\$ 202,595
Investment in LAMP	-	-	-	31,046	1,423,077	-	5,828,313
Receivables	-	-	-	2,016,604	264,428	-	6,636,475
Due from Other Funds	-	-	283,323	-	3,262	-	373,177
Other	-	-	-	-	-	-	170
Total Assets	\$ -	\$ -	\$ 283,323	\$ 2,047,705	\$ 1,693,806	\$ -	\$ 13,040,730
LIABILITIES AND FUND BALANCES							
LIABILITIES							
Accounts Payable	\$ -	\$ -	\$ -	\$ 68,578	\$ 54	\$ -	\$ 272,736
Salaries and Benefits Payable	-	-	-	41,339	-	-	164,763
Due to Other Funds	-	-	-	17,268	24,016	-	424,760
Due to Other Governmental Agencies	-	-	283,323	71,317	-	-	354,751
Deferred Revenue	-	-	-	-	-	-	199
Total Liabilities	-	-	283,323	198,502	24,070	-	1,217,209
FUND BALANCES							
Fund Balances (Accumulated Deficits):							
Unreserved and Undesignated	-	-	-	1,849,203	1,669,736	-	11,823,521
Total Fund Balances (Accumulated Deficits)	-	-	-	1,849,203	1,669,736	-	11,823,521
Total Liabilities and Fund Balances	\$ -	\$ -	\$ 283,323	\$ 2,047,705	\$ 1,693,806	\$ -	\$ 13,040,730

See accompanying independent auditors' report.

LAFORCEH PARISH
Non-Major Special Revenue Funds
Combining Statement of Revenue, Expenditures and Changes in Fund Balance

For the year ended December 31, 2003

	102	103	105	118	113	110	122	131	142	150	141
	Building Maintenance Fund	Roads and Bridges Fund	Street Light Fund	Planning Commission Fund	Criminal Court Fund	Recreation Fund	Rural Development Fund	CACFP Head Start Fund	LCAA Operating Fund	CSBG Grant Fund	CACFP - OCA Fund
REVENUES											
Taxes	\$ 1,030,393	\$ 1,545,622	\$ 582,341	\$ -	\$ -	\$ 681,933	\$ -	\$ -	\$ -	\$ -	\$ -
Ad Valorem Sales and Use	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental Federal Grants	-	-	-	-	-	-	-	234,105	-	166,079	238,498
State Funds	102,019	89,987	69,880	-	42,222	83,230	-	-	-	-	-
State Revenue Sharing	-	544,906	-	-	-	-	-	-	-	-	-
Parish Transportation Funds	-	-	-	-	-	-	94,012	-	-	(105)	-
Other	-	-	-	-	-	-	-	-	-	-	-
Local	-	-	-	19,348	-	-	-	-	-	-	-
Fees, Licenses and Permits	-	-	-	-	544,898	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	1,966	14,702	-	-	-	-	-
Use of Money and Property	8,937	4,620	16,623	1,115	6,700	6,399	-	-	1,780	-	-
Other	-	208	-	-	-	-	-	-	-	-	-
Total Revenues	1,141,369	2,185,343	668,844	20,463	595,786	786,264	94,012	234,105	1,780	165,974	238,498
EXPENDITURES											
General Government	911,406	-	-	-	666,486	-	-	-	-	-	-
Judicial	-	-	-	8,010	-	-	-	-	3,344	-	-
Finance and Administrative	-	-	-	625	-	27,269	-	-	-	4,961	-
Other	-	-	-	-	-	-	-	-	-	-	-
Allocated Costs In (Out)	-	2,945,685	396,299	-	-	-	84,012	234,105	-	161,013	237,362
Public Works	-	-	-	-	-	-	-	-	-	-	-
Health and Welfare	-	-	-	-	-	-	-	-	-	-	-
Conservation	-	-	-	-	-	823,065	-	-	-	-	-
Culture and Recreation	-	-	-	-	25	15	-	-	-	-	-
Debt Service	-	13	-	-	1,267	5,126	-	-	-	-	1,136
Capital Outlay	74,640	-	-	-	-	-	-	-	-	-	-
Total Expenditures	986,046	2,945,698	396,299	8,635	667,778	855,475	84,012	234,105	3,344	165,974	238,498
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	155,323	(760,355)	272,545	11,828	(71,992)	(69,211)	10,000	-	(1,564)	-	-
OTHER FINANCING SOURCES (USES)											
Operating Transfers In	-	905,187	-	-	-	-	-	-	-	-	-
Operating Transfers Out	-	-	-	-	(5,378)	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	905,187	-	-	(5,378)	-	-	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	155,323	144,832	272,545	11,828	(77,370)	(69,211)	10,000	-	(1,564)	-	-
FUND BALANCES (ACCUMULATED DEFICITS) - BEGINNING OF YEAR	1,210,029	1,330,482	1,646,291	95,225	83,149	1,563,248	-	-	35,942	(43)	(4,522)
FUND BALANCES (ACCUMULATED DEFICITS) - END OF YEAR	\$ 1,365,352	\$ 1,475,314	\$ 1,918,836	\$ 107,053	\$ 5,579	\$ 1,494,037	\$ 10,000	\$ -	\$ 34,378	\$ (43)	\$ (4,522)

(Continued)

See accompanying independent auditors' report.

LAFOURCEH PARISH
Non-Major Special Revenue Funds
Combining Statement of Revenue, Expenditures and Changes in Fund Balance

For the year ended December 31, 2003

	143	145	144	146	182	181	183	133	134	111	116
	Weatherization Grant Fund	Commodities Grant Fund	LIHBAP Grant Fund	Medicaid Enrollment Center Program Fund	B.A. II GIWW/Clovelly Fund	Coastal Zone Management Fund	Christmas Tree Program Fund	CSBG Summer Child Care Program Fund	Child Care Block Grant - Wrap Around Program Fund	Road Sales Tax Dist. No. 3 Fund	Road Sales Tax Dist. No. 5 Fund
REVENUES											
Taxes											
Ad Valorem											
Sales and Use											
Intergovernmental											
Federal Grants	33,454		32,292			47,917					
State Funds											
State Revenue Sharing											
Parish Transportation Funds							18,000				
Other		5									
Local											
Fees, Licenses and Permits											
Fines and Forfeitures											
Use of Money and Property				4,934	7	18,495				8,253	2,996
Other	471										
Total Revenues	33,925	5	32,292	4,934	7	66,419	18,000			899,989	968,811
EXPENDITURES											
General Government											
Judicial											
Finance and Administrative				2,467		91,591					
Other						4,275	302			8,965	9,235
Allocated Costs In (Out)											
Public Works			32,292								
Health and Welfare											
Conservation							2,437				
Culture and Recreation											
Debt Service											
Capital Outlay											
Total Expenditures	33,454		32,292	2,467		95,866	2,739			8,965	9,235
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	471	5		2,467	7	(29,447)	15,261			891,024	959,576
OTHER FINANCING SOURCES (USES)											
Operating Transfers In						29,448				790	9,923
Operating Transfers Out										(900,158)	(1,106,491)
Total Other Financing Sources (Uses)						29,448				(899,368)	(1,096,568)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	471	5		2,467	7	1	15,261			(8,344)	(136,992)
FUND BALANCES (ACCUMULATED DEFICITS) - BEGINNING OF YEAR	(471)	(17)	(2,866)	(2,496)	834	13,784	51,893		(32,279)	806,128	437,808
FUND BALANCES (ACCUMULATED DEFICITS) - END OF YEAR	\$ -	\$ (12)	\$ (2,866)	\$ (29)	\$ 841	\$ 13,785	\$ 67,154	\$ -	\$ (32,279)	\$ 797,784	\$ 300,816

(Continued)

See accompanying independent auditors' report.

LAFOURCEH PARISH
Non-Major Special Revenue Funds
Combining Statement of Revenue, Expenditures and Changes in Fund Balance

For the year ended December 31, 2003

	117	152	153	154	194	104	106	196	Total
	Road Sales Tax Dist. No. 6 Fund	Health Safety Housing Rehabilitation Program Fund	Heat Crisis Emergency Fund	TANF Fund	DOTD/DNR Fund	Drainage Maintenance	Road Sales Tax Dist. No. 2	FEMMA Acquisition Fund	
REVENUES									
Taxes									
Ad Valorem	\$ 861,725	-	\$ -	\$ -	\$ -	\$ 1,979,384	\$ 3,323,570	-	\$ 5,819,673
Sales and Use	-	-	-	-	-	-	-	-	6,042,846
Intergovernmental	-	-	-	3,024	-	88,066	-	551,532	1,394,967
Federal Grants	-	-	-	-	-	167,119	-	29,386	583,843
State Funds	-	-	-	-	1,716,677	10,449	-	-	1,839,038
State Revenue Sharing	-	-	-	-	-	-	-	-	19,348
Parish Transportation Funds	-	-	-	-	-	-	-	-	544,906
Other	-	-	-	-	-	-	-	-	1,839,038
Local	-	-	-	-	-	-	-	-	19,348
Fees, Licenses and Permits	-	-	-	-	-	-	-	-	544,898
Fines and Forfeitures	-	-	-	-	-	-	11,573	-	77,511
Use of Money and Property	6,692	-	-	-	-	41,748	1,017	-	82,154
Other	-	-	402	-	-	-	-	-	-
			402	3,024	1,716,677	2,285,766	3,336,160	580,918	16,949,184
Total Revenues	868,417	-	402	3,024	1,716,677	2,285,766	3,336,160	580,918	16,949,184
EXPENDITURES									
General Government	-	-	-	-	-	-	-	-	666,486
Judicial	-	-	-	-	-	-	-	-	911,406
Finance and Administrative	-	1,780	-	-	-	-	-	-	107,192
Other	-	-	-	-	-	-	1,947	-	39,379
Allocated Costs In (Out)	8,350	-	-	3,024	1,716,677	2,300,176	58,727	580,918	8,109,044
Public Works	-	-	-	-	-	-	-	-	701,250
Health and Welfare	-	-	-	-	-	-	-	-	2,437
Conservation	-	-	-	-	-	-	-	-	823,065
Culture and Recreation	-	-	-	-	-	19,958	132,585	-	152,596
Debt Service	-	-	-	-	-	461,105	-	-	543,274
Capital Outlay	-	-	-	-	-	-	-	-	-
Total Expenditures	8,350	1,780	-	3,024	1,716,677	2,781,239	193,259	580,918	12,056,129
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	860,067	(1,780)	402	-	(494,473)	(494,473)	3,142,901	-	4,893,055
OTHER FINANCING SOURCES (USES)									
Operating Transfers In	4,962	-	-	-	-	718,612	(2,339,036)	-	1,668,922
Operating Transfers Out	(729,767)	-	-	-	-	-	-	-	(5,281,030)
Total Other Financing Sources (Uses)	(724,805)	-	-	-	-	718,612	(2,339,036)	-	(3,612,108)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	135,262	(1,780)	402	-	-	224,139	603,865	-	1,280,947
FUND BALANCES (ACCUMULATED DEFICITS) - BEGINNING OF YEAR	618,142	1,780	(402)	-	-	1,625,064	1,065,871	-	10,542,574
FUND BALANCES (ACCUMULATED DEFICITS) - END OF YEAR	\$ 753,404	\$ -	\$ -	\$ -	\$ -	\$ 1,849,203	\$ 1,669,736	\$ -	\$ 11,823,521

See accompanying independent auditor's report.

LAFOURCHE PARISH

DEBT SERVICE - SPECIAL ASSESSMENT FUNDS

LEE DRIVE SPECIAL ASSESSMENT FUND - The Lee Drive Special Assessment Fund accumulates monies to pay paving certificates issued April 1, 1995, in the amount of \$106,959. The paving certificates were issued to construct street paving improvements on Lee Drive. Financing is provided by special assessments on property owners on Lee Drive and other transfers from various funds of the Parish.

SKYLINE DRIVE SPECIAL ASSESSMENT FUND - The Skyline Drive Special Assessment Fund accumulated monies to pay paving certificates issued August 1, 1985, in the amount of \$98,177. The paving certificates were issued to construct street paving improvements on Skyline Drive. Financing is provided by special assessments on property owners on Skyline Drive and other transfers from various funds of the Parish.

MARY BETH STREET SPECIAL ASSESSMENT FUND - The Mary Beth Street Special Assessment Fund accumulates monies to pay paving certificates issued January 1, 1986, in the amount of \$157,797. The paving certificates were issued to construct street paving improvements on Mary Beth Street. Financing is provided by special assessments on property owners on Mary Beth Street and other transfers from various funds of the Parish.

ELM DRIVE SPECIAL ASSESSMENT FUND - The Elm Drive Special Assessment Fund accumulates monies to pay paving certificates issued August 1, 1985, in the amount of \$75,217. The paving certificates were issued to construct street paving improvements on Elm Drive. Financing is provided by special assessments on property owners on Elm Drive and other transfers from various funds of the Parish.

WEST 86TH STREET SPECIAL ASSESSMENT FUND - The West 86th Street Special Assessment Fund accumulates monies to pay paving certificates issued August 1, 1985, in the amount of \$79,434. The paving certificates were issued to construct street paving improvements on West 86th Street. Financing is provided by special assessments on property owners on West 86th Street and other transfers from various funds of the Parish.

HALF OAK DRIVE SPECIAL ASSESSMENT FUND - The Half Oak Drive Special Assessment Fund accumulates monies to pay paving certificates issued January 1, 1986, in the amount of \$54,605. The paving certificates were issued to construct street paving improvements on Half Oak Drive. Financing is provided by special assessments on property owners on Half Oak Drive and other transfers from various funds of the Parish.

WEST 159TH STREET SPECIAL ASSESSMENT FUND - The West 159th Street Special Assessment Fund accumulates monies to pay paving certificates issued May 1, 1986, in the amount of \$39,775. The paving certificates were issued to construct street paving improvements on West 159th Street. Financing is provided by special assessments on property owners on West 159th Street and other transfers from various funds of the Parish.

LEVERT DRIVE SPECIAL ASSESSMENT FUND - The Levert Drive Special Assessment Fund accumulates monies to pay paving certificates issued January 1, 1986, in the amount of \$39,775. The paving certificates were issued to construct street paving improvements on Levert Drive. Financing is provided by special assessments on property owners on Levert Drive and other transfers from various funds of the Parish.

LAFOURCHE PARISH

DEBT SERVICE - SPECIAL ASSESSMENT FUNDS

EMERALD PARK DRIVE SPECIAL ASSESSMENT FUND - The Emerald Park Drive Special Assessment Fund accumulates monies to pay paving certificates issued December 1, 1986, in the amount of \$98,177. The paving certificates were issued to construct street paving improvements on Emerald Park Drive. Financing is provided by special assessments on property owners on Emerald Park and other transfers from various funds of the Parish.

WEST 57TH STREET SPECIAL ASSESSMENT FUND - The West 57th Street Special Assessment Fund accumulates monies to pay paving certificates issued December 1, 1986, in the amount of \$85,037. The paving certificates were issued to construct street paving improvements on West 57th Street. Financing is provided by special assessments on property owners on West 57th Street and other transfers from various funds of the Parish.

MAXINE BOULEVARD SPECIAL ASSESSMENT FUND - The Maxine Boulevard Special Assessment Fund accumulates monies to pay paving certificates issued December 1, 1986, in the amount of \$74,036. The paving certificates were issued to construct street paving improvements on Maxine Boulevard. Financing is provided by special assessments on property owners on Maxine Boulevard and other transfers from various funds of the Parish.

MILL STREET SPECIAL ASSESSMENT FUND - The Mill Street Special Assessment Fund accumulates monies to pay paving certificates issued March 1, 1988, in the amount of \$50,200. The paving certificates were issued to construct street paving improvements on Mill Street. Financing is provided by special assessments on property owners on Mill Street and other transfers from various funds of the Parish.

COUNTRY CLUB GARDEN SPECIAL ASSESSMENT FUND - The Country Club Garden Special Assessment Fund accumulates monies to pay paving certificates issued May 1, 1990, in the amount of \$147,940. The paving certificates were issued to construct street paving improvements on Country Club Garden. Financing is provided by special assessments on property owners on Country Club Garden and other transfers from various funds of the Parish.

ELIZABETH AND OLEANDER STREETS SPECIAL ASSESSMENT FUND - The Elizabeth and Oleander Street Special Assessment Fund accumulates monies to pay paving certificates issued May 1, 1990, in the amount of \$35,280. The paving certificates were issued to construct street paving improvements on Elizabeth and Oleander Streets. Financing is provided by special assessments on property owners on Elizabeth and Oleander Streets and other transfers from various funds of the Parish.

BAYOU OAKS SUBDIVISION SPECIAL ASSESSMENT FUND - The Bayou Oaks Subdivision Special Assessment Fund accumulates monies to pay paving certificates issued July 1, 1992, in the amount of \$256,314. The paving certificates were issued to construct street paving improvements on Bayou Oaks Subdivision. Financing is provided by special assessments on property owners on Bayou Oaks Subdivision and other transfers from various funds of the Parish.

BAYOU BEND SUBDIVISION SPECIAL ASSESSMENT FUND - The Bayou Bend Subdivision Special Assessment Fund accumulates monies to pay paving certificates issued July 1, 1992, in the amount of \$256,314. The paving certificates were issued to construct street paving improvements on Bayou Bend Subdivision. Financing is provided by special assessments on property owners on Bayou Bend Subdivision and other transfers from various funds of the Parish.

LAFOURCHE PARISH

DEBT SERVICE - SPECIAL ASSESSMENT FUNDS

OAKVIEW - HOLLY STREET SPECIAL ASSESSMENT FUND - The Oakview - Holly Street Bayou Bend Subdivision Special Assessment Fund accumulates monies to pay paving certificates issued January 15, 1994, in the amount of \$249,564. The paving certificates were issued to construct street paving improvements on Oakview - Holly Street. Financing is provided by special assessments on property owners on Oakview - Holly Street and other transfers from various funds of the Parish.

CERTIFICATE OF INDEBTEDNESS, SERIES 1994 OAK MANOR FUND - The Certificates of Indebtedness, Series 1994 Oak Manor Fund accumulates monies for the payment of \$249,564 certificates of indebtedness dated January 15, 1994. The bonds were issued for the purpose of paying the unpaid cost of the construction of street paving improvements along Oakview Drive and Holly Drive.

CERTIFICATE OF INDEBTEDNESS, SERIES 1995 DUGAS SUBDIVISION FUND - The Certificates of Indebtedness, Series 1995 Dugas Subdivision Fund accumulates monies for the payment of \$155,550 certificates of indebtedness dated March 15, 1995. The bonds were issued for the purpose of paying the unpaid cost of the construction of street paving improvements along Dugas Subdivision.

DUGAS SUBDIVISION - PARKSIDE DRIVE SPECIAL ASSESSMENT FUND - The Dugas Subdivision - Parkside Drive Special Assessment Fund accumulates monies to pay paving certificates issued March 15, 1995, in the amount of \$155,550. The paving certificates were issued to construct street paving improvements on Dugas Subdivision - Parkside Drive. Financing is provided by special assessments on property owners on Dugas Subdivision - Parkside Drive and other transfers from various funds of the Parish.

LAFOURCHE PARISH
Non-Major Debt Service Funds - Special Assessments

Combining Balance Sheet
 December 31, 2003

Schedule 6

	700	710	720	730	740	750
	Lee Drive Special Assessment Fund	Skyline Drive Special Assessment Fund	Mary Beth Street Special Assessment Fund	Elm Drive Special Assessment Fund	West 86th Street Special Assessment Fund	Half Oak Drive Special Assessment Fund
ASSETS						
Cash	\$ 4,022	\$ 3,299	\$ 24,210	\$ 25,504	\$ 536	\$ 29,524
Receivables	-	1,100	-	-	-	-
Due from Other Funds	-	-	-	5,005	-	-
Total Assets	<u>\$ 4,022</u>	<u>\$ 4,399</u>	<u>\$ 24,210</u>	<u>\$ 30,509</u>	<u>\$ 536</u>	<u>\$ 29,524</u>
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Due to Other Funds	-	-	-	-	5,005	-
Deferred Revenue	-	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,005</u>	<u>-</u>
FUND BALANCES						
Fund Balances (Accumulated Deficits):						
Reserved for Debt Service	4,022	4,399	24,210	30,509	(4,469)	29,524
Total Fund Balances (Accumulated Deficits)	<u>4,022</u>	<u>4,399</u>	<u>24,210</u>	<u>30,509</u>	<u>(4,469)</u>	<u>29,524</u>
Total Liabilities and Fund Balances	<u>\$ 4,022</u>	<u>\$ 4,399</u>	<u>\$ 24,210</u>	<u>\$ 30,509</u>	<u>\$ 536</u>	<u>\$ 29,524</u>

(Continued)

See accompanying independent auditors' report.

LAFOURCHE PARISH
Non-Major Debt Service Funds - Special Assessments

Combining Balance Sheet
 December 31, 2003

Schedule 6

	760	770	780	790	800 Maxine	795
	West 159th Street Special Assessment Fund	Levert Drive Special Assessment Fund	Emerald Drive Special Assessment Fund	West 57th Street Special Assessment Fund	Boulevard Special Assessment Fund	Mill Street Special Assessment Fund
ASSETS						
Cash	\$ 10,513	\$ 34,533	\$ 1,866	\$ 4,229	\$ 4,175	\$ 1,601
Receivables	8,831	-	-	1,017	-	-
Due from Other Funds	-	-	-	-	5,000	-
Total Assets	\$ 19,344	\$ 34,533	\$ 1,866	\$ 5,246	\$ 9,175	\$ 1,601

LIABILITIES AND FUND BALANCES

LIABILITIES						
Due to Other Funds	-	-	5,000	-	-	-
Deferred Revenue	4,210	-	-	-	-	-
Total Liabilities	4,210	-	5,000	-	-	-

FUND BALANCES

Fund Balances (Accumulated Deficits):						
Reserved for Debt Service	15,134	34,533	(3,134)	5,246	9,175	1,601
Total Fund Balances (Accumulated Deficits)	15,134	34,533	(3,134)	5,246	9,175	1,601
Total Liabilities and Fund Balances	\$ 19,344	\$ 34,533	\$ 1,866	\$ 5,246	\$ 9,175	\$ 1,601

(Continued)

See accompanying independent auditors' report.

LAFOURCHE PARISH
Non-Major Debt Service Funds - Special Assessments

Combining Balance Sheet
 December 31, 2003

Schedule 6

	796	799	751	752	174	226
	Country Club Garden Special Assessment Fund	Elizabeth and Oleander Streets Special Assessment Fund	Bayou Oaks Subdivision Special Assessment Fund	Bayou Bend Subdivision Special Assessment Fund	Oakview-Holly Street Special Assessment Fund	Certificate of Indebtedness Series 1994 Oak Manor Fund
ASSETS						
Cash	\$ 225	\$ 17,605	\$ 695	\$ 3,040	\$ 11,717	\$ 611
Receivables	4,994	5,583	13,231	2,730	12,689	-
Due from Other Funds	-	5,529	-	17,761	-	-
Total Assets	\$ 5,219	\$ 28,717	\$ 13,926	\$ 23,531	\$ 24,406	\$ 611

LIABILITIES AND FUND BALANCES

LIABILITIES						
Due to Other Funds	\$ 5,529	\$ -	\$ 17,761	\$ -	\$ -	\$ -
Deferred Revenue	2,497	2,931	7,061	1,456	7,261	-
Total Liabilities	8,026	2,931	24,822	1,456	7,261	-
FUND BALANCES						
Fund Balances (Accumulated Deficits):						
Reserved for Debt Service	(2,807)	25,786	(10,896)	22,075	17,145	611
Total Fund Balances (Accumulated Deficits)	(2,807)	25,786	(10,896)	22,075	17,145	611
Total Liabilities and Fund Balances	\$ 5,219	\$ 28,717	\$ 13,926	\$ 23,531	\$ 24,406	\$ 611

(Continued)

See accompanying independent auditors' report.

LAFOURCHE PARISH
Non-Major Debt Service Funds - Special Assessments

Combining Balance Sheet
 December 31, 2003

Schedule 6

	227	753		Total
	Certificate of Indebtedness	Dugas Subdivision Parkside Drive	Special Assessment	
	Series 1995 Dugas Subdivision Fund	Fund	Fund	
ASSETS				
Cash	\$ 501	\$ 4,127		\$ 182,533
Receivables	-	27,356		77,531
Due from Other Funds	-	-		33,295
Total Assets	<u>\$ 501</u>	<u>\$ 31,483</u>		<u>\$ 293,359</u>

LIABILITIES AND FUND BALANCES

LIABILITIES			
Due to Other Funds	\$ -	-	\$ 33,295
Deferred Revenue	-	11,096	36,512
Total Liabilities	<u>-</u>	<u>11,096</u>	<u>69,807</u>

FUND BALANCES

Fund Balances (Accumulated Deficits):			
Reserved for Debt Service	501	20,387	223,552
Total Fund Balances (Accumulated Deficits)	<u>501</u>	<u>20,387</u>	<u>223,552</u>
Total Liabilities and Fund Balances	<u>\$ 501</u>	<u>\$ 31,483</u>	<u>\$ 293,359</u>

See accompanying independent auditors' report.

LAFOURCHE PARISH

**Non-Major Debt Service Funds - Special Assessment
Combining Statement of Revenue, Expenditures and Changes in Fund Balance**

Schedule 7

For the year ended December 31, 2003

	700	710	720	730	740	750
	Lee Drive Special Assessment Fund	Skyline Drive Special Assessment Fund	Mary Beth Street Special Assessment Fund	Elm Drive Special Assessment Fund	West 86th Street Special Assessment Fund	Half Oak Drive Special Assessment Fund
REVENUES						
Use of Money and Property	\$ 35	\$ 28	\$ 210	\$ 221	\$ -	\$ 256
Total Revenues	<u>35</u>	<u>28</u>	<u>210</u>	<u>221</u>	<u>-</u>	<u>256</u>
EXPENDITURES						
Principal Payments	-	-	-	-	-	-
Interest Payments	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>35</u>	<u>28</u>	<u>210</u>	<u>221</u>	<u>-</u>	<u>256</u>
FUND BALANCES (ACCUMULATED DEFICITS) - BEGINNING OF YEAR	<u>3,987</u>	<u>4,371</u>	<u>24,000</u>	<u>30,288</u>	<u>(4,469)</u>	<u>29,268</u>
END OF YEAR	<u>\$ 4,022</u>	<u>\$ 4,399</u>	<u>\$ 24,210</u>	<u>\$ 30,509</u>	<u>\$ (4,469)</u>	<u>\$ 29,524</u>

(Continued)

See accompanying independent auditors' report.

LAFOURCHE PARISH

**Non-Major Debt Service Funds - Special Assessment
Combining Statement of Revenue, Expenditures and Changes in Fund Balance**

Schedule 7

For the year ended December 31, 2003

	760 West 159th Street Special Assessment Fund	770 Levert Drive Special Assessment Fund	780 Emerald Park Drive Special Assessment Fund	790 West 57th Street Special Assessment Fund	800 Maxine Boulevard Special Assessment Fund	795 Mill Street Special Assessment Fund
REVENUES						
Use of Money and Property	\$ 91	\$ 299	\$ -	\$ -	\$ 36	\$ -
Total Revenues	91	299	-	-	36	-
EXPENDITURES						
Principal Payments	-	-	-	-	-	-
Interest Payments	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	91	299	-	-	36	-
FUND BALANCES (ACCUMULATED DEFICITS) - BEGINNING OF YEAR	15,043	34,234	(3,134)	5,246	9,139	1,601
END OF YEAR	\$ 15,134	\$ 34,533	\$ (3,134)	\$ 5,246	\$ 9,175	\$ 1,601

(Continued)

See accompanying independent auditors' report.

LAFOURCHE PARISH

Non-Major Debt Service Funds - Special Assessment
Combining Statement of Revenue, Expenditures and Changes in Fund Balance

Schedule 7

For the year ended December 31, 2003

	796	799	751	752	174
	Country Club Garden Special Assessment Fund	Elizabeth and Oleander Streets Special Assessment Fund	Bayou Oaks Subdivision Special Assessment Fund	Bayou Bend Subdivision Special Assessment Fund	Oakview-Holly Street Special Assessment Fund
REVENUES					
Use of Money and Property	\$ 2	\$ 153	\$ 6	\$ 23	\$ 121
Total Revenues	<u>2</u>	<u>153</u>	<u>6</u>	<u>23</u>	<u>121</u>
EXPENDITURES					
Principal Payments	-	-	-	-	24,956
Interest Payments	-	-	-	-	2,750
Other	-	-	-	-	354
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>28,060</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>2</u>	<u>153</u>	<u>6</u>	<u>23</u>	<u>(27,939)</u>
FUND BALANCES (ACCUMULATED DEFICITS) - BEGINNING OF YEAR	<u>(2,809)</u>	<u>25,633</u>	<u>(10,902)</u>	<u>22,052</u>	<u>45,084</u>
END OF YEAR	<u>\$ (2,807)</u>	<u>\$ 25,786</u>	<u>\$ (10,896)</u>	<u>\$ 22,075</u>	<u>\$ 17,145</u>

(Continued)

See accompanying independent auditors' report.

LAFOURCHE PARISH

**Non-Major Debt Service Funds - Special Assessment
Combining Statement of Revenue, Expenditures and Changes in Fund Balance**

Schedule 7

For the year ended December 31, 2003

	226 Certificate of Indebtedness Series 1994 Oak Manor Fund	227 Certificate of Indebtedness Series 1995 Dugas Subdivision Fund	753 Dugas Subdivision Parkside Dr. Special Assessment Fund	Total
REVENUES				
Use of Money and Property	\$ -	\$ -	\$ 65	\$ 1,546
Total Revenues	-	-	65	1,546
EXPENDITURES				
Principal Payments	-	-	15,561	40,517
Interest Payments	-	-	3,000	5,750
Other	-	-	84	438
Total Expenditures	-	-	18,645	46,705
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	(18,580)	(45,159)
FUND BALANCES (ACCUMULATED DEFICITS) - BEGINNING OF YEAR	611	501	38,967	268,711
END OF YEAR	\$ 611	\$ 501	\$ 20,387	\$ 223,552

See accompanying independent auditors' report.

LAFOURCHE PARISH

DEBT SERVICE FUNDS

PUBLIC IMPROVEMENT REFUNDING SERIES 1994 BOND FUND - The Public Improvement Refunding Series 1994 Bond Sinking Fund accounts for the refunding of the original 1988 series bonds issued. The bonds are payable primarily from, and secured by a pledge of monies placed to the credit of the Parish by the treasurer of the State of Louisiana in a trust fund, established and maintained by said treasurer and constituting ten percent of the state mineral royalties. This fund is used to accumulate monies transferred from the state trust fund for the principal and interest payments due in each year and the ensuing year.

CERTIFICATE OF INDEBTEDNESS, SERIES 1994 BOND FUND - Certificates of Indebtedness, Series 1994 Bond Fund accumulates monies for the payment of \$1,665,000 certificates of indebtedness dated October 1, 1994. The bonds were issued for the purpose of constructing and improving drainage works and facilities.

CERTIFICATES OF INDEBTEDNESS ROAD SALES TAX DISTRICT NO. 2 SERIES 1998 AND 1999 BOND FUND - Certificates of Indebtedness Road Sales Tax District No. 2 Series 1998 and 1999 Bond Fund accumulates monies for the payment of \$9,500,000 certificates of indebtedness dated June 1, 1998 and \$4,515,000 certificates of indebtedness date July 1, 1999. The bonds were issued for the purpose of constructing, improving, maintaining, and resurfacing public roads in Road Sales Tax District No. 2, including incidental drainage.

CERTIFICATE OF INDEBTEDNESS, SERIES 1999 - BUILDING FUND - Certificate of Indebtedness, Series 1999 - Building accumulates monies for the payment of \$385,000 certificates of indebtedness date January 1, 1999. The certificates were issued for the purpose of acquiring and improving a new administrative building.

PUBLIC IMPROVEMENT SALES TAX SERIES 1999 BONDS (DISTRICT NO. 3) FUND - The Public Improvement Sales Tax Series 1999 Bond (Road Sales Tax District No. 3) Fund accumulates monies for the payment of \$4,500,000 public improvement sales tax bonds dated May 1, 1999. The bonds were issued for the purpose of constructing and improving, maintaining, and resurfacing public roads in Road Sales Tax District No. 3, including incidental drainage.

ROAD SALES TAX DISTRICT NO. 3 PUBLIC IMPROVEMENT BOND RESERVE FUND - The Road Sales Tax District No. 3 Public Improvement Bond Reserve Fund was established from proceeds of the bonds in an amount equal to ten percent of the bonds sold. This amount shall be retained solely to pay principal and interest on the \$4,500,000 Public Improvement Sales Tax Bonds, Series 1999 in case of default.

CERTIFICATES OF INDEBTEDNESS DISTRICT NO. 1 SERIES 2000 FUND - Certificates of Indebtedness District No. 1 Series 2000 Fund accumulates monies for the payment of \$2,800,000 of Series 2000A and \$1,700,000 of Series 2000B certificates of indebtedness dated February 1, 1999. The certificates were issued for the purpose of providing funds to construct, improve and resurface parish roads in Road District No. 1 and Road Sales Tax Districts No. 2 and 3.

LAFOURCHE PARISH

DEBT SERVICE FUNDS

ROAD SALES TAX DISTRICT NO. 5 BOND SINKING FUND - The Road Sales Tax District No. 5 Bond Sinking Fund was established to accumulate monies for the principal and interest payments associated with the \$9,000,000 of Public Improvement sales tax bonds dated May 1, 2000. The bonds were issued for the purpose of construction, improvement, and resurfacing of public roads within Road District No. 5, including incidental drainage.

ROAD SALES TAX DISTRICT NO. 5 RESERVE FUND - The Road Sales Tax District No. 5 Reserve Fund was established from proceeds of the bonds in an amount equal to ten percent of the bonds sold. The amount shall be retained solely to pay principal and interest on the \$9,000,000 of Road Sales Tax Bonds, Series 2000 in case of default.

ROAD SALES TAX DISTRICT NO. 6 BOND SINKING FUND - The Road Sales Tax District No. 6 Bond Sinking Fund was established to accumulate monies for the principal and interest payments associated with the \$4,500,000 of Public Improvement sales tax bonds dated May 1, 2000. The bonds were issued for the purpose of construction, improvement, and resurfacing of public roads within Road District No. 6, including incidental drainage.

ROAD SALES TAX DISTRICT NO. 6 RESERVE FUND - The Road Sales Tax District No. 6 Reserve Fund was established from proceeds of the bonds in an amount equal to ten percent of the bonds sold. The amount shall be retained solely to pay principal and interest on the \$4,500,000 of Road Sales Tax Bonds, Series 2000 in case of default.

ROAD SALES TAX DISTRICT NO. 2 RESERVE FUND - The Road Sales Tax District No. 2 Reserve Fund was established for the monies kept in reserve associated with the Series 2000A and Series 2000B certificates of indebtedness issued in 2000.

REFUNDING BONDS SERIES 2001 DISTRICT NO. 3 RESERVE FUND - The Refunding Bonds Series 2001 District No. 3 Reserve Fund was established from proceeds of the bonds in an amount equal to the lesser of ten percent of the proceeds of the bonds or the highest combined principal and interest requirements for any bond year. This amount shall be retained solely to pay principal and interest on the \$1,550,000 Refunding Bonds Series 2001 in case of default.

DEBT SERVICE FUND SERIES 2001 - The Debt Service Fund Series 2002 accumulates monies for the payment of the \$1,550,000 Refunding Bonds Series 2001 dated March 1, 2001. The bonds were issued for the purpose of refunding the \$1,700,000 Certificates of Indebtedness Series 2000B dated February 1, 2000.

SALES TAX BOND SINKING FUND SERIES 2003 - The Sales Tax Bond Sinking Fund Series 2003 was established to accumulate monies for the principal and interest payments associated with the \$10,000,000 Refunding Bonds, Series 2003, of Road Sales Tax District No. 2. The proceeds were used to pay a portion of the costs of effecting a current refunding of the Certificates of Indebtedness, Series 1998 and Certificate of Indebtedness, Series 1999 and \$1,880,000 of indebtedness owed by the Issuer to Road District No. 1.

LAFOURCHE PARISH
Non-Major Debt Service Funds

Combining Balance Sheet
December 31, 2003

	223	228	229	230	231	232
	Public	Certificate of	Certificate of	Certificate of	Public	Road Sales District
	Improvement	Indebtedness	Indebtedness	Indebtedness	Improvement	No. 3 Public
	Refunding	Series 1994	Road Sales Tax	Series 1999	Tax Series 1999	Improvement
	Series 1994	Bond	District No. 2	Building	Bond (Dist. No 3)	Bond Reserve
	Bond Fund	Fund	Series 1999 and 1998	Fund	Fund	Fund
ASSETS						
Cash	\$ 21	\$ 880,487	\$ -	\$ 47,545	\$ 142,100	\$ 548
Investment in LAMP	-	8,526	-	440,199	91,261	450,026
Receivables	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total Assets	\$ 21	\$ 889,013	\$ -	\$ 487,744	\$ 233,361	\$ 450,574

LIABILITIES AND FUND BALANCES

LIABILITIES						
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to Other Funds	-	-	-	-	-	-
Deferred Revenue	-	-	-	-	-	-
Total Liabilities	-	-	-	-	-	-
FUND BALANCES						
Fund Balances:						
Reserved for Debt Service	21	889,013	-	487,744	233,361	450,574
Total Fund Balances	21	889,013	-	487,744	233,361	450,574
Total Liabilities and Fund Balances	\$ 21	\$ 889,013	\$ -	\$ 487,744	\$ 233,361	\$ 450,574

See accompanying independent auditors' report.

(Continued)

LAFOURCHE PARISH
Non-Major Debt Service Funds

Schedule 8

Combining Balance Sheet
December 31, 2003

	237	233	234	235	236	238	239
	Certificate of Indebtedness District No. 1 Series 2000 Fund	Road Sales Tax District No. 5 Bond Sinking Fund	Road Sales Tax District No. 5 Reserve Fund	Road Sales Tax District No. 6 Bond Sinking Fund	Road Sales Tax District No. 6 Reserve Fund	Road Sales Tax District No. 2 Reserve Fund	Refunding Bonds Series 2001 No. 3 Reserve Fund
ASSETS							
Cash	\$ 119,535	\$ 396,726	\$ -	\$ 198,261	\$ -	\$ -	\$ -
Investment in LAMP	113,027	179,969	900,558	89,946	450,279	-	87,906
Receivables	-	-	-	-	-	-	-
Due from Other Funds	34,970	-	195	-	97	-	-
Other	-	-	-	-	-	-	-
Total Assets	\$ 267,532	\$ 576,695	\$ 900,753	\$ 288,207	\$ 450,376	\$ -	\$ 87,906

LIABILITIES AND FUND BALANCES

LIABILITIES							
Accounts Payable	\$ -	\$ -	\$ 753	\$ -	\$ 376	\$ -	\$ 72
Due to Other Funds	-	-	-	-	-	-	-
Deferred Revenue	-	-	-	-	-	-	-
Total Liabilities	-	-	753	-	376	-	72
FUND BALANCES							
Fund Balances: Reserved for Debt Service	267,532	576,695	900,000	288,207	450,000	-	87,834
Total Fund Balances	267,532	576,695	900,000	288,207	450,000	-	87,834
Total Liabilities and Fund Balances	\$ 267,532	\$ 576,695	\$ 900,753	\$ 288,207	\$ 450,376	\$ -	\$ 87,906

See accompanying independent auditors' report.

(Continued)

LAFOURCHE PARISH
Non-Major Debt Service Funds

Schedule 8

Combining Balance Sheet
December 31, 2003

	240 Debt Service Fund Series 2001	241 Sales Tax Bond Sinking Fund Series 2003	Special Assessments	Total
ASSETS				
Cash	\$ -	\$ -	\$ 182,533	\$ 1,967,756
Investment in LAMP	78,922	1,679,684	-	4,570,303
Receivables	-	-	77,531	77,531
Due from Other Funds	-	20,808	33,295	89,365
Other	-	-	-	-
Total Assets	<u>\$ 78,922</u>	<u>\$ 1,700,492</u>	<u>\$ 293,359</u>	<u>\$ 6,704,955</u>

LIABILITIES AND FUND BALANCES

LIABILITIES				
Accounts Payable	\$ -	\$ -	\$ -	\$ 1,201
Due to Other Funds	-	33,115	33,295	66,410
Deferred Revenue	-	-	36,512	36,512
Total Liabilities	<u>-</u>	<u>33,115</u>	<u>69,807</u>	<u>104,123</u>
FUND BALANCES				
Fund Balances:				
Reserved for Debt Service	78,922	1,667,377	223,552	6,600,832
Total Fund Balances	<u>78,922</u>	<u>1,667,377</u>	<u>223,552</u>	<u>6,600,832</u>
Total Liabilities and Fund Balances	<u>\$ 78,922</u>	<u>\$ 1,700,492</u>	<u>\$ 293,359</u>	<u>\$ 6,704,955</u>

See accompanying independent auditors' report.

LAFOURCHE PARISH
Non-Major Debt Service Funds

Combining Statement of Revenue, Expenditures and Changes in Fund Balance

Schedule 9

For the year ended December 31, 2003

		223 Public Improvement Refunding Series 1994 Bond Fund	228 Certificate of Indebtedness Series 1994 Bond Fund	229 Certificate of Indebtedness Road Sales Tax District No. 2 Series 1998 and 1999	230 Certificate of Indebtedness Series 1999 Building Fund	231 Public Improvement Sales Tax Series 1999 Bond (Dist. No 3) Fund	232 Road Sales Tax District No. 3 Public Improvement Bond Reserve Fund	237 Certificate of Indebtedness District No. 1 Series 2000 Fund	233 Road Sales Tax District No. 5 Bond Sinking Fund
REVENUES									
Use of Money and Property	\$	4	\$ 5,105	\$ 3,589	\$ 1,536	\$ 2,060	\$ 4,937	\$ 1,668	\$ 3,367
Total Revenues		4	5,105	3,589	1,536	2,060	4,937	1,668	3,367
EXPENDITURES									
Principal Payments		-	515,000	1,270,071	325,000	235,000	-	595,000	445,000
Interest Payments		-	30,462	-	265,311	179,168	-	130,699	495,660
Other		-	-	-	-	25	-	7	-
Total Expenditures		-	545,462	1,270,071	590,311	414,193	-	725,706	940,660
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		4	(540,357)	(1,266,482)	(588,775)	(412,133)	4,937	(724,038)	(937,293)
OTHER FINANCING SOURCES (USES)									
Proceeds from issuance of bonds payable		-	-	-	-	-	-	-	-
Refunding of bonds		-	-	(8,120,000)	-	-	-	(1,880,000)	-
Operating Transfers In		-	666,911	8,426,957	601,450	422,092	-	2,314,174	951,110
Operating Transfers Out		-	-	(1,326)	-	-	(4)	(17,565)	-
Total Other Financing Sources (Uses)		-	666,911	305,631	601,450	422,092	(4)	416,609	951,110
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES		4	126,554	(960,851)	12,675	9,959	4,933	(307,429)	13,817
FUND BALANCES: BEGINNING OF YEAR		17	762,459	960,851	475,069	223,402	445,641	574,961	562,878
END OF YEAR	\$	21	\$ 889,013	\$ -	\$ 487,744	\$ 233,361	\$ 450,574	\$ 267,532	\$ 576,695

(Continued)

See accompanying independent auditors' report.

LAFOURCHE PARISH
Non-Major Debt Service Funds

Combining Statement of Revenue, Expenditures and Changes in Fund Balance

Schedule 9

For the year ended December 31, 2003

	234	235	236	238	239	240	241	Total
	Road Sales Tax District No. 5 Reserve Fund	Road Sales Tax District No. 6 Sinking Fund	Road Sales Tax District No. 6 Reserve Fund	Road Sales Tax District No. 2 Reserve Fund	Refunding Bonds Series 2001 No. 3 Reserve Fund	Debt Service Funds Series 2001	Sales Tax Bond Sinking Fund Series 2003	Special Assessments
REVENUES								
Use of Money and Property	\$ 9,923	\$ 1,678	\$ 4,962	\$ 826	\$ 786	\$ 672	\$ 11,590	\$ 1,546
Total Revenues	9,923	1,678	4,962	826	786	672	11,590	1,546
EXPENDITURES								
Principal Payments	-	220,000	-	201,100	-	90,000	-	40,517
Interest Payments	-	247,665	-	57,597	-	73,840	108,663	5,750
Other	-	-	-	1,909	-	-	-	438
Total Expenditures	-	467,665	-	260,606	-	163,840	108,663	46,705
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	9,923	(465,987)	4,962	(259,780)	786	(163,168)	(97,073)	(45,159)
OTHER FINANCING SOURCES (USES)								
Proceeds from issuance of bonds payable	-	-	-	-	-	-	10,000,000	-
Refunding of bonds	-	-	-	-	-	-	-	(10,000,000)
Operating Transfers In	-	475,032	-	69,484	31,000	166,393	1,764,450	-
Operating Transfers Out	(9,923)	-	(4,962)	(18,155)	(786)	-	(10,000,000)	-
Total Other Financing Sources (Uses)	(9,923)	475,032	(4,962)	51,329	30,214	166,393	1,764,450	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	-	9,045	-	(208,451)	31,000	3,225	1,667,377	(45,159)
FUND BALANCES: BEGINNING OF YEAR	900,000	279,162	450,000	208,451	56,834	75,697	-	268,711
END OF YEAR	\$ 900,000	\$ 288,207	\$ 450,000	\$ -	\$ 87,834	\$ 78,922	\$ 1,667,377	\$ 223,552

See accompanying independent auditors' report.

LAFOURCHE PARISH
CAPITAL PROJECTS FUNDS

LAROUSSE FISHING WHARF LIGHTING FUND - The Larousse Fishing Wharf Fund accounts for the lighting and extension project of this wharf. Financing is provided by a grant from the U.S. Department of Commerce through the State of Louisiana Department of Natural Resources and a match from the Recreation Fund.

MORRISTOWN SEWERAGE PROJECT - The primary objective of the Morristown Sewerage Project is the development of viable urban communities by providing a suitable living environment for persons of low and moderate income.

SERIES 1994 PUBLIC IMPROVEMENT BOND FUND - The Series 1994 Public Improvement Bond Fund accounts for construction and improvement of drainage within the Parish. Financing is provided by the sale of \$1,665,000 in bonds payable by the State Treasurer from the revenue from state mineral royalties.

ROAD SALES TAX DISTRICT NO. 5 FUND - The Road Sales Tax District No. 5 Fund accounts for the construction, improvement, maintenance, and resurfacing of public roads in Road Sales Tax District No. 5, including incidental drainage. Financing is provided by the sale of \$9,000,000 of Public Improvement Sales Tax Bonds.

ROAD SALES TAX DISTRICT NO. 6 FUND - The Road Sales Tax District No. 6 Fund accounts for the construction, improvement, maintenance, and resurfacing of public roads in Road Sales Tax District No. 6, including incidental drainage. Financing is provided by the sale of \$4,500,000 of Public Improvement Sales Tax Bonds.

KRAEMER DRAINAGE PROJECT FUND - The Kraemer Drainage Project Fund is a FEMA mitigating program and is funded by federal funds and funds from the Lafourche Basin Levee District.

ROAD DISTRICT NO. 3 CONSTRUCTION FUND - The Road District No. 3 Construction Fund accounts for the construction, improvement, maintenance, and resurfacing of public roads in Road Sales Tax Districts No. 2 and 3, including incidental drainage. Financing is provided by the sale of \$1,700,000 of Certificates of Indebtedness.

ROAD DISTRICT NO. 2 CONSTRUCTION FUND - The Road District No. 2 Construction Fund accounts for the construction, improvement, maintenance, and resurfacing of public roads in Road Sales Tax Districts No. 2 and 3, including incidental drainage. Financing is provided by the sale of \$2,800,000 of Certificates of indebtedness.

MIDWAY-EMERALD PARK SUBDIVISION FUND - The purpose of this fund is to account for the drainage project(s) in these subdivisions. The Parish and FEMA provide financing for this project.

STATE HIGHWAY 308 RELOCATION FUND - This fund accounts for the roadway improvements to relocate a portion of State Highway 308 to allow for improved economic development. The State Department of Transportation and Development provides financing for this project.

LAFOURCHE PARISH
CAPITAL PROJECTS FUNDS

ROAD SALES TAX DISTRICT NO. 2 CONSTRUCTION FUND - The Road Sales Tax District No. 2 Construction Fund accounts for the construction, improvement, maintenance, and resurfacing of public roads in the Road Sales Tax District No. 2, including incidental drainage. Financing is provided by the sale of \$9,500,000 in certificates of indebtedness secured by sales taxes collected in this district.

RURAL DEVELOPMENT GRANT FUND - Financing for this project is provided by state rural development funds.

LEEVILLE PARK CONSTRUCTION PROJECT FUND - The Leeville Park Construction Project Fund accounts for the fencing in and the purchase of grass for the Leeville Park. Financing is provided by a grant from the U.S. Department of Commerce through the State of Louisiana Department of Natural Resources and a match from the Recreation Fund.

LAFOURCHE PARISH
Non-Major Capital Projects Funds
Combining Balance Sheet

Schedule 10

December 31, 2003

	189	195	216	319	320	322	324
	Larousse Fishing Wharf Lighting Fund	Morristown Sewerage Project Fund	Series 1994 Public Improvement Bond Fund	Road Sales Tax District No. 5 Fund	Road Sales Tax District No. 6 Fund	Kraemer Drainage Project Fund	Road Construction District No. 3 Fund
ASSETS							
Cash	\$ -	\$ -	\$ 910	\$ 1	\$ 18,800	\$ -	\$ 42
Investment in LAMP	-	-	47,155	23	237,120	-	35
Receivables	-	-	-	-	-	49,857	-
Total Assets	\$ -	\$ -	\$ 48,065	\$ 24	\$ 255,920	\$ 49,857	\$ 77

LIABILITIES AND FUND BALANCES

LIABILITIES							
Accounts and Other Payables	-	-	-	-	-	-	68,393
Retainage Payable	-	-	-	-	-	21,206	-
Due to Other Funds	-	-	-	-	-	49,857	-
Total Liabilities	-	-	-	-	-	71,063	68,393

FUND BALANCES

Fund Balances (Accumulated Deficits):							
Reserved for Capital Contracts	-	-	48,065	24	255,920	(21,206)	(68,316)
Total Fund Balances (Accumulated Deficits)	-	-	48,065	24	255,920	(21,206)	(68,316)
Total Liabilities and Fund Balances	\$ -	\$ -	\$ 48,065	\$ 24	\$ 255,920	\$ 49,857	\$ 77

(Continued)

See accompanying independent auditors' report.

LAFOURCHE PARISH
Non-Major Capital Projects Funds
Combining Balance Sheet

Schedule 10

December 31, 2003

	325	308	311	315	317	388	
	Road Construction District No. 2 Fund	Midway - Emerald Park Subdivision Fund	State Highway 308 Relocation Fund	Road Sales Tax District No. 2 Construction Fund	Rural Development Grant Fire Project Fund	Leeville Park Construction Project Fund	Total
ASSETS							
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,753
Investment in LAMP	97,264	-	-	-	-	-	381,597
Receivables	-	-	64,362	-	-	-	114,219
Total Assets	<u>\$ 97,264</u>	<u>\$ -</u>	<u>\$ 64,362</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 515,569</u>

LIABILITIES AND FUND BALANCES

LIABILITIES							
Accounts and Other Payables	-	-	-	-	-	-	68,393
Retainage Payable	-	-	-	-	-	-	21,206
Due to Other Funds	-	-	64,362	-	-	-	114,219
Total Liabilities	<u>-</u>	<u>-</u>	<u>64,362</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>203,818</u>

FUND BALANCES

Fund Balances (Accumulated Deficits):							
Reserved for Capital Contracts	97,264	-	-	-	-	-	311,751
Total Fund Balances (Accumulated Deficits)	<u>97,264</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>311,751</u>
Total Liabilities and Fund Balances	<u>\$ 97,264</u>	<u>\$ -</u>	<u>\$ 64,362</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 515,569</u>

See accompanying independent auditors' report.

LAFOURCHE PARISH
Non-Major Capital Projects Funds

Combining Statement of Revenue, Expenditures and Changes in Fund Balance

Schedule 11

For the year ended December 31, 2003

	189	195	216	319	320
	Larousse Fishing Wharf Lighting Fund	Morristown Sewerage Project Fund	Series 1994 Public Improvement Bond Fund	Road Sales Tax District No. 5 Fund	Road Sales Tax District No. 6 Fund
REVENUES					
Intergovernmental	-	-	-	-	-
State Funds	-	77,541	-	-	-
Federal Funds	-	-	526	488	11,469
Use of Money and Property	-	-	-	-	-
Other	-	-	-	-	-
Total Revenues	<u> -</u>	<u>77,541</u>	<u>526</u>	<u>488</u>	<u>11,469</u>
EXPENDITURES					
Public Works	6,325	-	-	201,319	1,893,740
Capital Outlays	-	77,541	-	-	-
Total Expenditures	<u>6,325</u>	<u>77,541</u>	<u> -</u>	<u>201,319</u>	<u>1,893,740</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(6,325)</u>	<u> -</u>	<u>526</u>	<u>(200,831)</u>	<u>(1,882,271)</u>
OTHER FINANCING SOURCES					
Operating Transfers In	-	-	-	100,706	-
Total Other Financing Sources (Uses)	<u> -</u>	<u> -</u>	<u> -</u>	<u>100,706</u>	<u> -</u>
EXCESS (DEFICIENCY) OR REVENUES AND OTHER SOURCES OVER EXPENDITURES	<u>(6,325)</u>	<u> -</u>	<u>526</u>	<u>(100,125)</u>	<u>(1,882,271)</u>
FUND BALANCES (ACCUMULATED DEFICITS) - BEGINNING OF YEAR	<u>6,325</u>	<u> -</u>	<u>47,539</u>	<u>100,149</u>	<u>2,138,191</u>
END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 48,065</u>	<u>\$ 24</u>	<u>\$ 255,920</u>

(Continued)

See accompanying independent auditors' report.

LAFOURCHE PARISH
Non-Major Capital Projects Funds

Combining Statement of Revenue, Expenditures and Changes in Fund Balance

Schedule 11

For the year ended December 31, 2003

	322 Kraemer Drainage Project Fund	324 Road Construction District No. 3 Fund	325 Road Construction District No. 2 Fund	308 Midway - Emerald Park Subdivision Fund	311 State Highway 308 Relocation Fund
REVENUES					
Intergovernmental					
State Funds	\$ 148,348	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	2,113	1,039	-	-
Use of Money and Property	-	-	-	-	-
Other	-	-	-	-	-
Total Revenues	<u>148,348</u>	<u>2,113</u>	<u>1,039</u>	<u>-</u>	<u>-</u>
EXPENDITURES					
Public Works	-	822,242	138,466	18,681	-
Capital Outlays	169,554	-	-	-	-
Total Expenditures	<u>169,554</u>	<u>822,242</u>	<u>138,466</u>	<u>18,681</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(21,206)</u>	<u>(820,129)</u>	<u>(137,427)</u>	<u>(18,681)</u>	<u>-</u>
OTHER FINANCING SOURCES					
Operating Transfers In	-	36,153	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>36,153</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OR REVENUES AND OTHER SOURCES OVER EXPENDITURES	<u>(21,206)</u>	<u>(783,976)</u>	<u>(137,427)</u>	<u>(18,681)</u>	<u>-</u>
FUND BALANCES (ACCUMULATED DEFICITS) - BEGINNING OF YEAR	<u>-</u>	<u>715,660</u>	<u>234,691</u>	<u>18,681</u>	<u>-</u>
END OF YEAR	<u>\$ (21,206)</u>	<u>\$ (68,316)</u>	<u>\$ 97,264</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

See accompanying independent auditors' report.

LAFOURCHE PARISH
Non-Major Capital Projects Funds

Combining Statement of Revenue, Expenditures and Changes in Fund Balance

Schedule 11

For the year ended December 31, 2003

	315 Road Sales Tax District No. 2 Construction Fund	317 Rural Development Grant Fire Project Fund	388 Leeville Park Construction Project Fund	Total
REVENUES				
Intergovernmental	-	-	-	-
State Funds	-	-	-	225,889
Federal Funds	-	-	-	15,635
Use of Money and Property	-	4	-	4
Other	-	-	-	-
Total Revenues	<u> </u>	<u> </u>	<u> </u>	<u>241,528</u>
EXPENDITURES				
Public Works	-	-	3,500	3,084,273
Capital Outlays	-	-	-	247,095
Total Expenditures	<u> </u>	<u> </u>	<u>3,500</u>	<u>3,331,368</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u> </u>	<u> </u>	<u>(3,500)</u>	<u>(3,089,840)</u>
OTHER FINANCING SOURCES				
Operating Transfers In	-	-	-	136,859
Total Other Financing Sources (Uses)	<u> </u>	<u> </u>	<u> </u>	<u>136,859</u>
EXCESS (DEFICIENCY) OR REVENUES AND OTHER SOURCES OVER EXPENDITURES	<u> </u>	<u> </u>	<u>4</u>	<u>(2,952,981)</u>
FUND BALANCES (ACCUMULATED DEFICITS) - BEGINNING OF YEAR	<u> </u>	<u>(4)</u>	<u>3,500</u>	<u>3,264,732</u>
END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 311,751</u>

See accompanying independent auditors' report.

LAFOURCHE PARISH

ENTERPRISE FUNDS

SEWERAGE DISTRICT NO. 3 FUND - The purpose of the Sewerage District No. 3 Fund is to provide service to Brocato Lane and Alidore Housing Project in Raceland. Residents who receive service through user fees provide financing.

SEWERAGE DISTRICT NO. 4 FUND - The Sewerage District No. 4 was created by the Parish because it was their intent to accumulate the cost of providing services to the general public and those costs to be financed or recovered by charging a fee to the citizens who receive the services.

SEWERAGE DISTRICT NO. 14 FUND - The Sewerage District No. 14 was created to provide service to Dugas Subdivision in Thibodaux. Residents who receive the services through user fees provide financing.

RITA SEWERAGE FUND - The Rita Sewerage Fund was created to provide service to the Rita Community in Thibodaux. The project was fully funded by a federal grant Construction was completed in 2003.

LAFOURCHE PARISH
 Non-Major Enterprise Funds
 Combining Statement of Net Assets

December 31, 2003

Schedule 12

	402	401	403	404	Total
	Sewerage District No. 3 Fund	Sewerage District No. 4 Fund	Sewerage District No. 14 Fund	Rita Community Sewerage Fund	
ASSETS					
Cash	\$ 3,528	\$ 2,107	\$ 1,131	\$ 3,013	\$ 9,779
Investment in LAMP	-	9	-	-	9
Accounts Receivable	3,679	2,410	1,071	442	7,602
Due from Other Agencies	3,679	-	1,071	443	5,193
Total Current Assets	<u>10,886</u>	<u>4,526</u>	<u>3,273</u>	<u>3,898</u>	<u>22,583</u>
PROPERTY, PLANT AND EQUIPMENT					
Property, Plant and Equipment	2,407,988	667,226	181,981	946,687	4,203,882
Less: Accumulated Depreciation	<u>(697,943)</u>	<u>(343,993)</u>	<u>(98,270)</u>	<u>(22,320)</u>	<u>(1,162,526)</u>
Plant, Property and Equipment, net	<u>1,710,045</u>	<u>323,233</u>	<u>83,711</u>	<u>924,367</u>	<u>3,041,356</u>
Total Assets	<u>\$ 1,720,931</u>	<u>\$ 327,759</u>	<u>\$ 86,984</u>	<u>\$ 928,265</u>	<u>\$ 3,063,939</u>
LIABILITIES					
Accounts Payable and Accrued Expenses	5,124	2,076	1,519	4,074	12,793
Retainage Payable	-	4,345	-	-	4,345
Due to Other Funds	20,649	20,008	32,141	1,992	74,790
Total Liabilities	<u>25,773</u>	<u>26,429</u>	<u>33,660</u>	<u>6,066</u>	<u>91,928</u>
NET ASSETS					
Invested in capital assets, net of related debt	1,710,045	323,233	83,711	924,367	3,041,356
Unrestricted (deficit)	<u>(14,887)</u>	<u>(21,903)</u>	<u>(30,387)</u>	<u>(2,168)</u>	<u>(69,345)</u>
Total Fund Equity	<u>1,695,158</u>	<u>301,330</u>	<u>53,324</u>	<u>922,199</u>	<u>2,972,011</u>
Total Liabilities and Fund Equity	<u>\$ 1,720,931</u>	<u>\$ 327,759</u>	<u>\$ 86,984</u>	<u>\$ 928,265</u>	<u>\$ 3,063,939</u>

See accompanying independent auditors' report.

LAFOURCHE PARISH
Non-Major Enterprise Funds

Combining Statement of Revenue, Expenses and Changes in Net Assets

Schedule 13

For the year ended December 31, 2003

	402	401	403	404	Total
	Sewerage District No. 3 Fund	Sewerage District No. 4 Fund	Sewerage District No. 14 Fund	Rita Community Sewerage Fund	
OPERATING REVENUES					
Sewerage Charges	\$ 51,784	\$ 29,080	\$ 14,589	\$ 5,068	\$ 100,521
OPERATING EXPENSES					
General Operating	60,202	44,230	19,176	5,589	129,197
Depreciation	96,319	26,689	7,280	22,320	152,608
Total Operating Expenses	156,521	70,919	26,456	27,909	281,805
OPERATING LOSS	(104,737)	(41,839)	(11,867)	(22,841)	(181,284)
CAPITAL CONTRIBUTIONS	-	-	-	214,143	214,143
CHANGES IN NET ASSETS	(104,737)	(41,839)	(11,867)	191,302	32,859
NET ASSETS:					
BEGINNING OF YEAR, RESTATED	1,799,895	343,169	65,191	730,897	2,939,152
END OF YEAR	\$ 1,695,158	\$ 301,330	\$ 53,324	\$ 922,199	\$ 2,972,011

See accompanying independent auditors' report.

LAFOURCHE PARISH
Non-Major Enterprise Funds
Combining Statement of Cash Flows

For the year ended December 31, 2003

Schedule 14

	402	401	403	404	Total
	Sewerage District No. 3 Fund	Sewerage District No. 4 Fund	Sewerage District No. 14 Fund	Rita Community Sewerage Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash Received from Customers	\$ 48,073	\$ 28,885	\$ 13,349	\$ 75,461	165,768
Cash Payments for Operating Costs	(44,560)	(42,404)	(12,227)	(72,450)	(171,641)
	<u>3,513</u>	<u>(13,519)</u>	<u>1,122</u>	<u>3,011</u>	<u>(5,873)</u>
Net Cash Provided by (Used in) Operating Activities					
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Capital Contributions Received	-	-	-	214,143	214,143
Acquisition and Construction of Capital Assets	-	-	-	(214,142)	(214,142)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
Net Cash Provided by Capital and Related Financing Activities					
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>3,513</u>	<u>(13,519)</u>	<u>1,122</u>	<u>3,012</u>	<u>(5,872)</u>
CASH AND CASH EQUIVALENTS: BEGINNING OF YEAR	<u>15</u>	<u>15,635</u>	<u>9</u>	<u>1</u>	<u>15,660</u>
END OF YEAR	<u>\$ 3,528</u>	<u>\$ 2,116</u>	<u>\$ 1,131</u>	<u>\$ 3,013</u>	<u>\$ 9,788</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:					
Operating Loss	\$ (104,737)	\$ (41,839)	\$ (11,867)	\$ (22,841)	\$ (181,284)
Adjustments to Reconcile Operating Loss to Net Cash Provided by (Used in) Operating Activities:					
Depreciation	96,319	26,689	7,280	22,320	152,608
Increase in Receivables	(3,711)	(195)	(1,240)	70,393	65,247
Increase (Decrease) in Liabilities:					
Accounts Payable	2,267	(28)	(1,525)	(66,894)	(66,180)
Due to Other Funds	13,375	1,854	8,474	33	23,736
	<u>\$ 3,513</u>	<u>\$ (13,519)</u>	<u>\$ 1,122</u>	<u>\$ 3,011</u>	<u>\$ (5,873)</u>
Net Cash Provided by (Used in) Operating Activities					

See accompanying independent auditors' report.

LAFOURCHE PARISH

INTERNAL SERVICE FUND

WORKER'S COMPENSATION FUND - The Worker's Compensation Fund is maintained by the Parish to account for the billing to the various funds and the payment of insurance premiums and worker's compensation coverage.

LAFOURCHE PARISH
Non-Major Internal Service Fund
Statement of Net Assets

December 31, 2003

		<u>500 Workers' Compensation Fund</u>
ASSETS		
Cash	\$	155,945
Investment in LAMP		472,654
Accounts Receivable		60,403
Due from Other Funds		60,164
Prepaid Expenses		<u>61,063</u>
 Total Assets	 \$	 <u><u>810,229</u></u>
 LIABILITIES AND RETAINED EARNINGS		
LIABILITIES		
Accounts and Other Payables	\$	4,013
Salaries and Benefits Payable		1,296
Claims Payable		<u>75,966</u>
 Total Liabilities		 <u>81,275</u>
 NET ASSETS		
Unrestricted		<u>728,954</u>
 Total Net Assets		 <u>728,954</u>
 Total Liabilities and Net Assets	 \$	 <u><u>810,229</u></u>

See accompanying independent auditors' report.

LAFOURCHE PARISH
Non-Major Internal Service Funds

Statement of Revenue, Expenses and Changes in Net Assets

For the year ended December 31, 2003

	500 Workers' Compensation Fund
OPERATING REVENUES	
Charges for Insurance	\$ 321,465
OPERATING EXPENSES	
Insurance Premiums	234,620
Claims	75,818
Other	150
Total Operating Expenses	310,588
OPERATING INCOME	10,877
NON-OPERATING REVENUES	
Investment Income	6,535
CHANGES IN NET ASSETS	17,412
NET ASSETS:	
BEGINNING OF YEAR	711,542
END OF YEAR	\$ 728,954

See accompanying independent auditors' report.

LAFOURCHE PARISH
Non-Major Internal Service Fund

Statement of Cash Flows

For the year ended December 31, 2003

	500 Workers' Compensation Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received for Premiums	\$ 308,355
Cash Payments for Operating Costs	<u>(281,395)</u>
Net Cash Provided by Operating Activities	<u>26,960</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Increase in Investment Income	<u>6,535</u>
Net Cash Provided by Investing Activities	<u>6,535</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	33,495
CASH AND CASH EQUIVALENTS	
BEGINNING OF YEAR	<u>595,104</u>
END OF YEAR	<u><u>\$ 628,599</u></u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:	
Operating Income	\$ 10,877
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities	
(Increase) Decrease in Assets:	
Receivables	26,106
Due from Other Funds	(13,110)
Other Assets	(2,194)
Increase in Liabilities:	
Claims Payable	899
Accounts, Salaries and Other Payables	<u>4,382</u>
Net Cash Provided by Operating Activities	<u><u>\$ 26,960</u></u>

See accompanying independent auditors' report.

LAFOURCHE PARISH

AGENCY FUNDS

PENSION AGENCY FUND - The Pension Agency Fund accounts for the assets from the discontinued Pension Trust Fund that the Parish holds on behalf of others as their agent. The funds are due to former participants of the Pension Trust Plan or for administration of the distribution of the former Pension Trust Fund's assets. The Fund is presently contributing to the employees' deferred compensation plan.

DRUG COURT JDC MATCH FUND – The Drug Court JDC Match Fund is for the establishment and maintenance of a drug court to provide intensive outpatient treatment services to male and female non-violent drug abusing adults who commit misdemeanors and certain felony crimes. The drug court is locally funded by the Seventeenth Judicial District.

DRUG COURT SUPREME COURT FUND – The Drug Court Supreme Court Fund is for the maintenance of a drug court to provide intensive outpatient treatment services to male and female non-violent drug abusing adults who commit misdemeanors and certain felony crimes. The drug court is funded by the State of Louisiana Supreme Court.

LAFOURCHE PARISH
Schedule of Non-Major Agency Funds

For the year ended December 31, 2003

	Beginning of Year	Additions	Deletions	End of Year
Pension Agency Fund - 600				
ASSETS				
Cash	\$ 1,296	12	-	\$ 1,308
LIABILITIES				
Due to Others	\$ 1,296	12	-	\$ 1,308
Drug Court JDC Match Fund - 120				
ASSETS				
Accounts Receivable	\$ 2,079	15,012	17,091	\$ -
Total Assets	\$ 2,079	15,012	17,091	\$ -
LIABILITIES				
Due to Other Funds	\$ 2,079	15,012	17,091	\$ -
Total Liabilities	\$ 2,079	15,012	17,091	\$ -
Drug Court Supreme Court Fund - 121				
ASSETS				
Accounts Receivable	\$ 66,754	508,174	518,677	\$ 56,251
LIABILITIES				
Accounts Payable	\$ -	21,362	18,973	\$ 2,389
Salaries and Benefits Payable	9,914	11,858	9,914	11,858
Due to Other Funds	56,840	599,653	614,489	42,004
Total Liabilities	\$ 66,754	632,873	643,376	\$ 56,251
TOTAL OF ALL FUNDS				
ASSETS				
Cash	\$ 1,296	12	-	\$ 1,308
Receivables	68,833	523,186	535,768	56,251
Total Assets	\$ 70,129	523,198	535,768	\$ 57,559
LIABILITIES				
Accounts Payable	\$ -	21,362	18,973	\$ 2,389
Salaries and Benefits Payable	9,914	11,858	9,914	11,858
Due to Other Funds	58,919	614,665	631,580	42,004
Due to Others	1,296	12	-	1,308
Total Liabilities	\$ 70,129	647,897	660,467	\$ 57,559

See accompanying independent auditors' report.

SCHEDULE 19

**LAFOURCHE PARISH
SCHEDULE OF COMPENSATION PAID TO PARISH COUNCIL MEMBERS
AND PARISH PRESIDENT
For The Year Ended December 31, 2003**

The schedule of compensation paid Parish members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the Parish members is included in the legislative expenditures of the General Fund. In accordance with Louisiana Revised Statute 33:1233, the Parish members have elected the monthly payment method of compensation. Under this method, Parish members receive \$800 per month in-lieu of per diem payments.

Compensation paid the Parish President is included in the executive expenditures of the General Fund. In accordance with the Lafourche Parish Home Rule Charter, the Parish President's salary is \$3,000 per month.

Charles Banta, III	\$ 9,600
Joseph Fertitta	9,600
L. Phillip Gouaux	9,600
Jerry Jones	9,600
Daniel Lorraine	9,600
Darryl Maribrough	9,600
Rhebb Rybiski	9,600
Roland Soignet	9,600
Lindel Toups	9,600
Gerald "Buzz" Breaux, Parish President	<u>36,000</u>
	<u>\$ 122,400</u>

See accompanying independent auditors' report.

LAFOURCHE PARISH

Single Audit Reports and Management Letter

December 31, 2003



Postlethwaite & Netterville

A Professional Accounting Corporation

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LAFOURCHE PARISH
Thibodaux, Louisiana

Single Audit Reports

December 31, 2003

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

To the President and Members of the
Lafourche Parish:

We have audited the basic financial statements of the Lafourche Parish (the Parish) as of and for the year ended December 31, 2003, and have issued our qualified report, which included an explanatory paragraph relating to component units not included in the financial statements, thereon dated June 4, 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 Parish's general purpose 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 instances of noncompliance that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 2003:1 through 2003:5.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Parish's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to management of the Parish in a separate letter dated June 4, 2004.

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

Postlethwaite & Netterville

Metairie, Louisiana
June 4, 2004





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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE MAJOR PROGRAM, ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

To the President and Members of the
Lafourche Parish:

Compliance

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

In our opinion, the Parish complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 2003. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 2003:6 and 2003:8.

Internal Control Over Compliance

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

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

Schedule of Expenditures of Federal Awards

We have audited the basic financial statements of the Parish as of and for the year ended December 31, 2003, and have issued our qualified report, which included an explanatory paragraph relating to component units not included in the financial statements, thereon dated June 4, 2004. Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

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

Postlethwaite & Nettville

Metairie, Louisiana
June 4, 2004



LAFOURCHE PARISH GOVERNMENT
Thibodaux, Louisiana

Schedule of Expenditures of Federal Awards

For the year ended December 31, 2003

Federal Granting Agency Recipient State Agency/ Grant Program	LAF FUND#	Grant Identification #	Federal Catalog #	Expenditures
DEPARTMENT OF AGRICULTURE:				
Pass through Payments:				
Department of Education				
Child & Adult Care Food Prog.	141	N/A	10.558	\$ 238,498
Child & Adult Care Food Prog.-Head Start (Substandard Housing Asst for Rural Economies)	131	N/A	10.558A	234,105
Total Department of Agriculture				<u>472,603</u>
DEPARTMENT OF COMMERCE:				
Pass through Payments:				
Department of Natural Resources:				
Coastal Zone Management Program	181	NA03N054190084	11.419	47,917
Total Department of Commerce				<u>47,917</u>
DEPARTMENT OF HOUSING & URBAN DEVELOPMENT:				
Pass through Payments:				
Division of Administration:				
Office of Community Development	192	056-5409	14.219	214,144
Morristown Sewerage Project	195	596975	14.219	77,541
Total Department of Housing & Urban Development				<u>291,685</u>
DEPARTMENT OF ENERGY:				
Pass through Payments:				
Department of Social Services:				
Weatherization Program-Louisiana Housing Finance Agency	143	DE-FG48-97R802	81.042	33,454
Total Department of Energy				<u>33,454</u>
FEDERAL EMERGENCY MANAGEMENT AGENCY:				
Pass through Payments:				
Dept of Public Safety & Corrections:				
Civil Defense - State & Local Emergency Management Assistance	001	N/A	83.503	19,095
Hazardous Material Emergency Planning	001	20.703	83.012	5,071
FEMA Acquisition/Elevation of Repetitive Loss	196	1380-DR-LA	83.548	551,532
Kraemer Force Drainage Project	322	1049-DR-LA	83.548	148,348
Hazard Mitigation	104	1380-DR-LA	83.545	88,066
Total Federal Management Agency				<u>812,112</u>
DEPARTMENT OF HEALTH & HUMAN SERVICES:				
Direct Payments:				
Head Start	130	06CH0396/13	93.600	3,284,451
Louisiana Housing Finance Agency (TANF-Temporary Assist. For Needy Families)	154	G-0201LATANF	93.558	3,024
Total Direct Payments				<u>3,287,475</u>
Pass Through Payments:				
Department of Labor:				
Community Services Block Grant	150	99P0043	93.569	166,079
Department of Social Services:				
Low Income Home Energy Assist. Prg./Heat Crisis (Louisiana Housing Finance Agency)	144	G-0301LALIEA	93.568	32,292
Total Pass Through Payments				<u>198,371</u>
Total Department of Health & Human Services				<u>3,485,846</u>
TOTAL FEDERAL AWARDS				<u>\$ 5,143,617</u>

LAFOURCHE PARISH
Thibodaux, Louisiana

Notes to Schedule of Expenditures of Federal Awards

December 31, 2003

(1) General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of the federal awards of the Lafourche Parish (Parish). The Parish reporting entity is defined in Note 2 to the primary government financial statements for the year ended December 31, 2003. All federal awards received directly from federal agencies are included on the schedule, as well as federal awards passed-through other government agencies.

(2) Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting, which is described in Note 2 to the Parish primary government financial statements for the year ended December 31, 2003.

(3) Relationship to General Purpose Financial Statements

Federal awards are reported in the Parish's Combined Statement of Revenues, Expenditures, and Changes in Fund Balances – All Governmental Fund Types for the year ended December 31, 2003 as follows:

General Fund – Federal Grants	\$ 24,166
Special Revenue Major Funds – Federal Grants	3,284,451
Special Revenue Non-Major Funds – Federal Grants	1,394,967
Capital Project Funds – Federal Grants	<u>225,889</u>
Total Governmental Funds	4,929,473
Enterprise Fund – Capital Grant	<u>214,144</u>
Total Federal Grants	<u>\$5,143,617</u>

(4) Relationship to Federal Financial Reports

Amounts reported in the Schedule of Expenditures of Federal Awards agree with the amounts reported in the related federal financial reports, except for the amounts in the Head Start Program. The following reconciliation includes item, "obligated" but not accrued as of December 31, 2003:

Federal Share of Head Start Expenses per Schedule of Expenditures of Federal Awards	\$3,284,451
Change in accrued expenses	<u>(337,604)</u>
Federal Share of Net Outlays per Standard Form 269	<u>\$2,946,847</u>

**LAFOURCHE PARISH
Thibodaux, Louisiana**

Schedule of Findings and Questioned Costs

Year ended December 31, 2003

SUMMARY OF AUDITORS' RESULTS

(1) Summary of Auditors' Results

- (a) The type of report issued on the basic financial statements: qualified opinion
- (b) Reportable conditions in internal control were disclosed by the audit of the basic financial statements: no; Material weaknesses: no
- (c) Noncompliance which is material to the basic financial statements: yes
- (d) Reportable conditions in internal control over major programs: no; Material weaknesses: no
- (e) The type of report issued on compliance for major programs: unqualified opinion
- (f) Any audit findings which are required to be reported under Section 510(a) of OMB Circular A-133: yes
- (g) Major programs:
 - Department of Health and Human Services: Head Start (CFDA number 93.600)
 - Department of Agriculture: Child & Adult Care Food Program (CFDA number 10.558)
 - Federal Emergency Management Agency (CFDA number 83.548)
- (h) Dollar threshold used to distinguish between Type A and Type B programs: \$300,000
- (i) Auditee qualified as a low-risk auditee under Section 530 of OMB Circular A-133: no

FINDINGS - FINANCIAL STATEMENTS AUDIT

INSTANCES OF NONCOMPLIANCE

Item 2003:1 Budget

Condition: No operating or capital budget for 2001, 2002 and 2003 was adopted by the Parish.

Criteria: The Parish Charter requires the preparation and adoption of a comprehensive budget prior to the end of the fiscal year in progress. Failure to adopt the budget prior to the end of the fiscal year is a violation of the Parish Charter as reported previously.

**LAFOURCHE PARISH
Thibodaux, Louisiana**

Schedule of Findings and Questioned Costs

Year ended December 31, 2003

Effect: The Parish is in violation of its Charter which requires operating and capital budgets to be adopted annually. The Parish is operating on the 2000 budget as required by its Charter.

Cause: The Parish has not approved the 2001, 2002 and 2003 operating and capital budgets.

Recommendation: The Parish should establish a budget schedule to ensure compliance with State law and Parish Charter requirements.

Parish Response: The Administration is in full agreement with this finding. It is the responsibility of the Parish Council to approve an annual budget. A budget for fiscal year ending December 31, 2004 was passed by the former Parish Council. The previous Administration forwarded a letter concerning the lack of approval of budgets for three consecutive years to the Louisiana Attorney General, the Louisiana Legislative Auditor, and the Louisiana Ethics Commission. Regarding your recommendation, the Administration has a budget schedule and it is documented in the Parish Home Rule Charter under Section V (Finance), Section A (Budgets).

Item 2003:2 Bond Covenants

Condition: Annual Required Budgets for 2001, 2002 and 2003 were not adopted by the Parish.

Criteria: Several bond issues of the Parish require by covenant that a budget be adopted prior to the start of a new fiscal year.

Effect: The Parish is not in compliance with these covenants.

Cause: The Parish did not approve 2001, 2002 and 2003 operating and capital budgets as required by the bond covenants.

Recommendation: The Parish should adopt an annual budget, as required by the Charter and the bond covenant requirements. Also, the Parish should consult with its bond attorney to determine the impact of the noncompliance with the bond covenant.

Parish Response: The Administration is in full agreement with this finding. The previous Administration brought this issue before the Council and the bonding attorney on several occasions. In letters sent by the previous Administration to the State agencies mentioned in the previous finding, the former Administration informed them that several bond issues of the Parish require by covenant that a budget be adopted prior to the start of a new fiscal year. The previous Council adopted a budget for the fiscal year ended December 31, 2004.

**LAFOURCHE PARISH
Thibodaux, Louisiana**

**Schedule of Findings and Questioned Costs
Year ended December 31, 2003**

Item 2003:3 Parish Transportation Fund

Condition: The Parish does not have a parishwide system of road administration. Currently, the Parish has only a capital improvement list pertaining to those areas that are funded with dedicated sales taxes.

Criteria: Louisiana Revised Statute 48:755 requires parishes to adopt a parishwide system of road administration inclusive of parish roads within municipalities.

Effect: The Parish is in violation of State law.

Cause: There is currently no designated Director of Public Works who would be responsible for the development of this parishwide system.

Recommendation: The Parish should determine if a person should be hired or a firm engaged to assist them in preparing a parish wide system of road administration.

Parish Response: The Administration does not have a road maintenance list for paving roads funded by the State of Louisiana Transportation Fund. Transportation funds are used for maintenance of bridges and roads and not for Capital Outlay improvement projects. In order to comply with the Parish Transportation Fund Act, the Parish is currently revising this list to reflect the changes that have taken place due to the extensive amount of parishwide street overlays. The Parish also hired a director of Public Works on January 26, 2004 to oversee the implementation of a parishwide system of road administration. In order to comply with State law, the Parish is in the process of using GASB 34 compliance as a basis for the parishwide system of road administration. The Parish will continue to review and update the road maintenance list.

Item 2003:4 Publication of Council Minutes

Condition: The Parish has not published minutes of Council meeting in a timely fashion.

Criteria: Louisiana Revised Statute 43:142 requires that the official proceedings be submitted to the official journal within ten days of the date of any meeting at which the official proceedings were conducted.

Effect: The Parish is in violation of State law.

Cause: The Parish has not submitted timely the official proceedings to the official journal.

Recommendation: The Parish should submit records of the official proceedings timely to the official journal.

LAFOURCHE PARISH
Thibodaux, Louisiana

Schedule of Findings and Questioned Costs

Year ended December 31, 2003

Item 2003:4 Publication of Council Minutes, continued

Parish Response: The Administration is in total agreement that the council minutes have not been published as required by the Home Rule Charter and State law. On February 26, 2004 a new Council Clerk was hired. The current (2004) official proceedings are being published on a timely basis. In addition, the previous official proceedings are being corrected and published.

Item 2003:5 Deficits in Fund Balance and Noncompliance with 5% Requirement

Condition: For the year ended December 31, 2003, two (2) special revenue funds and one (1) capital projects fund of the Parish had actual expenditures greater than budgeted expenditures. The budget was not amended prior to December 31, 2003 to authorize additional expenditures.

Criteria: The State of Louisiana (LA Rev Stat. 39:1310) requires a budget amendment to be adopted when the total actual expenditures and other uses, within a fund, exceed the total budgeted expenditures and other uses by five percent or more. LA Rev Stat. 39:1309 states that "the adopted budget shall be balanced with approved expenditures not exceeding the total of estimated funds available."

Questioned Cost: None.

Effect: Actual expenditures of two (2) special revenue funds and one (1) capital project fund exceeded budgeted expenditures and several funds have accumulated deficits.

Recommendation: The Parish should review the actual revenue and expenditure activity throughout the year to monitor compliance with the 5% variance requirements of state budget law. A meaningful budget process should occur whereby the actual needs of the various programs and activities of the Parish are considered. A plan to reduce accumulated deficits should be developed and approved by the Council immediately.

Parish Response: The Parish has adopted a budget for the fiscal year ended December 31, 2004 and will monitor compliance with the 5% variance requirements of state budget law.

**LAFOURCHE PARISH
Thibodaux, Louisiana**

Schedule of Findings and Questioned Costs

Year ended December 31, 2003

FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

COMPLIANCE

Federal program and specific federal award identification:

CFDA Title: FEMA

CFDA Numbers: 83.548

Federal award number: 1380-DR-LA

Item 2003:6 Interest Earned on Advances

Condition: The Parish earned interest on advanced funds from the Federal Emergency Management Agency (FEMA) and failed to remit to FEMA the income earned in excess of \$100 for the year.

Criteria: The Federal Emergency Management Agency's code of regulations requires that any interest earned on advances in excess of \$100 per year be remitted to the federal awarding agency promptly; however, at least quarterly.

Questioned Costs: None.

Context: The Parish earned interest in excess of \$100 on funds advanced by FEMA and failed to remit the interest to FEMA.

Effect: The Parish is in violation of Federal law and the FEMA code of regulations.

Cause: The Parish did not adhere to federal regulations as it relates to interest earned on advances.

Recommendation: We recommend that the Parish remit all interest earned on FEMA advances in order to maintain compliance with the FEMA code of regulations and to maintain compliance with federal law pertaining to FEMA funded projects.

Parish Response: The Parish will remit interest earned on all advances received from FEMA, or any other federal awarding agency as outlined in the federal guidelines.

Contact Person: Ms. Charlotte Randolph, Parish President

Telephone #: 1-800-834-8832

**LAFOURCHE PARISH
Thibodaux, Louisiana**

Schedule of Findings and Questioned Costs

Year ended December 31, 2003

Federal program and specific federal award identification:

CFDA Title: FEMA

CFDA Numbers: 83.548

Federal award number: 1049-DR-LA

Item 2003:7 Project Closeout Report

Condition: The Kraemer Drainage project was completed September 30, 2003. The Parish failed to comply with Title 44:13.50 of the Federal Emergency Management Agency (FEMA) code of regulations which requires that a project closeout report be prepared and submitted to FEMA within 90 days after the expiration or termination of the grant.

Criteria: The FEMA of regulations requires that a project closeout report be prepared and submitted to FEMA within 90 days after the expiration or termination of the grant.

Questioned Costs: None.

Context: The Kraemer Drainage project was completed and the Parish failed to complete and submit the project closeout report to FEMA within 90 days as required by the FEMA code of regulations.

Effect: The Parish is in violation of the FEMA code of regulations and federal law.

Cause: The Parish did not adhere to federal regulations as it relates to closing of the grant.

Recommendation: We recommend that the Parish adhere to the FEMA code of regulations to be in compliance with federal law pertaining to FEMA funded projects.

Parish Response: This was an oversight and the Administration will follow the recommendation regarding the preparation and submission of project close out reports to FEMA within 90 days after the expiration or termination of the grant.

Contact Person: Ms. Charlotte Randolph, Parish President
Telephone #: 1-800-834-8832

**LAFOURCHE PARISH
Thibodaux, Louisiana**

Schedule of Findings and Questioned Costs

Year ended December 31, 2003

Federal program and specific federal award identification:

CFDA Title: FEMA

CFDA Numbers: 83.548

Federal award number: 1049-DR-LA and 1380-DR-LA

Item 2003:8 Davis-Bacon Act

Condition: The Parish failed to monitor contractors' compliance with the Davis-Bacon Act requirements as set forth in the FEMA Code of Regulations Title 44:13.36 I5.

Criteria: The Federal Emergency Management Agency's code of regulations Title 44:13.36 I5 requires the compliance with the Davis-Bacon Act (40 U.S.C. 276a to 276a-7) as supplemented by Department of Labor regulations (29 CFR Part 5) on construction contracts in excess of \$2,000 awarded by grantees and subgrantees when required by Federal grant program legislation.

In addition, the Davis-Bacon Act as regulated by the Department of Labor 29 CFR 5.5 Subpart A regarding contract provisions and related matters states that the contractor or subcontractor shall insert in any subcontracts the clauses contained in 29 CFR 5.5(a)(1) through (10) and such other clauses as the Federal agency may by appropriate instructions require, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in 29 CFR 5.5.

Questioned Costs: None.

Context: The Parish was not aware of the FEMA Code of Regulations, the U.S. Department of Labor employment standards, or the compliance requirements for CFDA 83.548 regarding the Davis-Bacon Act; thereby causing the Parish to be unable to effectively manage the compliance of the Davis-Bacon Act.

Effect: The Parish is in violation of Federal law.

Cause: The Parish did not adhere to federal regulations as it relates to contract provisions regarding the Davis-Bacon Act.

Recommendation: We recommend that the Parish monitor contractor's compliance with the Davis-Bacon Act as it applies to federal programs.

Parish Response: The Parish will monitor contractors' and subcontractors' compliance with the Davis-Bacon Act as it applies to federal programs. The Parish will include in all bid specifications the contractor's requirement to submit documentation to the Parish which supports compliance with the Davis-Bacon Act.

Contact Person: Ms. Charlotte Randolph, Parish President
Telephone #: 1-800-834-8832

LAFOURCHE PARISH
Thibodaux, Louisiana

Schedule of Findings and Questioned Costs

Year ended December 31, 2003

OTHER REPORTS

Federal program and specific federal award identification:

CFDA Title: Head Start – Administration for Children and Families

CFDA Number: 93.600

The Parish received a report from the Department of Health & Human Services Administration for Children and Families dated April 24, 2004 for the on-site monitoring review regarding the Lafourche Parish Government Head Start program. This review was conducted March 1, 2004 through March 5, 2004 for the 2003 fiscal year. This report noted several deficiencies. The Parish took corrective action to clear the deficiencies noted in the monitoring review. A Quality Improvement Plan was developed and submitted to the Regional Office in accordance with 45 CFR 1304.60(c).

Federal program and specific federal award identification:

CFDA Title: Weatherization Assistance for Low-Income Persons

CFDA Number: 81.042

The Parish received a report on January 15, 2004 from the State of Louisiana Housing Finance Agency for their December 2 and 3, 2003 monitoring review regarding Weatherization Assistance Program. This report noted several deficiencies. The Parish took corrective action to clear the deficiencies noted in the monitoring review. In a letter dated May 26, 2004 the Louisiana Housing Finance Agency communicated to the Parish the need for further action to clear deficiencies.

LAFOURCHE PARISH
Thibodaux, Louisiana

Summary Schedule of Prior Audit Findings

Year ended December 31, 2002

Item 2002:1 Budget

Condition: No operating or capital budget for 2001 and 2002 was adopted by the Parish.

Current Status: Similar finding has been noted in current year (2003:1)

Item 2002:2 Bond Covenants

Condition: Annual Required Budgets for 2001 and 2002 were not adopted by the Parish.

Current Status: Similar finding has been noted in current year (2003:2)

Item 2002:3 Parish Transportation Fund

Condition: The Parish does not have a parish-wide system of road administration. Currently, the Parish has only a capital improvement list pertaining to those areas that are funded with dedicated sales taxes.

Current Status: Similar finding has been noted in current year (2003:3)

Item 2002:4 Publication of Council Minutes

Condition: The Parish has not published minutes of Council meeting in a timely fashion.

Current Status: Resolved.

Item 2002:5 Official Journal

Condition: The Council did not select a newspaper to serve as the official journal.

Current Status: Resolved.

Item 2002:6 Deficits in Fund Balance and Noncompliance with 5% Requirement

Condition: For the year ended December 31, 2003, four (4) special revenue funds and two (2) capital projects funds of the Parish had actual expenditures greater than budgeted expenditures. The budget was not amended prior to December 31, 2002 to authorize the additional expenditures.

Current Status: Similar finding has been noted in current year (2003:6).

LAFOURCHE PARISH
Thibodaux, Louisiana

Summary Schedule of Prior Audit Findings

Year ended December 31, 2002

Item 2002:7 Workers' Compensation

Condition: The current rates charged to Federal grants for workman's compensation charges are not based on sound actuarial principles.

Current Status: Resolved. The Parish hired an actuary in 2003 to review the current workers' compensation rates and to determine the required reserves to be retained by the Parish.

Item 2002:8 Food Service Agreement

Condition: The Parish has one food service agreement without proper bid procedures.

Current Status: Resolved.

Item 2001:1 Workers' Compensation

Condition: Workers' compensation reinsurance reimbursements have not been claimed by the Parish in several years. The Parish currently outsources the claims management to a third party administrator (TPA) of the workers' compensation insurance fund. Based on inquiries, no reimbursements have been filed for claims in excess of \$10,000 for at least the past four years. The Parish is currently working with the TPA to determine amounts owed as reimbursement to the Parish; these amounts are anticipated to be in excess of \$200,000. In addition, the rates used by the Parish for premium charges related to workers' compensation coverage were not updated timely. Also, the Parish has a fund balance in the workers' compensation fund of approximately \$450,000.

Current Status: Resolved.

Item 2001:5 Budget

Condition: No operating or capital budget for 2001 has been adopted by the Parish.

Current Status: Similar finding has been noted in current year (2003:1).

Item 2001:6 Bond Covenants

Condition: Annual required budgets for 2002 and 2001 were not adopted by the Parish.

Current Status: Similar finding has been noted in current year (2003:2).

LAFOURCHE PARISH
Thibodaux, Louisiana

Summary Schedule of Prior Audit Findings

Year ended December 31, 2002

Item 2001:7 Parish Transportation Fund

Condition: As reported by the prior year auditors, the Council does not have a parishwide system of road administration. Currently, the Parish has only a capital improvement list pertaining to those areas that are funded with dedicated sales taxes.

Current Status: Similar finding has been noted in current year (2003:3).

Item 2001:8 Publication of Council Minutes

Condition: The Parish has not published minutes of Council meeting in a timely fashion.

Current Status: Resolved.

Item 2001:10 Official Journal

Condition: The Council did not select a newspaper to serve as the official journal prior June 30, 2001.

Current Status: Resolved.



Postlethwaite & Netterville

A Professional Accounting Corporation
Associated Offices in Principal Cities of the United States
www.pncpa.com

June 4, 2003

The Parish Council
Lafourche Parish, Louisiana:

Gentlemen:

We have audited the financial statements of the Lafourche Parish (the Parish) as of and for the year ended December 31, 2003 and have issued our qualified report, which included an explanatory paragraph relating to component units not included in the financial statements, thereon dated June 4, 2004. In planning and performing our audit of the financial statements of the Parish, we considered the Parish's internal control in order to determine our auditing procedures for the purpose of expressing our opinion on financial statements and not to provide assurance on internal control. We have not considered the internal control since the date of our report.

During our audit we noted certain matters involving internal control and other operational matters that are presented for discussion. These comments and recommendations, all of which have been discussed with the appropriate members of management, are intended to improve the internal control structure or result in other operating efficiencies and are listed in Appendix A to this report.

Our audit procedures are designed primarily to enable us to form an opinion on the financial statements and, therefore, may not bring to light all weaknesses in policies and procedures that may exist. We aim, however, to use our knowledge of the Parish's organization gained during our work to make comments and suggestions that we hope will be useful to you. The status of comments from the prior years is included in Appendix B. Certain of these comments are in progress. Appendix C contains Parish Response to the current year comments.

We would be pleased to discuss these comments and recommendations with you at any time.

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

Very truly yours,

CURRENT YEAR COMMENTS

2003:10 Assessment Reconciliation

The reconciliation of the assessment for four funds has not been performed. The Parish needs to reconcile the amount received from property owners to pay debt service on the paving certificates on a monthly basis to ensure proper accounting and record transactions in accordance with accounting principles generally accepted in the United States of America.

2003:11 Information System and Other Related Comments

In 2002 and 2001 we noted several comments that have not been addressed. To better ensure the operations of a secured and ongoing environment, we recommend that the Council address comments of the previous two years immediately. Additional comments include:

- Currently, the accounting system allows full access to accounting modules to individuals who do not require access to all modules. An updated accounting system would allow for user restrictions to certain accounting modules.
- Outdated hardware and accounting software is being utilized by the Parish. The Parish should develop a plan to overhaul the current hardware and software in order to promote operating efficiency.

STATUS OF PRIOR YEAR COMMENTS

2002:09 Assessment Reconciliation

The reconciliation of the assessment for four funds has not been performed. The Parish needs to reconcile the amount received from property owners to pay debt service on the paving certificates on a monthly basis to ensure proper accounting and record transactions in accordance with accounting principles generally accepted in the United States of America.

Status: Not resolved.

2002:10 Information System and Other Related Comments

In the prior year, we noted several comments that have not been addressed. To better ensure the operations of a secured and ongoing environment, we recommend that the Council address the previous comments immediately. Additional comments include:

- Currently, the accounting system does not have secure passwords for access. We recommend that this situation be reviewed and resolved by the Council. Passwords should be implemented immediately.
- Significant hardware and software improvements are needed. The Parish should develop a technology plan and necessary funding.

Status: In progress.

2001:12 Construction Oversight

The Council has authorized engineers to oversee construction projects. However, it was our understanding that these engineers receive a financial award from the construction companies providing services to the Parish. If this is correct, this situation should be stopped immediately. We recommend the Parish assess the situation and take the appropriate action. We also recommend that the Parish require all contractors/engineers to sign a conflict of interest statement.

Status: In progress.

2001:14 Maintenance Inventory

We recommend that inventory at the Maintenance Department be tracked and recorded at least monthly to ensure adequate safeguarding of assets.

Status: In progress.

2001:16 Reporting Model Changes

After years of study and consideration of the needs of users of government financial statements, the Governmental Accounting Standards Board (GASB) issued its revolutionary new reporting model in June 1999. The new model dramatically changes the presentation of governments' external financial statements. In the GASB's view, the objective of the new model is to enhance the clarity and usefulness of government financial statements to the citizenry, oversight bodies, investors and creditors. It will substantially affect the Board's financial data accumulation and financial statement presentation processes. Some of the key aspects of the changes follow:

Management's Discussion and Analysis (MD&A) – A comprehensive MD&A will now be included as required supplementary information. The MD&A will introduce the financial statements by presenting an analysis of the government's financial performance for the year and its financial position at year-end. The MD&A will be in addition to the transmittal letter currently required for Government Finance Officers Association (GFOA) award candidates, such as your Parish, but we expect that the GFOA will make changes in their requirements so as to avoid any duplication between the two documents.

Statement of Activities – Governments will now be required to use a "net program cost" format for the entity-wide statements instead of a traditional operating statement. This new format groups revenues and expenses by functional categories (such as public safety, public works, etc.). The purpose of the new statement is to inform readers about the cost of specific functions and the extent to which they are financed with program revenues or general revenues of the government (such as tax revenues). Governments will have the option of reporting both direct and indirect program costs. We recommend that the Parish immediately begin assessing the impact of these required future changes.

Status: Resolved.

2001:17 Internal Audit Function

No internal audit function exists.

The Parish should consider establishing an internal audit function that would report independently to the Parish but would work with the Parish President in assessing compliance policies and procedures.

Status: Resolved.

2001:18 Information System and Other Related Comments

The following matters are submitted for consideration relating to the information system:

- A formal network diagram and current documentation does not exist. One should be developed in order to ensure adequate documentation exists should a problem arise. A formal network diagram and current documentation should be created and stored off site for disaster recovery planning.

Appendix B, Continued

- While backup procedures are currently in place, the restoration of data from backup tapes has been performed on an as needed basis only. A routine scheduled testing procedure is not in place. Additionally, backup tapes are capturing "data" only.

Also, a full backup including the operating system and data file should be part of a routine backup procedure. Additionally, a routine backup test should be performed and documented at least on a monthly basis to insure quality backups are being performed. A written document backup procedure should be made outlining the procedures for creating a backup.

- Currently there are several dialup modem lines being used. This process is to facilitate the Head Start, regional barns and coastal zone offices to connect to the main server.

A review should be performed on the feasibility of creating a direct connection to the server for the future. Dialup lines are un-secure connections and allow the possible threat of unauthorized users to make the connection to the server. At the very least, the dial up line should have a call back feature for security.

- A disaster recovery plan is nonexistent for IS. At the very least, server documentation, configuration, backed up data and copies of license agreements should be stored off site. A complete disaster recovery/business continuity plan should be created and approved by management.
- The Parish has a Microsoft Access database designed for permits. This database was located on a workstation hard drive and shared through a peer-to-peer connection. The Access database should be transferred to the NT server and rights issued accordingly. A peer-to-peer connection combined with older versions of Windows is a security concern. Passwords can be easily acquired through Windows 95 workstations.
- Currently there is not an email source for the Parish. Most employees have personal email accounts using Yahoo or Hotmail servers. Using outside mail servers offers a high risk of vulnerabilities to viruses. A mail sever should be installed and the outside mail servers should be discontinued.
- The Parish has very few policies and procedures in regards to the information system. We strongly recommend that a policies and procedures manual be implemented and followed.

Status: In progress.

PARISH RESPONSE TO CURRENT YEAR COMMENTS

2003:10 Assessment Reconciliation

The reconciliation of the assessment for four funds has not been performed. The Parish needs to reconcile the amount received from property owners to pay debt service on the paving certificates on a monthly basis to ensure proper accounting and record transactions in accordance with accounting principles generally accepted in the United States of America.

Parish Response: In progress.

2003:11 Information System and Other Related Comments

In 2002 and 2001 we noted several comments that have not been addressed. To better ensure the operations of a secured and ongoing environment, we recommend that the Council address comments of the previous two years immediately. Additional comments include:

- Currently, the accounting system allows full access to accounting modules to individuals who do not need access to all modules. An updated accounting system would allow for user restrictions to certain accounting modules.
- Outdated hardware and accounting software is being utilized by the Parish. The Parish should develop a plan to overhaul the current hardware and software in order to promote operating efficiency.

Parish Response: The new administration has conducted a parish wide technology assessment survey and is in the process of tabulating the results. The data generated by this survey will identify the various departmental needs and become the basis for the parish technology plan. As part of the plan, the Council has approved the Administration's request to create a technology section within the Executive Department.