

**RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA, LOUISIANA
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
JUNE 30, 2004**

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

Release Date 9-29-04

RED RIVER PARISH SALES & USE TAX COMMISSION
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JUNE 30, 2004

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RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA, LOUISIANA
FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

Legislative Auditor
P. O. Box 94397
Baton Rouge, LA 70804-9397

AFFIDAVIT

Personally came and appeared before the undersigned authority, Elaine Moore, Administrator of the Red River Parish Sales & Use Tax Commission, who duly sworn, deposes and says, that the financial statements herewith given presents fairly the financial position of the Red River Parish Sales & Use Tax Commission at June 30, 2004 and the results of its operations for the year then ended in accordance with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board.

Elaine Moore
Administrator

Sworn to and subscribed before me, this 15th day of September, 2004.

Louis C. Hines
NOTARY PUBLIC
ID# 15689

HINES, JACKSON & HINES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS
P.O. BOX 2188 - 133 EAST FIFTH STREET
NATCHITOCHE, LA 71457

FRANK S. HINES, CPA
LEWIS C. HINES, CPA
E. MERLIN SQUYRES, CPA
JAY H. SHEFFIELD, CPA

A. NEILL JACKSON, JR., CPA
1926-1999

Telephone (318) 352-6458
FAX (318) 352-0404
office@hjhcpa.biz

INDEPENDENT AUDITORS' REPORT

Red River Parish Sales & Use Tax Commission
Post Office Box 570
Coushatta, Louisiana 71019

We have audited the accompanying basic financial statements of the Red River Parish Sales & Use Tax Commission, Coushatta, Louisiana, as of and for the year ended June 30, 2004, as listed in the table of contents. These financial statements are the responsibility of management of the Red River Parish Sales & Use Tax Commission. 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Red River Parish Sales & Use Tax Commission as of June 30, 2004, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued a report dated September 15, 2004, on our consideration of the Red River Parish Sales & Use Tax Commission'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 the budgetary information on pages 3 through 7 and 21, respectively, are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was made for the purpose of forming an opinion on the basic financial statements of the Red River Parish Sales & Use Tax Commission taken as a whole. The accompanying supplemental schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Hines, Jackson & Hines
Natchitoches, Louisiana
September 15, 2004

RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA, LOUISIANA
MANAGEMENT'S DISCUSSION, AND ANALYSIS
JUNE 30, 2004

The Management's Discussion and Analysis of the Red River Parish Sales & Use Tax Commission's financial performance presents a narrative overview and analysis of Red River Parish Sales & Use Tax Commission's financial activities for the year ended June 30, 2004. This document focuses on the current year's activities, resulting changes, and currently known facts. Please read this document in conjunction with the Red River Parish Sales & Use Tax Commission's financial statements, which begin on page 8.

FINANCIAL HIGHLIGHTS

- 1) The Red River Parish Sales & Use Tax Commission had cash of \$77,939 at June 30, 2004 which represents an increase of \$470 from prior year end.
- 2) The Red River Parish Sales & Use Tax Commission had accounts receivable of \$5 at June 30, 2004 which represents a decrease of \$7 from prior year end.
- 3) The Red River Parish Sales & Use Tax Commission had accounts payable and accruals of \$816 at June 30, 2004 which represents an increase of \$410 from prior year end.
- 4) The Red River Parish Sales & Use Tax Commission had total revenues of \$45,581 for the year ended June 30, 2004 which represents a decrease of \$341 from prior year.
- 5) The Red River Parish Sales & Use Tax Commission had intergovernmental revenues of \$45,105 for the year ended June 30, 2004 which represents a decrease of \$21 from prior year.
- 6) The Red River Parish Sales & Use Tax Commission had fees and other charges of \$0 for the year ended June 30, 2004 which represents no change from prior year.
- 7) The Red River Parish Sales & Use Tax Commission had personal services expenses of \$33,736 for the year ended June 30, 2004 which represents an increase of \$8,142 from prior year.
- 8) The Red River Parish Sales & Use Tax Commission had operating services expenses of \$3,198 for the year ended June 30, 2004 which represents a decrease of \$525 from prior year.
- 9) The Red River Parish Sales & Use Tax Commission had capital asset purchases of \$7,427 for the year ended June 30, 2004 which represents an increase of \$7,427 from prior year.
- 10) The Red River Parish Sales & Use Tax Commission had debt services payments of \$0 for the year ended June 30, 2004 which represents no change from prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

The following graphic illustrates the minimum requirements for the Red River Parish Sales & Use Tax Commission as established by Governmental Accounting Standards Board Statement 34, Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments.

RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA, LOUISIANA
MANAGEMENT'S DISCUSSION, AND ANALYSIS (CONTINUED)
JUNE 30, 2004

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Management Discussion and Analysis

Basic Financial Statements

Required Supplementary Information
(Other than MD&A)

These financial statements consist of three sections - Management's Discussion and Analysis (this section), the basic financial statements (including the notes to the financial statements), and required supplementary information.

Basic Financial Statements

This annual report consist of a series of financial statements. The Statement of Net Assets and the Statement of Activities (on pages 8 and 9) provide information about the activities of the Red River Parish Sales & Use Tax Commission as a whole and present a longer-term view of the Commission's finances. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The Statement of Net Assets and the Statement of Activities report the Commission's net assets and changes in them. You can think of the Commission's net assets, the difference between assets and liabilities, as one way to measure the Commission's financial health, or financial position. Over time, increases or decreases in the Commission's net assets are one indicator of whether its financial health is improving or deteriorating.

Fund financial statements start on page 10. All of the Commission's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short term view of the Commission's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Commission's activities as well as what remains for future spending.

RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA, LOUISIANA
MANAGEMENT'S DISCUSSION, AND ANALYSIS (CONTINUED)
JUNE 30, 2004

FINANCIAL ANALYSIS OF THE ENTITY

Statement of Net Assets
As of Year End

	<u>2004</u>	<u>2003</u>
Current and other assets	\$ 78,181	\$ 77,719
Capital assets, net	<u>5,941</u>	<u>79</u>
Total Assets	<u>\$ 84,122</u>	<u>\$ 77,798</u>
Other liabilities	\$ 816	\$ 406
Compensated absences payable	<u>8,421</u>	<u>5,866</u>
Total Liabilities	<u>9,237</u>	<u>6,272</u>
Net assets		
Investment in capital assets, net of related debt	5,941	79
Unrestricted	<u>68,944</u>	<u>71,447</u>
Total Net Assets	<u>74,885</u>	<u>71,526</u>
Total Liabilities and Net Assets	<u>\$ 84,122</u>	<u>\$ 77,798</u>

Net assets of the Red River Parish Sales & Use Tax Commission's increased by \$3,359 or 4.70% from the previous fiscal year. The increase is the result of operating and non-operating revenues exceeding expenses during the fiscal year ended 2004 (See table below).

Statement of Activities
For the Year Ended

	<u>2004</u>	<u>2003</u>
General government Expenses	\$ (42,222)	\$ (36,059)
Program revenues		
Operating grants and contributions	<u>45,105</u>	<u>45,126</u>
Subtotal	2,883	9,067
General revenues	<u>476</u>	<u>796</u>
Change in net assets	<u>\$ 3,359</u>	<u>\$ 9,863</u>

The Red River Parish Sales & Use Tax Commission's total revenues decreased by \$341 or 0.74% from the previous year. The total cost of all programs and services increased by \$6,163 or 17.09% from the previous year.

RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA, LOUISIANA
MANAGEMENT'S DISCUSSION, AND ANALYSIS (CONTINUED)
JUNE 30, 2004

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2004, the Red River Parish Sales & Use Tax Commission had \$5,941, net of depreciation, invested in a broad range of capital assets (See table below). This amount represents a net increase (including additions and deductions) of \$5,862 or 7,420.25% from the previous year.

Capital Assets at Year End
(Net of Depreciation)

	2004	2003
Furniture, fixtures and equipment	\$ 5,941	\$ 79
Total	\$ 5,941	\$ 79

This year's major additions included:

Furniture, fixtures and equipment \$ 7,427

This year's major retirements included:

None.

Debt

The Red River Parish Sales & Use Tax Commission had \$8,421 in compensated absences payable at year end compared to \$5,866 at the previous year end, an increase of \$2,555 or 43.56% as shown in the table below.

Outstanding Debt at Year End

	2004	2003
Compensated absences payable	\$ 8,421	\$ 5,866
Totals	\$ 8,421	\$ 5,866

New debt during the year included:

None.

RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA, LOUISIANA
MANAGEMENT'S DISCUSSION, AND ANALYSIS (CONTINUED)
JUNE 30, 2004

VARIATIONS BETWEEN ORIGINAL AND FINAL BUDGETS

Actual revenues were \$6 more than budgeted amounts due to miscellaneous revenues being more than expected.

Actual expenditures were \$546 less than budgeted amounts due to capital outlay being less than expected.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Red River Parish Sales & Use Tax Commission's elected and appointed officials considered the following factors and indicators when setting next year's budget, rates, and fees. These factors and indicators include:

- 1) Intergovernmental revenues (based on personal and operating expenses)
- 2) Interest income
- 3) Miscellaneous income

The Red River Parish Sales & Use Tax Commission does not expect any significant changes in next year's results as compared to the current year.

CONTACTING THE RED RIVER PARISH SALES & USE TAX COMMISSION'S MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Red River Parish Sales & Use Tax Commission's finances and to show the Red River Parish Sales & Use Tax Commission's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Elaine Moore, Administrator, Post Office Box 570, Coushatta, Louisiana 71019.

EXHIBIT A

RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA, LOUISIANA
STATEMENT OF NET ASSETS
JUNE 30, 2004

ASSETS	
Current Assets	
Cash	\$ 77,939
Accounts receivable	5
Prepaid expense	<u>237</u>
Total Current Assets	78,181
Noncurrent Assets	
Capital assets, net	<u>5,941</u>
Total Assets	<u>\$ 84,122</u>
LIABILITIES AND NET ASSETS	
LIABILITIES	
Current Liabilities	
Accounts payable and accruals	\$ <u>816</u>
Total Current Liabilities	816
Noncurrent Liabilities	
Compensated absences payable	<u>8,421</u>
Total Liabilities	9,237
NET ASSETS	
Investment in capital assets, net of related debt	5,941
Unrestricted	<u>68,944</u>
Total Net Assets	<u>74,885</u>
Total Liabilities and Net Assets	<u>\$ 84,122</u>

The accompanying notes are an integral part of this statement.

EXHIBIT B

RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2004

	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Revenue and Changes in Net Assets</u>
General Government					
Personal services	\$ 33,736	\$ 0	\$ 37,426	\$ 0	\$ 3,690
Travel	241	0	267	0	26
Operating services	3,198	0	3,549	0	351
Supplies	882	0	978	0	96
Professional services	2,600	0	2,885	0	285
Depreciation	1,565	0	0	0	(1,565)
Total General Government	<u>\$ 42,222</u>	<u>\$ 0</u>	<u>\$ 45,105</u>	<u>\$ 0</u>	<u>2,883</u>

General Revenues:	
Interest income	457
Miscellaneous	19
Total General Revenues	<u>476</u>

Change in Net Assets 3,359

Net Assets, Beginning of year as restated 71,526

Net Assets, End of year \$ 74,885

The accompanying notes are an integral part of this statement.

RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA, LOUISIANA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2004

ASSETS	
Cash	\$ 77,939
Accounts receivable	5
Prepaid expense	<u>237</u>
Total Assets	<u>\$ 78,181</u>
LIABILITIES AND FUND BALANCES	
LIABILITIES	
Accounts payable and accruals	\$ <u>816</u>
Total Liabilities	816
FUND BALANCES	
Unrestricted	<u>77,365</u>
Total Fund Balances	<u>77,365</u>
Total Liabilities and Fund Balances	<u>\$ 78,181</u>

RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
JUNE 30, 2004

Total Fund Balances for Governmental Funds (Exhibit C)	\$	77,365
Total Net Assets reported for governmental activities in the statement of net assets is different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Those assets consist of:		
Furniture, fixtures and equipment, net of \$5,387 in accumulated depreciation	\$	5,941
Total Capital Assets		5,941
Long-term liabilities, including compensated absences payable, are not due and payable in the current period and therefore are not reported in the fund liabilities.		<u>(8,421)</u>
Total Net Assets of Governmental Activities (Exhibit A)	\$	<u>74,885</u>

RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL
FUNDS
FOR THE YEAR ENDED JUNE 30, 2004

REVENUES	
Intergovernmental revenues	\$ 45,105
Interest income	457
Miscellaneous	<u>19</u>
Total Revenues	45,581
EXPENDITURES	
General government	
Personal services	31,181
Travel	241
Operating services	3,198
Supplies	882
Professional services	2,600
Capital outlay	<u>7,427</u>
Total Expenditures	<u>45,529</u>
Excess/(Deficiency) Of Revenues Over Expenditures	52
Fund Balance, Beginning of year	<u>77,313</u>
Fund Balance, End of year	<u>\$ 77,365</u>

RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA, LOUISIANA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2004

Net Change in Fund Balances-Total Governmental Funds (Exhibit E) \$ 52

The change in Net Assets reported for governmental activities in the statement of activities is different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays (\$7,427) exceeds depreciation (\$1,565) in the current period. 5,862

Some expense reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. (2,555)

Change in Net Assets of Governmental Activities (Exhibit B) \$ 3,359

RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA, LOUISIANA
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
JUNE 30, 2004

Assets	
Cash	\$ <u>20</u>
Total Assets	\$ <u>20</u>
 Liabilities	
Due to other governments	\$ <u>20</u>
Total Liabilities	\$ <u>20</u>

The accompanying notes are an integral part of this statement.

RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2004

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As provided in Article VII, Section 3 of the Louisiana Constitution of 1974, the Red River Parish Sales and Use Tax Commission serves as the collector of sales and use taxes for the parish. The Commission is comprised of five members, one selected from the Red River Parish School Board, Red River Parish Police Jury, Red River Parish Sheriff's Office, the Town of Coushatta, and the Village of Hall Summit, in accordance with a joint agreement of the agencies. The commissioners serve for indefinite terms and without benefit of compensation.

A. Basis of Accounting

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. The GASB has issued a Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification). This Codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments. The accompanying financial statements have been prepared in accordance with such principles.

The accompanying financial statements of the Red River Parish Sales & Use Tax Commission consist only of the transactions and activity of the Red River Parish Sales & Use Tax Commission as authorized by Louisiana statutes.

Basis of accounting refers to when revenues and expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The accounts of the Red River Parish Sales & Use Tax Commission are maintained in accordance with applicable statutory provisions as follows:

Revenue Recognition

Revenues are recognized using the full accrual basis of accounting; therefore, revenues are recognized in the accounting period in which they are earned and become measurable.

Expense Recognition

Expenses are recognized on the accrual basis; therefore, expenses, including salaries, are recognized in the period incurred, if measurable.

B. Budgetary Accounting

Formal budgetary accounting is employed as a management control. The Red River Parish Sales & Use Tax Commission prepares and adopts a budget prior to July 1 of each year for its general fund in accordance with Louisiana Revised Statutes. The operating budget is prepared based on prior year's revenues and expenditures and the estimated increase therein for the current year, using the full accrual basis of accounting. The Commission amends its budget when projected revenues are expected to be less than budgeted revenues by five percent or more and/or projected expenditures are expected to be more than budgeted amounts by five percent or more. All budget appropriations lapse at year end.

C. Cash and Cash Equivalents

Consistent with GASB Statement 9, the Red River Parish Sales & Use Tax Commission defines cash and cash equivalents as follows:

RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2004

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Cash and Cash Equivalents (Continued)

Cash - includes not only currency on hand but also demand deposits with banks or other financial institutions and other kinds of accounts that have the general characteristics of demand deposits in that the customer may deposit additional funds at any time and also effectively may withdraw funds at any time without prior notice or penalty.

Cash equivalents - includes all short term, highly liquid investments that are readily convertible to known amounts of cash and are so near their maturity that they present insignificant risk of changes in value because of interest rates. Generally, only investments which, at date of purchase, have a maturity date no longer than three months qualify under this definition.

D. Receivables

All receivables are reported at their gross value and, where applicable, are reduced by the estimated portion that is expected to be uncollectible.

E. Bad Debts

Uncollectible accounts receivable are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable. At June 30, 2004, \$0 were considered to be uncollectible.

F. Capital Assets

Capital assets are carried at historical costs. Depreciation of all exhaustible capital assets used by the Red River Parish Sales & Use Tax Commission are charged as an expense against operations in the Statement of Activities. Capital assets net of accumulated depreciation are reported on the Statement of Net Assets. Depreciation is computed using the straight line method over the estimated useful life of the assets, generally 20 to 40 years for buildings and building improvements and 5 to 10 years for moveable property. Expenditures for maintenance, repairs and minor renewals are charged to earnings as incurred. Major expenditures for renewals and betterments are capitalized.

G. Compensated Absences

Commission employees earn annual and sick leave at various rates depending on the number of years in service. The amount of annual and sick leave that may be accumulated by each employee is unlimited. Upon termination, an employee is compensated for all of their unused annual and sick leave at the employee's hourly rate of pay at the time of termination.

H. Estimates

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

RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2004

NOTE 2 DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS

A. Deposits with Financial Institutions

For reporting purposes, deposits with financial institutions including savings, demand deposits, time deposits, and certificates of deposit. Under state law the Red River Parish Sales & Use Tax Commission may deposit funds within a fiscal agent bank selected and designated by the Interim Emergency Board. Further the Commission may invest in time certificates of deposit of state banks organized under the laws of Louisiana, national banks having their principal office in the state of Louisiana, in savings accounts or shares of savings and loan associations and savings banks and in share accounts and share certificate accounts of federally or state chartered credit unions.

Deposits in bank accounts are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These pledged securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank in the form of safekeeping receipts mutually acceptable to both parties. The deposits at June 30, 2004 were secured as follows:

	Cash	Certificates of Deposit	Total
Deposits in bank accounts per balance sheet	\$ 77,959	\$ 0	\$ 77,959
	Cash	Certificates of Deposit	Total
Bank Balances:			
1. Insured or collateralized with securities held by the entity or its agency in the entity's name	\$ 77,959	\$ 0	\$ 77,959
2. Collateralized with securities held by the pledging institution's trust department or agent in the entity's name	0	0	0
3. Uncollateralized, including any securities held for the entity but not in entity's name	0	0	0
Total Bank Balances	\$ 77,959	\$ 0	\$ 77,959

The following is a breakdown by banking institution and amount of the balances shown above:

Banking Institution	Amount
American Bank & Trust Company	\$ 77,959
Total	\$ 77,959

B. Investments

At June 30, 2004, the Red River Parish Sales & Use Tax Commission had investments of \$0.

RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2004

NOTE 3 ACCOUNTS RECEIVABLE

The following is a summary of accounts receivable at June 30, 2004:

Class of Receivable	
Intergovernmental revenues	\$ <u>5</u>
Total	\$ <u>5</u>

NOTE 4 CAPITAL ASSETS

A summary of the Red River Parish Sales & Use Tax Commission's capital assets at June 30, 2004 follows:

	Balance July 1, 2003	Additions	Retirements	Balance June 30, 2004
Capital Assets				
Furniture, fixtures and equipment	\$ 3,901	\$ 7,427	\$ 0	\$ 11,328
Less accumulated depreciation:	(3,822)	(1,565)	0	(5,387)
Total Capital Assets, net	\$ 79	\$ 5,862	\$ 0	\$ 5,941

NOTE 5 ACCOUNTS PAYABLE AND ACCRUALS

The following is a summary of accounts payable at June 30, 2004:

Class of Payable	
Vendor	\$ 185
Salaries and benefits	631
Total	\$ <u>816</u>

NOTE 6 COMPENSATED ABSENCES

At June 30, 2004, employees of the Red River Parish Sales & Use Tax Commission had accumulated \$8,421 in annual leave benefits which were computed in accordance with GASB Codification Section C 60. The following is a summary of the changes in accumulated annual leave benefits for the year ended June 30, 2004.

Compensated absences payable, beginning of year	\$ 5,866
Additions	4,978
Deletions	(2,423)
Compensated absences payable, end of year	\$ <u>8,421</u>

NOTE 7 PENSION PLAN

All employees of the Red River Parish Sales & Use Tax Commission are covered by the Social Security System. Employees contribute 6.2 percent of their total salary to the System, while the System contributes a like amount. For the year ended June 30, 2004, total contributions to the system were \$3,558, of which the System contributed \$1,779 and employees contributed \$1,779. Total payroll for the year ended June 30, 2004 was \$28,689, and total payroll covered by the system was \$28,689. Any future deficit in this system will be financed by the United States Government. The System has no further liability to the System for the year ended June 30, 2004.

RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2004

NOTE 8 LEASE OBLIGATIONS

The Red River Parish Sales & Use Tax Commission was not obligated under any capital or operating lease commitments at June 30, 2004.

NOTE 9 LITIGATION

The Red River Parish Sales & Use Tax Commission was not involved in any litigation at June 30, 2004.

NOTE 10 PRIOR YEAR RESTATEMENT OF NET ASSETS

The following adjustments were made to restate beginning net assets for June 30, 2004.

Fund Balance, beginning of year as previously reported	\$ 77,313
Adjustments:	
Investments in Capital Assets, beginning of year	3,901
Accumulated Depreciation, beginning of year	(3,822)
Compensated Absences, beginning of year	<u>(5,866)</u>
Net Assets, beginning of year as restated	<u>\$ 71,526</u>

REQUIRED SUPPLEMENTARY INFORMATION

RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2004

	Original Budget	Amended Budget	Actual	Variance Fav./Unfav.)
REVENUES				
Intergovernmental revenues	\$ 45,100	\$ 45,100	\$ 45,105	\$ 5
Interest income	800	475	457	(18)
Miscellaneous	0	0	19	19
Total Revenues	<u>45,900</u>	<u>45,575</u>	<u>45,581</u>	<u>6</u>
EXPENDITURES				
General government				
Personal services	27,437	31,165	31,181	(16)
Travel	1,000	300	241	59
Operating services	6,900	2,248	3,198	(950)
Supplies	3,000	429	882	(453)
Professional services	3,100	3,100	2,600	500
Capital outlay	4,463	8,833	7,427	1,406
Total Expenditures	<u>45,900</u>	<u>46,075</u>	<u>45,529</u>	<u>546</u>
Excess/(Deficiency) Of Revenues Over Expenditures	0	(500)	52	552
	<u>77,313</u>	<u>77,313</u>	<u>77,313</u>	<u>0</u>
Fund Balance, Beginning of year	\$ 77,313	\$ 76,813	\$ 77,365	\$ 552
Fund Balance, End of year	<u>77,313</u>	<u>76,813</u>	<u>77,365</u>	<u>552</u>

OTHER SUPPLEMENTARY INFORMATION

SCHEDULE 2

RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA, LOUISIANA
SCHEDULE OF COLLECTIONS, DISTRIBUTIONS, AND UNSETTLED BALANCES
FOR THE YEAR ENDED JUNE 30, 2004

Unsettled Balances at July 1,	\$	6
COLLECTIONS		
Sales and use taxes		2,781,743
Interest		<u>298</u>
Total Collections		<u>2,782,041</u>
Total Available for Distribution		2,782,047
DISTRIBUTIONS		
Red River Parish School Board		1,215,393
Red River Parish Police Jury		607,697
Red River Parish Sheriff's Office		607,697
Town of Coushatta		326,074
Village of Hall Summit		5,263
Revenue Recovery Group		19,874
Bank Charges		<u>29</u>
Total Distributions		<u>2,782,027</u>
Unsettled Balances at June 30, Due to Taxing Bodies	\$	<u>20</u>

RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2004

SECTION #1

SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS

- | | | |
|----|-------------------------------------------------------------------------------|-------------|
| 1. | Type of auditors' report issued. | Unqualified |
| 2. | Internal control over financial reporting: | |
| | a) Material weaknesses identified? | None |
| | b) Reportable conditions identified not considered to be material weaknesses? | None |
| | c) Noncompliance material to the financial statements noted? | None |

SECTION #2

FINANCIAL STATEMENT FINDINGS

None reported.

HINES, JACKSON & HINES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS
P.O. BOX 2188 - 133 EAST FIFTH STREET
NATCHITOCHE, LA 71457

FRANK S. HINES, CPA
LEWIS C. HINES, CPA
E. MERLIN SQUYRES, CPA
JAY H. SHEFFIELD, CPA

A. NEILL JACKSON, JR., CPA
1926-1999

Telephone (318) 352-6458
FAX (318) 352-0404
office@hjhcpa.biz

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

Red River Parish Sales & Use Tax Commission
Post Office Box 570
Natchitoches, Louisiana 71019

We have audited the basic financial statements of the Red River Parish Sales & Use Tax Commission, Coushatta, Louisiana, as of and for the year ended June 30, 2004, and have issued our report thereon dated September 15, 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 Red River Parish Sales & Use Tax Commission's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Red River Parish Sales & Use Tax Commission'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 misstatement 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 operations that we consider to be material weaknesses.

This report is intended solely for the information and use of the Red River Parish Sales & Use Tax Commission and the Legislative Auditor of the State of Louisiana and is not intended to be, and should not be, used by anyone other than the specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Hines, Jackson & Hines

Natchitoches, Louisiana
September 15, 2004

RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA, LOUISIANA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2004

<u>Ref. No.</u>	<u>Fiscal Year Finding Initially Occurred</u>	<u>Description of Finding</u>	<u>Corrective Action Taken (Yes, No, Partially)</u>	<u>Planned Corrective Action/Partial Corrective Action Taken</u>
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Nothing came to our attention that would require disclosure under Government Auditing Standards.

RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA, LOUISIANA
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2004

<u>Ref. No.</u>	<u>Description of Finding</u>	<u>Correct Action Planned</u>	<u>Name(s) of Contact Person(s)</u>	<u>Anticipated Completion Date</u>
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Nothing came to our attention that would require disclosure under Government Auditing Standards.