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UNION PARISH POLICE JURY
Farmerville, Louisiana

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

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

Release Date 7-14-04

VERNON R
COON

CERTIFIED PUBLIC ACCOUNTANT

UNION PARISH POLICE JURY
Farmerville, Louisiana

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

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Farmerville, Louisiana
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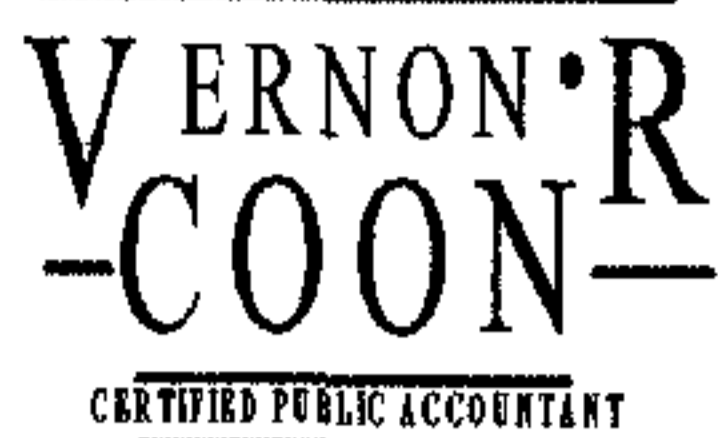
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Farmerville, Louisiana
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Independent Auditor's Report

UNION PARISH POLICE JURY Farmerville, Louisiana

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

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

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

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

MEMBER AMERICAN
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GOVERNMENTAL
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AND FINANCIAL REPORTING

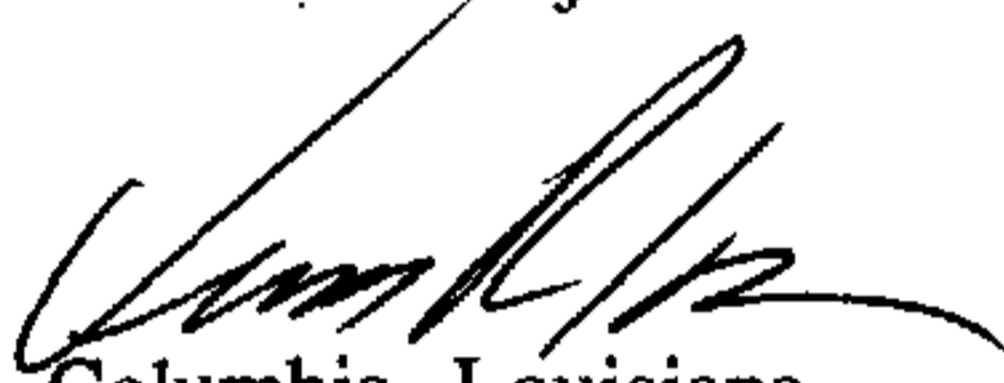
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UNION PARISH POLICE JURY

Farmerville, Louisiana
Independent Auditor's Report,
December 31, 2003

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

In accordance with *Government Auditing Standards*, I have also issued a report dated March 24, 2004, on my consideration of the Union Parish Police Jury's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of my audit.



Columbia, Louisiana
March 24, 2004

**PRIMARY GOVERNMENT FINANCIAL STATEMENTS
(OVERVIEW)**

Statement A

UNION PARISH POLICE JURY
Farmerville, Louisiana
ALL FUND TYPES AND ACCOUNT GROUPS

Combined Balance Sheet, December 31, 2003

GOVERNMENTAL FUND TYPE.....				FIDUCIARY FUND TYPE - INMATE BANKING AGENCY FUND	...ACCOUNT GROUPS...		
	GENERAL	SPECIAL REVENUE	DETENTION CENTER DEBT SERVICE	CAPITAL PROJECTS		GENERAL FIXED ASSETS	GENERAL LONG-TERM OBLIGATIONS	TOTAL (MEMORANDUM ONLY)
ASSETS AND OTHER DEBITS								
Cash and cash equivalents	\$298,768	\$424,221	\$159	\$40,202	\$31,453			\$794,803
Investments	514,226	3,140,308	308,933	163,006				4,126,473
Receivables	568,478	1,973,691		87,437				2,629,606
Due from other funds	3,617			256				3,873
Land, buildings, and equipment						\$18,171,375		18,171,375
Amount available for debt service							\$309,092	309,092
Amount to be provided for retirement of general long-term obligations							6,543,304	6,543,304
TOTAL ASSETS AND OTHER DEBITS	\$1,385,089	\$5,538,220	\$309,092	\$290,901	\$31,453	\$18,171,375	\$6,852,396	\$32,578,526
LIABILITIES AND FUND EQUITY								
Liabilities:								
Cash overdraft		\$27,597						395,197
Accounts payable	\$183,847	142,690		\$68,660				3,873
Salaries and wages payable	98,806							31,453
Due to other funds	256	3,617						42,852
Deposits due to others					\$31,453			2,750
Deferred revenue		42,852						148,976
Damage deposits		2,750						53,480
Compensated absences							\$148,976	148,976
Capital leases							53,480	53,480
Certificates of indebtedness							2,553,000	2,553,000
Landfill closure and postclosure care							4,096,940	4,096,940
Total Liabilities	282,909	219,506	NONE	68,660	31,453	NONE	6,852,396	7,328,521

UNION PARISH POLICE JURY
Farmerville, Louisiana
GOVERNMENTAL FUND TYPE

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

	GENERAL FUND	SPECIAL REVENUE FUNDS	DETENTION CENTER DEBT SERVICE FUND	CAPITAL PROJECTS FUNDS	TOTAL (MEMORANDUM ONLY)
REVENUES					
Taxes:					
Ad valorem taxes	\$390,344	\$1,385,694			\$1,776,038
Sales		1,657,055			1,657,055
Other taxes, penalties, and interest	17,684				17,684
Licenses and permits	65,889				65,889
Intergovernmental revenues:					
Federal funds:					
Federal grants	35,249	2,069,858		\$464,117	2,569,224
Housing inmates		199,860			199,860
State funds:					
Parish transportation Act		208,988			208,988
Housing inmates		1,856,042			1,856,042
State revenue sharing (net)	42,153	154,751			196,904
Severance taxes	582,889				582,889
Rural development		155,587			155,587
Other	72,094	60,136		80,734	212,964
Fees, charges, and commissions for services	20,147	1,486,266			1,506,413
Fines and forfeitures		156,539			156,539
Use of money and property	32,065	41,369	\$4,240	1,800	79,474
Other revenues	4,625	65,201		109	69,935
Total revenues	<u>1,263,139</u>	<u>9,497,346</u>	<u>4,240</u>	<u>546,760</u>	<u>11,311,485</u>
EXPENDITURES					
Current:					
General government:					
Legislative	113,597				113,597
Judicial	244,655	189,751			434,406
Elections	20,909				20,909
Finance and administrative	208,788	11,567		17,159	237,514
Other general government	316,574				316,574
Public safety	222,565	2,628,391			2,850,956
Public works		3,173,778			3,173,778
Health and welfare	160,832	2,132,056			2,292,888
Culture and recreation	2,776	196,573			199,349
Economic development and assistance	15,262				15,262
Transportation		10,106			10,106

(Continued)

Statement B

UNION PARISH POLICE JURY
 Farmerville, Louisiana
 GOVERNMENTAL FUND TYPE
 Combined Statement of Revenues, Expenditures
 and Changes in Fund Balances, etc.

	GENERAL FUND	SPECIAL REVENUE FUNDS	DETENTION CENTER DEBT SERVICE FUND	CAPITAL PROJECTS FUNDS	TOTAL (MEMORANDUM ONLY)
EXPENDITURES: (CONTD.)					
Debt Service	\$232,807	\$77,710	\$337,484		\$648,001
Capital outlay	23,734	723,306		\$509,494	1,256,534
Total expenditures	<u>1,562,499</u>	<u>9,143,238</u>	<u>337,484</u>	<u>526,653</u>	<u>11,569,874</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>(299,360)</u>	<u>354,108</u>	<u>(333,244)</u>	<u>20,107</u>	<u>(258,389)</u>
OTHER FINANCING SOURCES (Uses)					
Sale of fixed assets		145,482			145,482
Proceeds from certificates of indebtedness		435,000			435,000
Operating transfers in	532,807	1,477,524	76,598	256	2,087,185
Operating transfers out	<u>(169,089)</u>	<u>(1,916,498)</u>		<u>(1,598)</u>	<u>(2,087,185)</u>
Total other financing sources (uses)	<u>363,718</u>	<u>141,508</u>	<u>76,598</u>	<u>(1,342)</u>	<u>580,482</u>
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	64,358	495,616	(256,646)	18,765	322,093
FUND BALANCES AT BEGINNING OF YEAR	<u>1,037,822</u>	<u>4,823,098</u>	<u>565,738</u>	<u>203,476</u>	<u>6,630,134</u>
FUND BALANCES AT END OF YEAR	<u>\$1,102,180</u>	<u>\$5,318,714</u>	<u>\$309,092</u>	<u>\$222,241</u>	<u>\$6,952,227</u>

(Concluded)

The accompanying notes are an integral part of this statement.

UNION PARISH POLICE JURY
Farmerville, Louisiana
GOVERNMENTAL FUND TYPE - GENERAL
AND SPECIAL REVENUE FUNDS

Combined Statement of Revenues, Expenditures
and Changes in Fund Balances - Budget
(GAAP) Basis and Actual (Excluding Criminal Court and
Workforce Investment Act Special Revenue Funds)
For the Year Ended December 31, 2003

GENERAL FUND.....		SPECIAL REVENUE FUNDS.....		
	<u>BUDGET</u>	<u>ACTUAL</u>	VARIANCE FAVORABLE (UNFAVORABLE)	<u>BUDGET</u>	<u>ACTUAL</u>	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES						
Taxes:						
Ad valorem taxes	\$371,087	\$390,344	\$19,257	\$1,278,265	\$1,385,694	\$107,429
Sales and use taxes				1,800,000	1,657,055	(142,945)
Other taxes, penalties, and interest	24,000	17,684	(6,316)			
Licenses and permits	71,600	65,889	(5,711)			
Intergovernmental revenues:						
Federal funds:						
Grants	6,288	35,249	28,961	359,689	306,843	(52,846)
Housing prisoners				216,720	199,860	(16,860)
State funds:						
Parish Transportation Act				237,000	208,988	(28,012)
Housing inmates				1,815,919	1,856,042	40,123
State revenue sharing (net)	41,633	42,153	520	170,953	154,751	(16,202)
Severance taxes	800,000	582,889	(217,111)			
Rural development				155,587	155,587	
Other	101,660	72,094	(29,566)	367,100	60,136	(306,964)
Fees, charges, and commissions	22,932	20,147	(2,785)	1,450,050	1,486,266	36,216
Fines and forfeitures				6,364	10,055	3,691
Use of money and property	38,500	32,065	(6,435)	55,231	41,369	(13,862)
Other revenues	13,372	4,625	(8,747)	25,430	51,475	26,045
Total revenues	<u>1,491,072</u>	<u>1,263,139</u>	<u>(227,933)</u>	<u>7,938,308</u>	<u>7,574,121</u>	<u>(364,187)</u>
EXPENDITURES						
Current:						
General government:						
Legislative	114,142	113,597	545			
Judicial	286,014	244,655	41,359	5,459	11,306	(5,847)
Elections	26,677	20,909	5,768			
Finance and administrative	202,016	208,788	(6,772)	10,800	11,567	(767)
Other general government	312,869	316,574	(3,705)			
Public safety	202,111	222,565	(20,454)	2,348,361	2,628,391	(280,030)
Public works				4,138,934	3,173,778	965,156
Health and welfare	161,032	160,832	200	680,104	369,041	311,063
Culture and recreation	26,200	2,776		201,913	196,573	5,340
Economic development and assistance	17,382	15,262	2,120			
Transportation				12,750	10,106	2,644
Debt Service	232,807	232,807		77,710	77,710	
Capital outlay	27,578	23,734	3,844	707,669	723,306	(15,637)
Total expenditures	<u>1,608,828</u>	<u>1,562,499</u>	<u>46,329</u>	<u>8,183,700</u>	<u>7,201,778</u>	<u>981,922</u>

(Continued)

UNION PARISH POLICE JURY
 Farmerville, Louisiana
 GOVERNMENTAL FUND TYPE - GENERAL
 AND SPECIAL REVENUE FUNDS
 Combined Statement of Revenues, Expenditures
 and Changes in Fund Balances - Budget
 (GAAP) Basis and Actual (Excluding Criminal Court and
 Workforce Investment Act Special Revenue Funds), etc.

GENERAL FUND.....		SPECIAL REVENUE FUNDS.....		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>(\$117,756)</u>	<u>(\$299,360)</u>	<u>(\$181,604)</u>	<u>(\$245,392)</u>	<u>\$372,343</u>	<u>\$617,735</u>
OTHER FINANCING SOURCES (Uses)						
Sale of fixed Assets				3,500	145,482	141,982
Proceeds from certificates of indebtedness				435,000	435,000	
Operating transfers in	532,807	532,807		1,459,680	1,477,524	17,844
Operating transfers out	<u>(168,000)</u>	<u>(169,089)</u>	<u>(1,089)</u>	<u>(1,232,807)</u>	<u>(1,916,498)</u>	<u>(683,691)</u>
Total other financing sources (use)	<u>364,807</u>	<u>363,718</u>	<u>(1,089)</u>	<u>665,373</u>	<u>141,508</u>	<u>(523,865)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDI- TURES AND OTHER USES	247,051	64,358	(182,693)	419,981	513,851	93,870
FUND BALANCES AT BEGINNING OF YEAR	<u>884,679</u>	<u>1,037,822</u>	<u>153,143</u>	<u>3,107,424</u>	<u>4,802,455</u>	<u>1,695,031</u>
FUND BALANCES AT END OF YEAR	<u>\$1,131,730</u>	<u>\$1,102,180</u>	<u>(\$29,550)</u>	<u>\$3,527,405</u>	<u>\$5,316,306</u>	<u>\$1,788,901</u>

(Concluded)

The accompanying notes are an integral part of this statement.

UNION PARISH POLICE JURY
Farmerville, Louisiana

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Union Parish Police Jury is the governing authority for Union Parish and is a political subdivision of the State of Louisiana. The police jury is governed by nine jurors representing the various districts within the parish. The jurors serve four-year terms which expire in January, 2004.

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

A. REPORTING ENTITY

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

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Union Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and:
 - a. The ability of the police jury to impose its will on that organization and/or

UNION PARISH POLICE JURY
 Farmerville, Louisiana
 Notes to the Financial Statements (Continued)

- b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
- 2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
- 3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

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

<u>Component Units</u>	<u>Fiscal Year End</u>	<u>Criteria Used</u>
Union Parish:		
Tax Assessor	December 31	2 & 3
Sheriff	June 30	2 & 3
Clerk of Court	December 31	2 & 3
Communications District	December 31	1 & 3
Tourist Commission	December 31	1 & 3
Library	December 31	1 & 3
Third Judicial District Criminal Court (Union Parish)	December 31	2 & 3
Waterworks District No. 1	December 31	1 & 3
Rocky Branch Waterworks District	December 31	1 & 3
Tri-Ward Hospital Service District	December 31	1 & 3
East Union Hospital Service District	March 31	1 & 3
West Sterlington Sewer District	December 31	1 & 3
Ward 7 Fire Protection District	December 31	1 & 3
Ward 5 Fire Protection District	December 31	1 & 3
D'Arbonne Village Area Fire Protection District	December 31	1 & 3
Spencer-West Sterlington Fire Protection District	December 31	1 & 3
Northeast Union Fire Protection District	December 31	1 & 3

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

These primary government (police jury) financial statements include all funds, account groups, and organizations for which the police jury maintains the accounting records. The organizations for which the police jury maintains the accounting records are

UNION PARISH POLICE JURY

Farmerville, Louisiana

Notes to the Financial Statements (Continued)

considered part of the primary government (police jury) and include the Union Parish Library, the Third Judicial District Criminal Court, and the Union Parish Communications District.

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

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

B. FUND ACCOUNTING

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

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

Funds are classified into three categories; governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types". Governmental funds are used to account for a government's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. Fiduciary funds are used to account for assets held for others. The police jury's current operations require the use of governmental and fiduciary fund types as follows:

Governmental Fund Type:

General Fund

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

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources which are legally restricted to expenditures for specified purposes.

Capital Projects Funds

Capital projects funds are used to account for financial resources to be used for the construction or acquisition of major capital facilities.

Fiduciary Fund Type - Inmate Banking Agency Fund

The Inmate Banking Fund accounts for funds held for Union Parish Detention Center inmates.

C. GENERAL FIXED ASSETS AND LONG-TERM OBLIGATIONS

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures (capital outlay) in the governmental funds and the related assets are reported in the general fixed assets account group. All purchased fixed assets are valued at cost where historical records are available and estimated cost where no historical records are available. Approximately 54 per cent of fixed assets are valued at actual historical cost, while the remaining 46 per cent are valued at estimated cost, based on the actual historical cost of like items.

The cost of normal maintenance and repairs that do not add to the value of fixed assets or materially extend their useful lives are not capitalized. Public domain (infrastructure) general fixed assets consisting of roads, bridges, drainage, parking lots, etc. are not capitalized, as these assets are immovable and of value only to the police jury. No depreciation is recognized on general fixed assets.

UNION PARISH POLICE JURY

Farmerville, Louisiana

Notes to the Financial Statements (Continued)

For long-term obligations, such as compensated absences, capital leases, and certificates of indebtedness, only that portion expected to be financed from expendable available financial resources is reported as a liability of a governmental fund. The remaining portion of such obligations is reported in the general long-term obligations account group.

D. BASIS OF ACCOUNTING

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

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

Revenues

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

Sales and use tax revenues are recorded in the month received by the police jury. Federal and state grants and reimbursements are recorded when the police jury is entitled to the funds.

Fines, forfeitures, and court costs are recorded in the year they are received by the parish tax collector. Interest income on time deposits is recorded when the time deposits have matured and the interest is available.

UNION PARISH POLICE JURY
Farmerville, Louisiana
Notes to the Financial Statements (Continued)

Substantially all other revenues are recorded when received.

Based on the above criteria, ad valorem taxes, federal and state grants, and fines, forfeitures, and court costs have been treated as susceptible to accrual.

Expenditures

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

Other Financing Sources (Use)

Transfers between funds that are not expected to be repaid are accounted for as other financing sources (use) and are recognized when the underlying events occur.

E. BUDGET PRACTICES

Preliminary budgets for the ensuing year are prepared by the secretary/treasurer during October of each year. During November the finance committee reviews the proposed budgets and makes changes as it deems appropriate. The availability of the proposed budgets for public inspection and the date of the public hearing on the proposed budgets are then advertised in the official journal. During its regular December meeting, the police jury holds a public hearing on the proposed budgets in order to receive comments from residents of the parish. Changes are made to the proposed budgets based on the public hearing and the desires of the police jury as a whole. The budgets are then adopted during the police jury's regular December meeting, and a notice of the adoption is then published in the official journal.

During the year, the finance committee receives monthly budgetary comparison statements which are used as a management tool to control operations of the parish. The secretary/treasurer presents necessary budget amendments to the police jury during the year when, in his judgement, actual operations are differing materially from those anticipated in the original budget. During a regular meeting, the police jury reviews the proposed amendments, makes changes as it deems necessary, and formally adopts the amendments. The adoption of the amendments is included in police jury minutes published in the official journal.

The police jury exercises budgetary control at the functional level. Within

UNION PARISH POLICE JURY

Farmerville, Louisiana

Notes to the Financial Statements (Continued)

functions the secretary/treasurer has the discretion to make changes as she deems necessary for proper control. Unexpended appropriations lapse at year end and must be reappropriated in the next year's budget to be expended. The police jury does not use encumbrances in its accounting system.

For the year ended December 31, 2003, the police jury adopted modified accrual based budgets for the General Fund and all special revenue funds except the Criminal Court Special Revenue Fund, which is exempt from the requirements of the Local Government Budget Act and the Workforce Investment Act Special Revenue Fund which is accounted for on a June 30th fiscal year basis. The budgetary comparison statement included in the accompanying financial statements includes the original adopted budgets and all subsequent amendments. The following schedule reconciles the excess (deficiency) of revenues and other sources over expenditures and other uses of the special revenue funds shown on Statement C to the amounts shown on Statement B (GAAP basis):

Excess of revenues and other sources over expenditures and other uses (budget basis) Statement C	\$532,652
Add Criminal Court Fund not budgeted	<u>(18,235)</u>
Excess of revenues and other sources over expenditures and other uses (GAAP basis) Statement B	<u><u>\$514,417</u></u>

F. CASH AND CASH EQUIVALENTS

Under state law, the police jury may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 2003, the police jury has cash and cash equivalents (book balances), net of bank overdrafts, totaling \$794,803, as follows:

Demand deposits	\$794,203
Petty cash	<u>600</u>
Total	<u><u>\$794,803</u></u>

These deposits are stated at cost, which approximates market. Under state law, these deposits, or the resulting bank balances, must be secured by federal deposit insurance of 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. Cash and cash equivalents (bank balances) at December 31, 2003, are secured as follows:

UNION PARISH POLICE JURY
Farmerville, Louisiana
Notes to the Financial Statements (Continued)

Bank Balances	<u>\$910,289</u>
Federal deposit insurance	\$360,775
Pledged securities (uncollateralized)	<u>932,779</u>
Total	<u>\$1,293,554</u>

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

G. INVESTMENTS

Investments held at December 31, 2003 consist of \$4,126,473, in the Louisiana Asset Management Pool (LAMP), a local government investment pool. In accordance with GASB Codification Section 150.126, the investment in LAMP at December 31, 2003 is not categorized in the three risk categories provided by GASB Codification Section 150.125 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., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities 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. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA - R.S. 33:2955.

Effective August 1, 2001, LAMP's investment guidelines were amended to permit the investment in government-only money market funds. In its 2001 Regular Session, the Louisiana Legislature (Senate Bill No. 512, Act 701) enacted LSA - R.S. 33:2955(A)(1)(h) which allows all municipalities, parishes, school boards, and any other political subdivisions of the State to invest in "investment grade (A-1/P-1) commercial paper of domestic United States corporations." Effective October 1, 2001, LAMP's Investment Guidelines were amended to allow the limited investment in A-1 or A-1+ commercial paper.

UNION PARISH POLICE JURY

Farmerville, Louisiana

Notes to the Financial Statements (Continued)

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. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

H. ANNUAL AND SICK LEAVE

Full-time employees of the Union Parish Library earn from 10 to 20 days of annual leave each year, depending upon their classification and length of service. After ten years of continuous service, employees receive an additional two days of annual leave each year. Annual leave cannot be carried forward to succeeding years. Full-time employees earn 12 days of sick leave each year while employees working between 20 and 40 hours per week earn sick leave on a pro rata basis. Sick leave cannot be carried forward to succeeding years.

Employees of the district attorney's office paid from the Criminal Court Special Revenue Fund earn 12 days of annual leave and 12 days of sick leave per year. Leave cannot be accumulated and carried forward to succeeding years. There is no formal leave policy for employees of the district judge's office paid from the Criminal Court Fund.

All full-time employees of the police jury earn annual leave at rates varying from 1 to 18 days per year, depending upon their length of service. All permanent part-time employees earn annual leave on a pro rata basis. Upon voluntary resignation, retirement, or death, accumulated annual leave of up to 300 hours is paid at the employee's current rate of pay. In addition, all full-time employees earn from 2 to 18 days of sick leave each year and all permanent part-time employees earn sick leave on a pro rata basis. Sick leave may be accumulated to an unlimited number of days. Employees have the option, upon retirement, of being paid for sick leave up to 100 hours or applying sick leave to retirement. At December 31, 2003, employees of the police jury have accumulated and vested \$148,976, of employee leave benefits, which was computed in accordance with GASB Codification Section C60. The cost of current leave privileges, computed in accordance with the previous codification, is recognized as a current year expenditure in the governmental funds when leave is actually taken. The cost of leave privileges not requiring current resources is recorded in the general long-term obligations account group.

UNION PARISH POLICE JURY
 Farmerville, Louisiana
 Notes to the Financial Statements (Continued)

I. RISK MANAGEMENT

The police jury is exposed to various risk of loss related to general liability; torts; theft of, damage to, and destruction of assets; and injuries to employees. To handle risk of loss, the police jury maintains commercial insurance covering; automobile liability; general liability; property damage; airport liability; worker's compensation; and employee fidelity. No claims were paid on any of the policies during the past three years which exceeded the policies' coverage amounts.

J. SALES TAXES

Union Parish has a one per cent sales and use tax, which was passed by the voters on April 30, 1983, for an indefinite period. The net proceeds of the tax (after necessary costs of collection) are used: (1) to construct, acquire, improve, maintain, and operate solid waste collection and disposal facilities; (2) to construct, improve, and maintain streets, roads, and bridges; and (3) to fund the retirement of bonds issued to construct any of the above capital facilities.

K. TOTAL COLUMNS ON COMBINED STATEMENTS

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

2. LEVIED TAXES

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

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Parishwide taxes:			
General Fund	4.00	2.57	Indefinite
Road Maintenance	6.00	5.83	2006
Road Construction	5.00	4.86	2006
Library	1.96	2.27	2006

UNION PARISH POLICE JURY
 Farmerville, Louisiana
 Notes to the Financial Statements (Continued)

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Health Unit	1.57	1.40	2004
Council on Aging	1.50	1.50	2012

The difference between authorized and levied millages is the result of reassessments of taxable property in the parish as required by Article 7, Section 18 of the Louisiana Constitution of 1974. The following schedule lists the ten principal taxpayers for the parish and their 2003 assessed valuation (amounts expressed in thousands):

	<u>Assessed Valuation</u>	<u>Percent of Total Assessed Valuation</u>
GATX Rail Corporation	\$9,714	8.04%
Con Agra Poultry	7,475	6.18%
Trans Union Interstate	4,561	3.77%
Enervest Operating Co.	3,310	2.74%
Entergy La.	2,848	2.36%
Railcar Leasing, LLC	2,336	1.93%
ACF Industries	2,305	1.91%
Claiborne Electric	2,114	1.75%
Centerpoint Energy Gas	1,934	1.60%
Plum Creek Southern	1,763	1.46%
Total	<u>\$38,360</u>	<u>31.74%</u>

3. RECEIVABLES

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

<u>Class of Receivable</u>	<u>General Fund</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total</u>
Taxes - Ad valorem	\$386,069	\$1,361,978		\$1,748,047
Grants:				
Federal	11,062	34,776	\$50,388	96,226
State	166,555	462,106	36,939	665,600
Fees, charges and commissions for services	4,189	108,367		112,556
Other	603	6,464	110	7,177
Total	<u>\$568,478</u>	<u>\$1,973,691</u>	<u>\$87,437</u>	<u>\$2,629,606</u>

UNION PARISH POLICE JURY
Farmerville, Louisiana
Notes to the Financial Statements (Continued)

4. GENERAL FIXED ASSETS

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

	Balance January 1	Additions	Deletions	Balance December 31
Police Jury:				
Land	\$262,022			\$262,022
Buildings	7,135,715	\$118,000		7,253,715
Vehicles	1,624,687	30,600		1,655,287
Furniture	132,158	9,572		141,730
Public works equipment	3,332,073	617,448	(318,114)	3,631,407
Other equipment	661,220	50,785		712,005
Equipment under capital lease	124,007			124,007
Construction in progress	502,072		(502,072)	
Total police jury	<u>13,773,954</u>	<u>826,405</u>	<u>(820,186)</u>	<u>13,780,173</u>
Library:				
Land	21,000			21,000
Buildings	142,774			142,774
Vehicles	87,285			87,285
Furniture	12,378	473	(305)	12,546
Equipment	92,206	9,774	(8,664)	93,316
Books, periodicals, etc.	633,374	28,386	(4,621)	657,139
Total library	<u>989,017</u>	<u>38,633</u>	<u>(13,590)</u>	<u>1,014,060</u>
Airport:				
Land	260,233			260,233
Improvements	327,669	778,873		1,106,542
Total airport	<u>587,902</u>	<u>778,873</u>	<u>NONE</u>	<u>1,366,775</u>
Fire Protection Districts:				
Buildings	514,415	21,449		535,864
Equipment	441,858	211,244		653,102
Total fire protection districts	<u>956,273</u>	<u>232,693</u>	<u>NONE</u>	<u>1,188,966</u>
Randolph Water System -				
Well and pump station	<u>\$120,842</u>	<u>NONE</u>	<u>NONE</u>	<u>120,842</u>
West Sterlington Sewer				
System - improvements	<u>700,559</u>	<u>NONE</u>	<u>NONE</u>	<u>700,559</u>
Total	<u>\$17,128,547</u>	<u>\$1,876,604</u>	<u>(\$833,776)</u>	<u>\$18,171,375</u>

5. PENSION PLAN

Substantially all employees of the Union Parish Police Jury are members of the Parochial Employees Retirement System of Louisiana (System), a cost-sharing, multiple-employer defined benefit

UNION PARISH POLICE JURY
Farmerville, Louisiana
Notes to the Financial Statements (Continued)

pension plan administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the police jury are members of Plan A.

All permanent employees working at least twenty-eight hours per week who are paid wholly or in part from parish funds and all elected parish officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 per cent of their final average salary for each year of creditable service. However, for those employees who were members of the supplemental plan only before January 1, 1980, the benefit is equal to one per cent of final average salary plus \$24 for each year of supplemental-plan-only service earned before January 1, 1980, plus 3 per cent of final-average salary for each salary for each year of service credited after the revision date. Final average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefits accrued to their date of termination. The system also provides death and disability benefits. Benefits are established or amended by state statute.

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

Under Plan A, members are required by state statute to contribute 9.50 per cent of their annual covered salary and the Union Parish Police Jury is required to contribute at an actuarially determined rate. The current rate is 7.75 per cent of annual covered payroll. Contributions to the system also include one-fourth of one per cent (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the Union Parish Police Jury are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Union Parish Police Jury's contributions to the System under Plan A for the years ending December 31, 2003, 2002, and, 2001, were \$164,336, \$159,886, and \$150,215, respectively, equal to the required contributions for each year.

6. POST RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

The Union Parish Police Jury provides certain continuing health care and life insurance benefits

UNION PARISH POLICE JURY
 Farmerville, Louisiana
 Notes to the Financial Statements (Continued)

for its retired employees. Substantially all of the police jury's employees become eligible for these benefits if they reach normal retirement age while working for the police jury. These benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid jointly by the employee and by the police jury. The police jury recognizes the cost of providing these benefits (police jury's portion of premiums) as an expenditure when paid during the year, which was \$386,966, for 2003. Of that amount, \$33,498, was for retiree benefits.

7. CAPITAL LEASES

The police jury records items under capital leases as an asset and an obligation in the accompanying financial statements. At December 31, 2003, the police jury has one capital lease in effect for equipment. The lease had an original recorded amount of \$124,007. The lease obligation is retired from the Sales Tax Special Revenue Fund. The following is a summary of future minimum lease payments, together with the present value of the net minimum lease payments, as of December 31, 2003:

<u>Year</u>	
2004	55,521
Less amount representing interest	<u>(2,041)</u>
Present value of net minimum lease payments	<u>\$53,480</u>

8. CHANGES IN GENERAL LONG-TERM OBLIGATIONS

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

	<u>Certificates of Indebtedness</u>	<u>Capital Leases</u>	<u>Annual Leave</u>	<u>Sick Leave</u>	<u>Landfill Closure/Post Closure Care</u>	<u>Total</u>
Balance at January 1	\$2,585,000	\$96,902	\$73,774	\$62,409	\$3,399,330	\$6,217,415
Additions	435,000		70,783	84,806	697,610	1,288,199
Deductions	(467,000)	(43,422)	(74,450)	(74,688)		(659,560)
Adjustment ¹			<u>6,949</u>	<u>(607)</u>		<u>6,342</u>
Balance at December 31	<u>\$2,553,000</u>	<u>\$53,480</u>	<u>\$77,056</u>	<u>\$71,920</u>	<u>\$4,096,940</u>	<u>\$6,852,396</u>

¹ As discussed in note 1G, upon separation from employment, employees are paid for accumulated leave at their current rate of pay. The adjustment is for the purpose of adjusting amounts for annual leave that exceed the maximum of 300 hours and amounts for sick leave that exceed 100 hours.

UNION PARISH POLICE JURY
 Farmerville, Louisiana
 Notes to the Financial Statements (Continued)

Certificates of indebtedness at December 31, 2003, are comprised of the following:

Certificates of Indebtedness - \$125,000 issue on June 2, 1999, for the purpose of purchasing emergency telephone equipment. principal is due in annual installments of \$27,424 to \$28,060 through May 1, 2004 with interest at 4.61 per cent per annum. Debt retirement payments are made from the Communications Fund.	\$27,000
Certificates of Indebtedness - \$295,000 issue on July 12, 1999 for the purpose of paying the costs of financing and/or refinancing the purchase of vehicles and equipment and paying the costs incurred in connection with the issuance thereof. The principal is due in annual installments of \$65,585 to \$66,629 through July 1, 2004 with interest at 4.78 per cent per annum. Debt retirement payments are made from the Road Maintenance and Sales Tax Funds.	64,000
Certificates of Indebtedness - \$490,000 issue of September 15, 1999 for the purpose of paying the costs of financing and/or refinancing the purchase of vehicles and equipment and paying the costs incurred in connection with the issuance thereof. The principal is due in annual installments of \$108,759 to \$110,350 through July 1, 2004 with interest at 4.78 per cent per annum. Debt retirement payments are made from the Road Maintenance and Sales Tax Funds.	106,000
Certificates of Indebtedness - \$435,000 issue of November 7, 2003 for the purpose of financing the purchase of a land compactor for the parish solid waste landfill. The principal is due in annual installments of \$103,000 to \$115,000 through October 1, 2008. Debt retirement payments are made from the Sales Tax Fund.	435,000
Certificates of Indebtedness - \$2,500,000 issued on March 15 and July 17, 2000 for the purpose of paying the costs of financing the construction of an addition to the Union Parish Detention Center and paying the costs incurred in connection with the issuance thereof. The principal is due in annual installments of \$140,000 to \$323,000 through March 1, 2010 with interest at 6 per cent per annum. Debt retirement payments are made from the Detention Center Debt Service Fund.	<u>1,921,000</u>
Total	<u><u>\$2,553,000</u></u>

The annual requirements to amortize all certificates of indebtedness outstanding at December 31, 2003, including interest of \$483,868, are as follows:

UNION PARISH POLICE JURY
 Farmerville, Louisiana
 Notes to the Financial Statements (Continued)

Year:	
2004	\$556,105
2005	455,878
2006	453,807
2007	452,318
2008	452,540
2009-2010	<u>666,220</u>
Total	<u>\$3,036,868</u>

9. DUE FROM/TO OTHER FUNDS

At December 31, 2003, the Criminal Court special revenue fund owes \$3,617 to the General Fund in accordance with the provisions of Louisiana Revised Statute 15:571.11, which provides that one-half of any surplus remaining in the Criminal Court Fund at year end shall be transferred to the parish General Fund. In addition, the General Fund owes \$256 to the Community Development Block Grant capital projects fund eliminate its cash overdraft.

10. CHANGES IN AGENCY FUND BALANCES

A summary of changes in Inmate Banking agency fund balance due to others follows:

Balance at January 1	\$31,501
Additions	260,811
Deductions	<u>(260,859)</u>
Balance at December 31	<u>\$31,453</u>

11. LITIGATION AND CLAIMS

At December 31, 2003, the police jury is involved in several lawsuits which are adequately covered by the jury's liability insurance.

12. WORKFORCE INVESTMENT ACT PROGRAM

The Union Parish Police Jury participates in the Workforce Investment Act (WIA) Program

UNION PARISH POLICE JURY

Farmerville, Louisiana

Notes to the Financial Statements (Continued)

funded through the Louisiana Department of Labor by the United States Department of Labor. The jury is a member of the 82nd Planning District which is comprised of 3 parishes. The members of the 82nd Planning District, consisting of the Parishes of Union, Morehouse, and West Carroll and the 82nd Planning District Service Delivery Area (SDA) Private Industry Council, entered into an agreement. This agreement designated the president of the Morehouse Parish Police Jury as the chief elected official of the SDA and the Union Parish Police Jury as the WIA grant recipient. This agreement names Union Community Action Association, Inc. as the administrative entity. The SDA is comprised of three elements:

1. Private Industry Council (PIC) - which consists of 17 members representing a cross-section of the SDA population. The PIC is responsible for providing guidance for program development and for monitoring the operations of the administrative entity.
2. Designated Chief Elected Official - a police jury president elected by his peers from the Seventh Planning District. His responsibilities are the same as the PIC.
3. Administrative Entity - the organization selected by the PIC to administer the program. All actions by the administrative entity must be approved by the PIC and the designated chief elected official.

The designated chief elected official notified the Assistant Secretary of Labor, State of Louisiana, that the Union Community Action Association, Inc. was designated as the administrative entity for the SDA and that all funds and copies of correspondence should be sent to the Union Community Action Association, Inc. This notification also stated that all bookkeeping and program documents would be maintained by the Union Community Action Association, Inc. Further, the Union Parish Police Jury appointed Charles H. Kelley as the contracting officer for the WIA program to act on behalf of the police jury.

The Union Parish Police Jury is the designated grant recipient and (1) has accepted full responsibility for funds expended under the grant, (2) has assured the Louisiana Department of Labor that all funds provided will be expended according to limitations set forth in the Job Training Partnership Act, federal and state regulations, and the approved job training plan, and (3) that it will reimburse the Louisiana Department of Labor for any questioned costs which are ultimately disallowed by the United States Department of Labor. Funds are provided by the Louisiana Department of Labor through a letter of credit arrangement into a bank account in the name of the Union Parish JTPA which operates the day-to-day activities of the program.

13. LANDFILL CLOSURE AND POST-CLOSURE CARE COSTS

State and federal laws and regulations require the police jury to place a final cover on its landfill when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although final closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the police jury reports a portion of those closure and postclosure care costs in long-term debt on Statement A, based on cumulative landfill capacity used as of December 31 of each year. The \$4,096,940, reported as landfill closure and postclosure care liability at December 31, 2003, represents 54 percent of the estimated capacity of the currently active cells. Of that amount, \$697,611, is attributable to operations of the current year. The police jury will recognize the remaining estimated cost of closure and postclosure care of \$3,451,801, as the remaining capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2003. The police jury expects to close the landfill in 2013. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

In its landfill permit, the police jury agreed to designate \$1 for each ton of Type II waste received into the landfill for post-closure care costs. At December 31, 2003, there are approximately 627,320 tons of Type II waste in the landfill. As shown on Statement A, the police jury has designated \$700,119, at December 31, 2003, for landfill post-closure care costs.

16. EMERGENCY 911 WIRELESS SERVICE

Louisiana Revised Statutes (LRS) 33:9109-9131 provides for the accessibility of emergency 911 service for wireless telephone users. The statutes provide that any emergency 911 communications district may levy a service charge, to be collected by the wireless service provider, to finance the costs of implementing such service. LRS 33:9101(D) further provide that parishes, such as Union Parish, with a population between 20,000 and 30,000, and wireless service providers in the district shall complete all necessary enhancements for wireless 911 service within eighteen months of the initial levy of the service charge. Union Parish Communications District started collecting the service charge in March, 2000. Wireless service providers were notified by letter dated May 29, 2001, that all action necessary to implement the enhancements should be completed by September 1, 2001. The district was notified by Alltel on February 8, 2002 that cellular site data had been collected and submitted to the third party provider. At December 31, 2002, all work necessary to implement wireless service had been completed. No expenditures were made during the year, however, as shown on Statement A, \$192,801 is reserved in the Communications District special revenue fund for any expenditures required for implementing 911 wireless service.

SUPPLEMENTAL INFORMATION SCHEDULES

UNION PARISH POLICE JURY
Farmerville , Louisiana
SUPPLEMENTAL INFORMATION SCHEDULES
As of and for the Year Ended December 31, 2003

SPECIAL REVENUE FUNDS

PUBLIC WORKS

Road Maintenance Fund

The Road Maintenance Fund accounts for the maintenance of the parish highways, streets, and bridges. Financing is provided by the State of Louisiana Parish Transportation Fund, state revenue sharing, sales tax transfers, and a specific parishwide ad valorem tax. In addition, the fund receives miscellaneous revenues from interest earnings, sales of surplus equipment, et cetera.

Road Construction Fund

The Road Construction Fund accounts for major upgrades and repairs of parish highways, streets, and bridges. Financing is provided by state revenue sharing, interest earnings, and a specific parishwide ad valorem tax.

Sales Tax Fund

The Sales Tax Fund accounts for operation of the Union Parish Sanitary Landfill. Financing is provided by a parishwide sales tax, dumping fees, and interest earned on deposits.

Solid Waste Collection

The Solid Waste Collection Fund was established to monitor operations and costs associated with the collection of solid waste in the parish separate from those operations and costs associated with the parish landfill discussed above. Financing is provided by transfers from the Sales Tax Fund and interest income.

PUBLIC SAFETY

Detention Center Commission Fund

The Detention Center Commission Fund accounts for cost of housing prisoners convicted of state offenses at the parish prison. Financing is provided by state funds and transfers from the General Fund.

Communications District Fund

The Communications District Fund accounts for the establishment, maintenance, and operation of the 911 emergency telephone system for Union Parish. Financing is provided by a 5 per cent service charge on local telephone service within the parish.

Inmate Welfare Fund

The Inmate Welfare Fund accounts for commissary sales and purchases at the Union Parish Detention Center.

LIBRARY FUND

The Library Fund is primarily financed by a 1.96 mill parishwide ad valorem tax and is used to furnish books, periodicals, and other related materials for the citizens of Union Parish. Additional financing is provided by a special state grant.

HEALTH UNIT FUND

The Health Unit Fund accounts for the maintenance and operation of the parish health unit. Financing is provided by a specific parishwide ad valorem tax, interest earnings, ending machine commissions, and state revenue sharing.

CRIMINAL COURT FUND

The Third Judicial District Criminal Court Fund (Union Parish) 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 account to be used for the expenses of the criminal court of the parish. Expenditures are made from the fund on motion of the district attorney and approval of the district judge. The statute also requires that one-half of the funds (fund balance) remaining in the Criminal Court Fund at December 31 of each year be transferred to the parish General Fund.

HUD SECTION 8 HOUSING FUND

The HUD Section 8 Housing Fund accounts for the operations of the lower income housing assistance program, which provides aid to very low income families in obtaining decent, safe, and sanitary rental housing. Financing is provided by a federal grant. This fund began in 1987.

OFF-DUTY OFFICER WITNESS FEE FUND

The Off-Duty Officer Witness Fee Fund pays law enforcement officers who are required to appear in court as witnesses on their days off. Financing is provided by court costs assessed on cases tried in the district court.

UNEMPLOYMENT FUND

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

WORKFORCE INVESTMENT ACT FUND

The Workforce Investment Act (WIA) Fund accounts for grants from the United States Department of Labor through the Louisiana Department of Labor. Grants are subsequently transferred to Union Community Action Agency, which administers the program under contract with the police jury. The program provides job training and related assistance to economically disadvantaged individuals. The ultimate goal of the program is to move trainees into permanent, self-sustaining employment. The program is reported on a June 30th year end.

AIRPORT FUND

The Airport Fund accounts for the general operating expenditures of the Airport Fund. Financing is provided by transfers from the general fund and the rental of hangers.

LITTER COURT

The Litter Court Fund accounts for operations of the parish litter court. Financing is provided by fines and court costs assessed against individuals found guilty by the court.

UNION PARISH POLICE JURY
Farmerville, Louisiana
SPECIAL REVENUE FUNDS

Combining Balance Sheet, December 31, 2003

	PUBLIC WORKS	PUBLIC SAFETY	LIBRARY	HEALTH UNIT	CRIMINAL COURT	SECTION 8	WITNESS FEE	UNEMPLOYMENT	AIRPORT	LITTER COURT	TOTAL
ASSETS											
Cash and cash equivalents	\$53,462	\$258,313	\$9,541	\$19,733	\$5,661	\$62,874	\$1,064	\$5,052	\$7,975	\$546	\$424,221
Investments	2,214,130	394,434	90,678	289,637			33,713	117,716			3,140,308
Receivables	1,388,387	183,145	244,361	151,479	6,071		248				1,973,691
TOTAL ASSETS	<u>\$3,655,979</u>	<u>\$835,892</u>	<u>\$344,580</u>	<u>\$460,849</u>	<u>\$11,732</u>	<u>\$62,874</u>	<u>\$35,025</u>	<u>\$122,768</u>	<u>\$7,975</u>	<u>\$546</u>	<u>\$5,538,220</u>
LIABILITIES AND FUND EQUITY											
Liabilities:											
Cash overdraft	\$23,870	\$3,727									\$27,597
Accounts payable	72,741	48,576	\$9,893	\$5,550	\$5,707	\$27	\$100		\$96		142,690
Due to other funds					3,617						3,617
Deferred revenue						42,852					42,852
Damage deposits	2,750										2,750
Total Liabilities	99,361	52,303	9,893	5,550	9,324	42,879	100	NONE	96	NONE	219,506
Fund Equity - fund balances:											
Reserved:											
Landfill postclosure care	700,119										700,119
Wireless 911 service		192,801									192,801
Unreserved - undesignated	2,856,499	590,788	334,687	455,299	2,408	19,995	34,925	\$122,768	7,879	\$546	4,425,794
Total Fund Equity	3,556,618	783,589	334,687	455,299	2,408	19,995	34,925	122,768	7,879	546	5,318,714
TOTAL LIABILITIES AND FUND EQUITY	<u>\$3,655,979</u>	<u>\$835,892</u>	<u>\$344,580</u>	<u>\$460,849</u>	<u>\$11,732</u>	<u>\$62,874</u>	<u>\$35,025</u>	<u>\$122,768</u>	<u>\$7,975</u>	<u>\$546</u>	<u>\$5,538,220</u>

UNION PARISH POLICE JURY
Farmerville, Louisiana
SPECIAL REVENUE FUNDS

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

	PUBLIC WORKS	PUBLIC SAFETY	LIBRARY	HEALTH UNIT	CRIMINAL COURT	SECTION 8	WITNESS FEE	UNEMPLOY- MENT	WORKFORCE INVESTMENT ACT	AIRPORT	LITTER COURT	TOTAL
REVENUES												
Taxes:												
Ad valorem taxes	\$1,031,546											\$1,385,694
Sales and use taxes	1,657,055		\$219,048	\$135,100								1,657,055
Intergovernmental:												
Federal funds:												
Federal grants	25,889			3,390		\$272,067			\$1,763,015			2,069,858
Housing inmates		\$199,860										199,860
State funds:												
Parish transportation fund	208,988											208,988
Housing inmates	119,487	1,856,042										1,856,042
State revenue sharing	155,587		35,264									154,751
Rural development	37,174			22,962								155,587
Other	1,107,964	375,594	2,708									60,136
Fees, charges, and commissions					\$146,484		\$5,234				\$3,410	1,486,266
Fines and forfeitures	26,625	7,748	1,411	3,455			375					156,539
Use of money and property	1,129	36,108	2,968		13,726	9,854		\$1,353		\$1,416		41,369
Other revenues	4,371,444	2,475,352	268,709	164,907	160,210	281,921	5,609	1,353	1,763,015	1,416	3,410	65,201
Total revenues												9,497,346
EXPENDITURES												
Current:												
General government:												
Judicial					178,445		6,063				5,243	189,751
Finance & administrative								11,567				11,567
Public safety		2,628,391										2,628,391
Public works	3,173,778											3,173,778
Health and welfare				87,120		281,921			1,763,015			2,132,056
Culture and recreation			196,573									196,573
Transportation										10,106		10,106
Debt service	49,635	28,075										77,710
Capital outlay	649,757	5,068	38,634	29,847								723,306
Total expenditures	3,873,170	2,661,534	235,207	116,967	178,445	281,921	6,063	11,567	1,763,015	10,106	5,243	9,143,238

EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>498,274</u>	<u>(186,182)</u>	<u>33,502</u>	<u>47,940</u>	<u>(18,235)</u>	<u>NONE</u>	<u>(454)</u>	<u>(10,214)</u>	<u>NONE</u>	<u>(8,690)</u>	<u>(1,833)</u>	<u>354,108</u>
OTHER FINANCING SOURCES (Uses)												
Sale of fixed assets	145,482											145,482
Proceeds from certificates of indebtedness	435,000											435,000
Operating transfers in	1,375,000	85,833						8,691		8,000		1,477,524
Operating transfers out	<u>(1,908,146)</u>	<u>(8,352)</u>										<u>(1,916,498)</u>
Total other financing sources (uses)	<u>47,336</u>	<u>77,481</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>8,691</u>	<u>NONE</u>	<u>8,000</u>	<u>NONE</u>	<u>141,508</u>
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	545,610	(108,701)	33,502	47,940	(18,235)	NONE	(454)	(1,523)	NONE	(690)	(1,833)	495,616
FUND BALANCES (Deficit) AT BEGINNING OF YEAR	<u>3,011,008</u>	<u>892,290</u>	<u>301,185</u>	<u>407,359</u>	<u>20,643</u>	<u>19,995</u>	<u>35,379</u>	<u>124,291</u>	<u>NONE</u>	<u>8,569</u>	<u>2,379</u>	<u>4,823,098</u>
FUND BALANCES (Deficit) AT END OF YEAR	<u>\$3,556,618</u>	<u>\$783,589</u>	<u>\$334,687</u>	<u>\$455,299</u>	<u>\$2,408</u>	<u>\$19,995</u>	<u>\$34,925</u>	<u>\$122,768</u>	<u>NONE</u>	<u>\$7,879</u>	<u>\$546</u>	<u>\$5,318,714</u>

UNION PARISH POLICE JURY
Farmerville, Louisiana
SPECIAL REVENUE FUNDS - PUBLIC WORKS

Combining Balance Sheet, December 31, 2003

	<u>ROAD MAINTENANCE</u>	<u>ROAD CONSTRUCTION</u>	<u>SALES TAX</u>	<u>SOLID WASTE COLLECTION</u>	<u>TOTAL</u>
ASSETS					
Cash and cash equivalents		\$47,283		\$6,179	\$53,462
Investments	\$320,172	561,632	\$1,332,326		2,214,130
Receivables	781,960	512,077	94,350		1,388,387
	<u>\$1,102,132</u>	<u>\$1,120,992</u>	<u>\$1,426,676</u>	<u>\$6,179</u>	<u>\$3,655,979</u>
LIABILITIES AND FUND EQUITY					
Liabilities:					
Cash overdraft	\$9,159		\$14,711		\$23,870
Accounts payable	28,882	\$18,780	20,507	\$4,572	72,741
Damage deposits	2,750				2,750
Total Liabilities	<u>40,791</u>	<u>18,780</u>	<u>35,218</u>	<u>4,572</u>	<u>99,361</u>
Fund Equity - fund balances:					
Reserved for landfill postclosure care			700,119		700,119
Unreserved- undesignated	1,061,341	1,102,212	691,339	1,607	2,856,499
Total Fund Equity	<u>1,061,341</u>	<u>1,102,212</u>	<u>1,391,458</u>	<u>1,607</u>	<u>3,556,618</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$1,102,132</u>	<u>\$1,120,992</u>	<u>\$1,426,676</u>	<u>\$6,179</u>	<u>\$3,655,979</u>

UNION PARISH POLICE JURY
Farmerville, Louisiana
SPECIAL REVENUE FUNDS - PUBLIC WORKS

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

	<u>ROAD MAINTENANCE</u>	<u>ROAD CONSTRUCTION</u>	<u>SALES TAX</u>	<u>SOLID WASTE COLLECTION</u>	<u>TOTAL</u>
REVENUES					
Taxes:					
Ad valorem taxes	\$562,562	\$468,984			\$1,031,546
Sales and use taxes			\$1,657,055		1,657,055
Intergovernmental:					
Federal grants	14,119	11,770			25,889
State funds:					
Parish transportation funds	208,988				208,988
State revenue sharing (net)	60,445	59,042			119,487
Rural development	155,587				155,587
Other	19,021	18,153			37,174
Fees, charges, and commissions			1,107,964		1,107,964
Use of money and property	5,623	6,963	14,039		26,625
Other revenues	879		250		1,129
Total revenues	<u>1,027,224</u>	<u>564,912</u>	<u>2,779,308</u>	<u>NONE</u>	<u>4,371,444</u>
EXPENDITURES					
Current - public works	1,453,820	223,629	818,658	\$677,671	3,173,778
Debt service			49,635		49,635
Capital outlay	1,042		602,645	46,070	649,757
Total expenditures	<u>1,454,862</u>	<u>223,629</u>	<u>1,470,938</u>	<u>723,741</u>	<u>3,873,170</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES					
	<u>(427,638)</u>	<u>341,283</u>	<u>1,308,370</u>	<u>(723,741)</u>	<u>498,274</u>
OTHER FINANCING SOURCES (Uses)					
Sale of assets					
Proceeds from certificates of indebtedness			145,482		145,482
Operating transfers in	700,000		435,000		435,000
Operating transfers out	(118,730)		(1,789,416)	675,000	1,375,000
Total other financing sources (uses)	<u>581,270</u>	<u>NONE</u>	<u>(1,208,934)</u>	<u>675,000</u>	<u>47,336</u>
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES					
	153,632	341,283	99,436	(48,741)	545,610
FUND BALANCES AT BEGINNING OF YEAR					
	<u>907,709</u>	<u>760,929</u>	<u>1,292,022</u>	<u>50,348</u>	<u>3,011,008</u>
FUND BALANCES AT END OF YEAR					
	<u>\$1,061,341</u>	<u>\$1,102,212</u>	<u>\$1,391,458</u>	<u>\$1,607</u>	<u>\$3,556,618</u>

UNION PARISH POLICE JURY
Farmerville, Louisiana
SPECIAL REVENUE FUNDS - PUBLIC SAFETY

Combining Balance Sheet, December 31, 2003

	<u>DETENTION CENTER</u>	<u>COMMUNICATIONS DISTRICT</u>	<u>INMATE WELFARE</u>	<u>TOTAL</u>
ASSETS				
Cash and cash equivalents		\$32,632	\$225,681	\$258,313
Investments	\$171,822	222,612		394,434
Receivables	169,179	13,966		183,145
TOTAL ASSETS	<u>\$341,001</u>	<u>\$269,210</u>	<u>\$225,681</u>	<u>\$835,892</u>
LIABILITIES AND FUND EQUITY				
Liabilities:				
Cash overdraft	\$3,727			\$3,727
Accounts payable	47,710	\$866		48,576
Total liabilities	<u>\$51,437</u>	<u>\$866</u>	<u>NONE</u>	<u>\$52,303</u>
Fund Equity - fund balances:				
Reserved for wireless service		192,801		192,801
Unreserved- undesignated	289,564	75,543	\$225,681	590,788
Total fund equity	<u>289,564</u>	<u>268,344</u>	<u>225,681</u>	<u>783,589</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$341,001</u>	<u>\$269,210</u>	<u>\$225,681</u>	<u>\$835,892</u>

UNION PARISH POLICE JURY
Farmerville, Louisiana
SPECIAL REVENUE FUNDS - PUBLIC SAFETY

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

	<u>DETENTION CENTER</u>	<u>COMMUNICATIONS DISTRICT</u>	<u>INMATE WELFARE</u>	<u>TOTAL</u>
REVENUES				
Intergovernmental:				
Federal funds - housing inmates	\$199,860			\$199,860
State funds - housing inmates	1,856,042			1,856,042
Fees, charges, and commissions		\$173,606	\$201,988	375,594
Use of money and property	1,888	2,571	3,289	7,748
Other revenues	9,644	1,475	24,989	36,108
Total revenues	<u>2,067,434</u>	<u>177,652</u>	<u>230,266</u>	<u>2,475,352</u>
EXPENDITURES				
Current - public safety	2,251,106	154,801	222,484	2,628,391
Debt service		28,075		28,075
Capital outlay	1,668	3,400		5,068
Total expenditures	<u>2,252,774</u>	<u>186,276</u>	<u>222,484</u>	<u>2,661,534</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>(185,340)</u>	<u>(8,624)</u>	<u>7,782</u>	<u>(186,182)</u>
OTHER FINANCING SOURCES (Uses)				
Operating transfers in	75,000	10,833		85,833
Operating transfers out	(8,352)			(8,352)
Total other financing sources (uses)	<u>66,648</u>	<u>10,833</u>	<u>NONE</u>	<u>77,481</u>
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>(118,692)</u>	<u>2,209</u>	<u>7,782</u>	<u>(108,701)</u>
FUND BALANCES AT BEGINNING OF YEAR	<u>408,256</u>	<u>266,135</u>	<u>217,899</u>	<u>892,290</u>
FUND BALANCES AT END OF YEAR	<u>\$289,564</u>	<u>\$268,344</u>	<u>\$225,681</u>	<u>\$783,589</u>

UNION PARISH POLICE JURY
Farmerville, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULES
As of and for the Year Ended December 31, 2003

CAPITAL PROJECTS FUNDS

DETENTION CENTER CONSTRUCTION

The Detention Center Construction Fund is used to account for the construction of an addition to the Union Parish Detention Center. Funding for construction was provided by the issuance of \$2,500,000 of certificates of indebtedness.

RURAL DEVELOPMENT GRANT

The Rural Development Grant Fund accounts for financial resources received and used for the acquisition of fire fighting equipment. Funding is provided by a grant from the U.S. Department of Agriculture - Rural Housing Service through its Community Facilities Grant Program.

LOUISIANA COMMUNITY DEVELOPMENT BLOCK GRANT

The Louisiana Community Development Block Grant (LCDBG) Fund accounts for financial resources received and used for the acquisition, construction, or improvement of capital facilities such as fire stations and equipment and water wells, pump stations, and distribution lines. Funding is provided by community development block grants from the U.S. Department of Housing and Urban Development through the Louisiana Office of the Governor - Division of Administration.

AIRPORT GRANT

The Airport Grant Fund accounts for improvements to the parish airport facility. Funding is provided by grants from the United States Department of Transportation and the Louisiana Department of Transportation.

UNION PARISH POLICE JURY
Farmerville, Louisiana
CAPITAL PROJECTS FUNDS

Combining Balance Sheet, December 31, 2003

	<u>DETENTION CENTER CONSTRUCTION</u>	<u>RURAL DEVELOPMENT GRANT</u>	<u>LCDBG GRANT</u>	<u>AIRPORT GRANT</u>	<u>TOTAL</u>
ASSETS					
Cash and cash equivalents	\$1,815	\$3,600	(\$256)	\$35,043	\$40,202
Investments	163,006				163,006
Receivables		9,073		78,364	87,437
Due from other funds			\$256		256
TOTAL ASSETS	<u>\$164,821</u>	<u>\$12,673</u>	<u>NONE</u>	<u>\$113,407</u>	<u>\$290,901</u>
LIABILITIES AND FUND EQUITY					
Liabilities - accounts payable		\$12,673		\$55,987	\$68,660
Fund Equity - fund balances - unreserved- undesignated	<u>\$164,821</u>	<u>NONE</u>	<u>NONE</u>	<u>57,420</u>	<u>222,241</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$164,821</u>	<u>\$12,673</u>	<u>NONE</u>	<u>\$113,407</u>	<u>\$290,901</u>

UNION PARISH POLICE JURY
Farmerville, Louisiana
CAPITAL PROJECTS FUNDS

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

	<u>DETENTION CENTER CONSTRUCTION</u>	<u>RURAL DEVELOPMENT GRANT</u>	<u>LCDBG GRANT</u>	<u>AIRPORT GRANT</u>	<u>TOTAL</u>
REVENUES					
Intergovernmental revenue:					
Federal grants		\$195,000	\$24,487	\$244,630	\$464,117
State grants		30,000		50,734	80,734
Use of money and property	\$1,800				1,800
Other Revenue		109			109
	<u>1,800</u>	<u>225,109</u>	<u>24,487</u>	<u>295,364</u>	<u>546,760</u>
EXPENDITURES					
Current - General Government - finance and administrative		13,865	3,294		17,159
Capital outlay		211,244	21,449	276,801	509,494
Total expenditures	<u>NONE</u>	<u>225,109</u>	<u>24,743</u>	<u>276,801</u>	<u>526,653</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES					
	1,800	NONE	(256)	18,563	20,107
OTHER FINANCING SOURCES (USES)					
Operating transfers in			256		256
Operating transfers out	(1,598)				(1,598)
	<u>(1,598)</u>	<u>NONE</u>	<u>256</u>	<u>NONE</u>	<u>(1,342)</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES					
	<u>202</u>	<u>NONE</u>	<u>NONE</u>	<u>18,563</u>	<u>18,765</u>
FUND BALANCES AT BEGINNING OF YEAR					
	<u>164,619</u>	<u>NONE</u>	<u>NONE</u>	<u>38,857</u>	<u>203,476</u>
FUND BALANCES AT END OF YEAR					
	<u>\$164,821</u>	<u>NONE</u>	<u>NONE</u>	<u>\$57,420</u>	<u>\$222,241</u>

UNION PARISH POLICE JURY
Farmerville , Louisiana
SUPPLEMENTAL INFORMATION SCHEDULES
As of and for the Year Ended December 31, 2003

COMPENSATION PAID POLICE JURORS

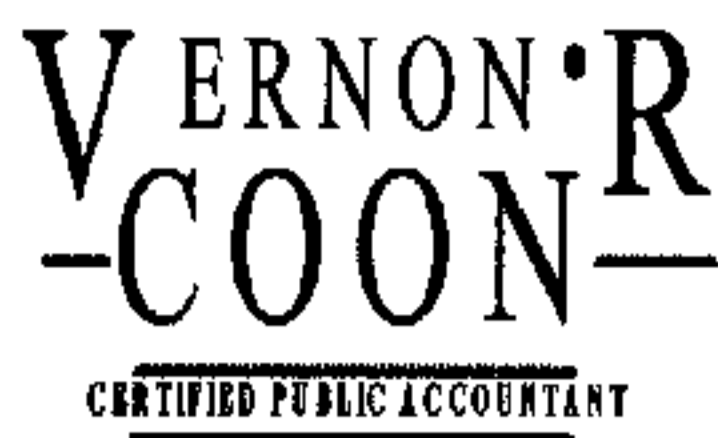
The schedule of compensation paid to police jurors is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the police jurors is included in the legislative expenditures of the General Fund. In accordance with Louisiana Revised Statute 33:1233, the police jury has elected the monthly payment method of compensation. Under this method, the president receives \$700 per month and the other jurors receive \$600 per month.

UNION PARISH POLICE JURY
Farmerville, LouisianaSchedule of Compensation Paid Police Jurors
For the Year Ended December 31, 2003

Elbert D. "Jabo" Albritton	\$7,200
Johnny Buckley	7,200
Keith Byram	7,200
DeWayne Hill	7,200
Bobby Hobson	7,200
Anna Milstead	7,200
Jerry Rugg	7,200
Willie T. Sensley, Sr.	7,200
Danny A. Smith, President	<u>8,400</u>
Total	<u>\$66,000</u>

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

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



Independent Auditor's Report on Compliance and Internal Control Over Financial Reporting

UNION PARISH POLICE JURY
Farmerville, Louisiana

I have audited the primary government financial statements of the Union Parish Police Jury as of and for the year ended December 31, 2003, and have issued my report thereon dated March 24, 2004. I conducted my audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Union Parish Police Jury's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed instances of noncompliance that are required to be reported under *Government Auditing Standards* which are described in the accompanying schedule of findings and questioned costs as items 03-1 and 03-2.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the Union Parish Police Jury's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My 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. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

MEMBER AMERICAN
INSTITUTE OF CERTIFIED
PUBLIC ACCOUNTANTS

SOCIETY OF LOUISIANA
CERTIFIED PUBLIC
ACCOUNTANTS

PRACTICE LIMITED TO
GOVERNMENTAL
ACCOUNTING, AUDITING
AND FINANCIAL REPORTING

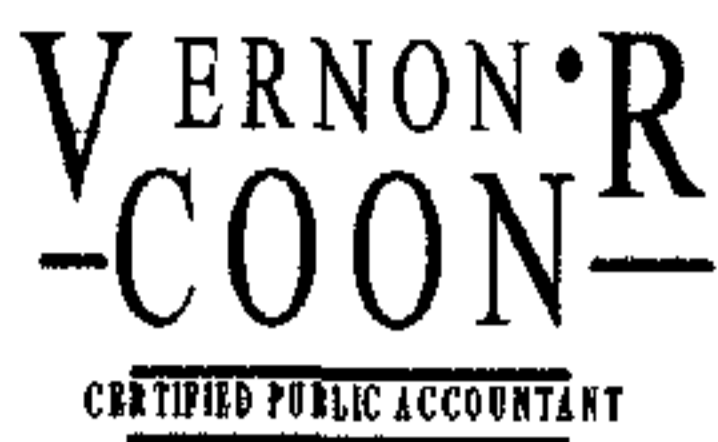
477 HIGHWAY 847,
COLUMBIA,
LOUISIANA 71418
TELEPHONE
318.649.0892
FAX 318.649.2465
EMAIL vrcoon@aol.com

UNION PARISH POLICE JURY
Farmerville, Louisiana
Independent Auditor's Report on Compliance
And Internal Control Over Financial Reporting, etc.
December 31, 2003

This report is intended for the information of the members of the Union Parish Police Jury, management of the police jury, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to be a cursive name, possibly "V. Smith".

Columbia, Louisiana
March 24, 2004



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

UNION PARISH POLICE JURY
Farmerville, Louisiana

Compliance

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

I conducted my audit of compliance in accordance with U.S. generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that I 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 Union Parish Police Jury's compliance with those requirements and performing such other procedures as I consider necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination on the Union Parish Police Jury's compliance with those requirements.

In my opinion, the Union Parish Police Jury complied, in all material respects, with the requirements referred to above that are applicable to its major federal programs for the year ended December 31, 2003. The results of my auditing procedures disclosed no instances of noncompliance with those requirements that are required to be reported in accordance with OMB Circular A-133.

MEMBER AMERICAN
INSTITUTE OF CERTIFIED
PUBLIC ACCOUNTANTS

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477 HIGHWAY 847,
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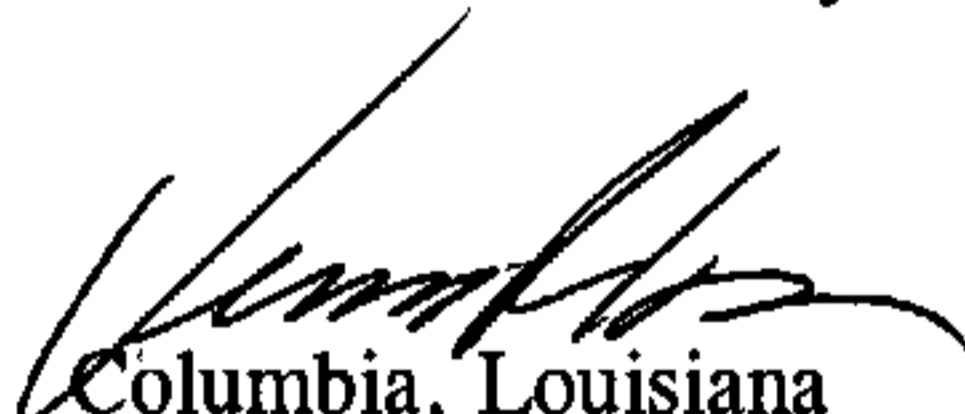
UNION PARISH POLICE JURY
Farmerville, Louisiana
Independent Auditor's Report on Compliance
With Requirements Applicable to Each Major
Program and Internal Control Over Compliance, etc.
December 31, 2003

Internal Control Over Compliance

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

My 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. I noted no matters involving the internal control over compliance and its operation that I consider to be material weaknesses.

This report is intended for the information of the members of the Union Parish Police Jury, management of the police jury, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.


Columbia, Louisiana
March 24, 2004

UNION PARISH POLICE JURY
Farmerville, Louisiana

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

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the primary government financial statements of the Union Parish Police Jury.
2. No reportable conditions relating to the audit of the financial statements are reported in the Independent Auditor's Report on Compliance and Internal Control Over Financial Reporting.
3. No instances of noncompliance material to the financial statements of the Union Parish Police Jury were disclosed during the audit.
4. No reportable conditions relating to the audit of the major federal award programs are reported in the Auditor's Report on Compliance With Requirements Applicable to Each Major Program and Internal Control Over Compliance.
5. The auditor's report on compliance for the major federal award programs for the Union Parish Police Jury expresses an unqualified opinion.
6. No audit findings relative to the major federal award programs for the Union Parish Police Jury are reported.
7. The United States Department of Labor's Workforce Investment Act (WIA) cluster was tested as a major program and consisted of the following:
 - Adult Program - CFDA 17.258
 - Youth Program - CFDA 17.259
 - Dislocated Worker Program - 17.260
8. The threshold for distinguishing Type A and B programs was \$300,000.
9. The Union Parish Police Jury was determined to be a low-risk auditee.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

Finding 03-1 Improper Distribution of Surplus Funds

Finding: The district attorney and judges of the Third Judicial District improperly distributed balances in the Criminal Court Fund. On February 6, 2003, a cooperative endeavor agreement was executed between the district attorney and judges of the Third Judicial District. The agreement provides that any surplus remaining in the Criminal Court Fund each month, in excess

UNION PARISH POLICE JURY
Farmerville, Louisiana
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2003

of \$1,000, shall be remitted to the district attorney and judges on a 50/50 basis. In my opinion such an agreement does not comply with the intent of LSA-R.S. 15:571.11. That statutory section provides that fines and forfeitures imposed by district courts shall be deposited into the parish Criminal Court Fund and be paid out on motion of the district attorney and approval order of the district judge in defraying the expenses of the criminal court. If the legislature had felt that transferring unsupported lump sums to the district attorney and judges was acceptable, they would not have created the various criminal court funds in each of the judicial districts but would instead have simply provided that the fines and forfeitures be transferred directly to the district attorneys' salary funds and judges' judicial expense funds. Further, the only wording in LSA-R.S. 15:571.11 which addresses the disposition of surplus funds provides that one-half of any surplus remaining in the Criminal Court Fund at December 31st of each year shall be transferred to the parish's General Fund. I addressed this issue in a letter to management, dated June 26, 2003, after the completion of my audit for the year 2002. During my audit for the year 2003, I noted from a review of transactions that monthly transfers totaling \$26,961 were made to the judicial district court for the months of July through December, 2003.

Recommendation: The district attorney and judges should refrain from making surplus transfers from the Criminal Court Fund to their respective operating funds pending a concurring opinion from the Attorney General or obtaining declaratory judgement in their favor.

Finding 03-2 Need to Properly Monitor and Amend Budgets

Finding: Budgets were not amended as required by state law. Louisiana Revised Statutes (LSA-RS) 39:1310 & 1311(A) provide that budgets shall be amended when actual revenues and other sources are failing to meet budgeted amounts by five percent or more and/or actual expenditures and other uses are exceeding budgeted amounts by five percent or more. Also, LSA-RS 39:1309 provides that the adopted budget shall be balanced with approved expenditures not exceeding the total of estimated funds available (revenues and beginning fund balance). All funds started the year in compliance with the Local Government Budget Act (LSA-RS 39:1301-1315). However, during the year, because of inadequate budget monitoring and amendments, the following deficiencies existed at year end:

1. Six funds had total revenues and other sources which failed to meet budgeted amounts by more than five percent.
2. Two funds had total expenditures and other uses that exceeded budgeted amounts by more than five percent.

UNION PARISH POLICE JURY
Farmerville, Louisiana
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2003

3. Two funds had budgeted expenditures which exceeded budgeted funds available.

Recommendation: Management should monitor budgets for all funds on at least a monthly basis, taking into consideration future expected revenues, expenditures, and beginning fund balances. When unfavorable variances are anticipated, adequately amend budgets or, if sufficient additional funds are not available, reduce expenditures to stay within budgeted amounts.

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

None

(Concluded)

UNION PARISH POLICE JURY
Farmerville, Louisiana
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2003

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR NAME/ PROGRAM TITLE	CFDA NUMBER	GRANTOR'S NUMBER	FEDERAL EXPENDITURES
UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Passed through Office of the Governor, Division of Administration -			
Community Development Block Grant (States Program)	14.228	575390	\$24,487
Direct program - Section 8 Housing Choice Vouchers Program	14.871	LA-48V196	<u>281,921</u>
Total United States Department of Housing and Urban Development			<u>306,408</u>
UNITED STATES DEPARTMENT OF LABOR			
Passed through Louisiana Department of Labor -			
Workforce Investment Act:			
Adult Program	17.258	N/A	677,775
Youth Program	17.259	N/A	784,925
Dislocated Worker Program	17.260	N/A	<u>300,315</u>
Total United States Department of Labor			<u>1,763,015</u>
UNITED STATES DEPARTMENT OF TRANSPORTATION - FEDERAL AVIATION ADMINISTRATION			
Direct program - Airport Improvement	20.106	3-22-0017-04	217,272
		3-22-0045-05	<u>27,358</u>
Total United States Department of Transportation			<u>244,630</u>
FEDERAL EMERGENCY MANAGEMENT AGENCY			
Passed through State of Louisiana Office of Emergency Preparedness -			
Hazard Mitigation	83.548	PDM 12-111-0001	29,025
UNITED STATES DEPARTMENT OF AGRICULTURE - RURAL HOUSING SERVICE			
Direct program - Community Facilities Grant Program	10.766	01-06-367E	195,000
OTHER FINANCIAL ASSISTANCE			
Direct Program - United States Department of the Interior -			
Payment in Lieu of Taxes	15.000	N/A	<u>41,000</u>
Total Federal Financial Assistance			<u>\$2,579,078</u>

NOTES:

1. The Schedule of Expenditures of Federal Awards was prepared on the modified accrual basis of accounting.

UNION PARISH POLICE JURY
Farmerville, Louisiana

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

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

JOHNNY BUCKLEY
PRESIDENT

A. J. SMITH
VICE PRESIDENT

DENNIS W. REEVES
SECRETARY-TREASURER

Police Jury of Union Parish

P.O. BOX 723
TELEPHONE (318) 368-3296
FARMERVILLE, LOUISIANA 71241

DISTRICT 1
CHARLES SAWYER
P.O. BOX 673
FARMERVILLE, LA 71241
TEL. 368-2166

March 29, 2004

DISTRICT 2
LANNY PARKER
270 MINA PARKER ROAD
MARION, LA 71260
TEL. 292-6291

Mr. Vernon Coon, CPA
477 Highway 847
Columbia, LA 71418

RE: Management Response to Findings of 2003 Audit

DISTRICT 3
A. J. SMITH
1248 WEBSTER BLUFF RD.
FARMERVILLE, LA 71241
TEL. 368-8497

Dear Mr. Coon,

The following is the Union Parish Police Jury's response and corrective action plan for the findings contained in your report on the Police Jury's financial statements for the year ended December 31, 2003.

DISTRICT 4
JOHNNY BUCKLEY
12784 HWY. 2
BERNICE, LA 71222
TEL. 285-7134

Finding 03-01 Disbursement of Criminal Court Funds

DISTRICT 5
RICHARD BRIDGES
394 BRIDGES ROAD
DOWNSVILLE, LA 71234
TEL. 982-8500

In February, 2003 the district attorney and judges of the Third Judicial District executed an intergovernmental cooperative endeavor agreement to split 50/50, after expenses, any Criminal Court Funds in excess of \$1000.00 at the end of each month. After numerous meetings and discussion, the Union Parish Police Jury agreed to honor this agreement with the Third Judicial District. The Jury also agreed to budget \$10,000/month to the District Attorney's Office to help offset some of their expenses. This expense began in May, 2003 and has continued since. There never seemed to be enough funds in the Criminal Court Fund to pay the expenses nor which bills to pay first. The Union Parish Police Jury continues to deposit fines and forfeitures into the Criminal Court Fund and pays whatever vouchers are moved and ordered by the district attorney and district judge. The current process of splitting the remaining funds has actually been a much easier and smoother process for the Union Parish Police Jury. However, the Union Parish Police Jury wishes to conduct business in accordance with the law and requests that an Attorney General's opinion determine the procedure of handling the Criminal Court Fund in a manner which will satisfy all parties involved. The Union Parish Police Jury will abide by the law as prescribed by this Attorney General's opinion.

DISTRICT 6
ALVIN ALLEN
1589 SWEET LILLIE RD.
MARION, LA 71260
TEL. 368-3822

DISTRICT 7
GEORGE UPSHAW
523 DRY CREEK ROAD
FARMERVILLE, LA 71241
TEL. 368-2912

DISTRICT 8
DON ACREE
9271 HWY. 143
FARMERVILLE, LA 71241
TEL. 726-5467

DISTRICT 9
DEWAYNE HILL
109 CHURCH STREET
BERNICE, LA 71222
TEL. 285-9951

Finding 03-02**Monitoring and Amending Budgets**

As noted in this finding, at year end several funds failed to meet the requirements of being within the five percent parameter of budgeted funds to actual revenues and expenditures. This was inadvertently and unintentionally overlooked while preparing the budget for 2004. Throughout the whole of 2003, seven budget amendments were prepared and adopted by the Police Jury. This is certainly an indication that the budget was monitored and amended on a very regular basis. Management is also very aware of this oversight and will adamantly continue to monitor the budgets/funds on a timely basis and, by the end of November, will certainly make any adjustments and/or amendments necessary to fall within the mandated five per cent parameters of budgeted funds to actual revenues and expenditures.

Thank you for your cooperation in this matter. If you have any questions about the program, please call (318) 368-3296.

Respectfully,



Johnny Buckley
President

JB/dwr

THIRD JUDICIAL DISTRICT COURT

LINCOLN AND UNION PARISHES
STATE OF LOUISIANA



Judges' Office

P.O. Box 388
Ruston, LA 71273-0388

Telephone: 318-255-4691
Facsimile : 318-255-3154

Judges' Office

100 E. Bayou, Suite 202
Farmerville, LA 71241

Telephone: 318-368-9734
Facsimile: 318-368-2487

March 29, 2004

Vernon R. Coon
477 Highway 847
Columbia, Louisiana 71418

Re: Letter sent to Dennis Reeves

Dear Mr. Coon:

You requested a response from our office to a finding in your report to the Union Parish Jury for the year ending December 31, 2003.

We understood the reason for the agreement was to insure an easier, quicker and more efficient way to have each of our office's bills paid. We further understood that the Police Jury supported this agreement. We were not informed that you had questions about the agreement. Had we been informed of any concerns you had with this cooperative endeavor agreement, we would have addressed these concerns.

To our knowledge there has never been a "surplus" in the Criminal Court Fund. Historically, and in accordance with R.S. 15:571.11, the Criminal Court Fund has paid "general" expenses related to operations of the criminal court including fees for court reporters and translators, clerk's and sheriff's charges, fees and expenses of petit and grand jurors, witness fees and other similar expenses. Additionally, in accordance with R.S. 15:571.11, the Criminal Court Fund has paid expenses related to the operations of the Judge's Office and the District Attorney's Office.

In recent times, the Criminal Court Funds of both Lincoln and Union Parishes have not had sufficient funds to pay the "general" expenses and the expenses related to the operations of our respective offices. The problem has been more acute in Lincoln Parish than in Union Parish, but both parishes have been impacted. Consequently, many of our office expenses that had previously been paid by the Criminal Court Fund were either paid from other funds or payment was delayed, in some cases for significant periods of time. Believing that the Criminal Court Fund would be unable to pay the expenses of our respective offices as it had done in the past and in an effort to

**Third Judicial District Court
LINCOLN AND UNION PARISHES**

allocate equitably between our respective offices the funds remaining after payment of "general" expenses, the cooperative endeavor agreement was entered into.

We have included summaries of our expenses from June, 2003,¹ to show the type of expenses we would claim from the criminal court fund for the year 2003, if the cooperative endeavor agreement had not been anticipated or in effect. It does not appear from the expense summary that a "surplus" to our office would have been created. We will furnish documentation of these expenses upon request.

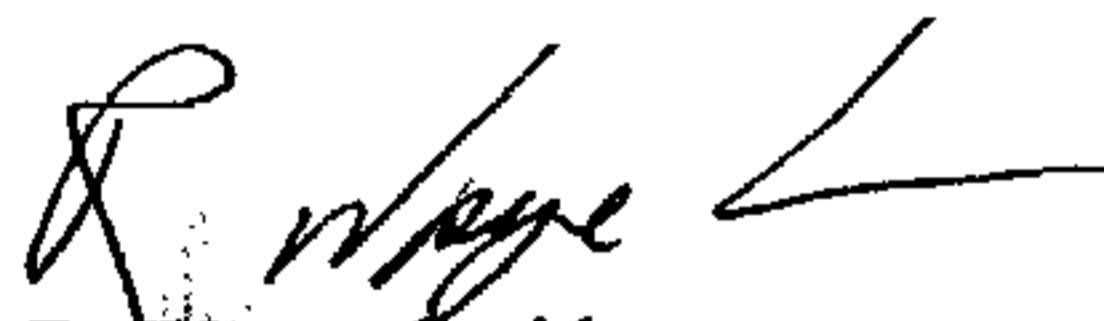
However, in an effort to satisfy your concerns and strictly comply with the statute, we would suggest amending the agreement to reflect that after payment of "general" expenses the remainder of the Criminal Court Fund would be divided, and 50% paid to the District Attorney and 50% paid to the Judge's office upon presentation to the police jury of vouchers for these expenses. Of course, if the vouchered expenses do not meet the 50% amount, payment would be limited to the actual amount vouchered. Please be assured that in no event was our office attempting to receive extra funds, or to receive funds to which we were not entitled.

We hope this adequately addresses your concerns. If you have any other suggestions, please do not hesitate to let us know.

Sincerely,



Cynthia T. Woodard
Division "A"



R. Wayne Smith
Division "B"



Jay B. McCallum
Division "C"

¹ This is the time period that the Police Jury began to pay under the cooperative endeavor agreement.

REVENUE AND EXPENSES ATTRIBUTED TO UP CRIMINAL COURT FUND
JUNE 2003 THRU FEBRUARY 2004

	Revenue Rec'd	Expenses Paid	
Jun-03	-	6,695.26	
Jul-03	8,483.05	1,677.33	
Aug-03	7,386.57	4,624.49	
Sep-03	883.66	2,554.30	
Oct-03	6,013.66	4,385.77	
Nov-03	-	3,554.09	
Dec-03	4,194.37	2,115.36	
Jan-04	1,115.48	4,775.17	
Feb-04	-	2,255.17	
TOTALS	28,076.79	32,636.94	
		Net Gain	(4,560.15)

NOTE: We have allocated one half (1/2) of Wanda Witherington's salary (included in monthly totals) to the Criminal Court Fund. Wanda was hired when Judge McCallum took office. She works in the Union Parish office.

ROBERT W. LEVY, DISTRICT ATTORNEY
THIRD JUDICIAL DISTRICT OF LOUISIANA
PARISHES OF LINCOLN & UNION

LINCOLN PARISH OFFICE:
P.O., BOX 777
RUSTON, LA 71273-0777
(318) 251-5100



UNION PARISH OFFICE:
UNION PARISH COURTHOUSE
FARMERVILLE, LA 71241
(318) 368-2201

March 31, 2004

Mr. Vernon R. Coon
Certified Public Accountant
477 Highway 847
Columbia, LA 71418

RE: Union Parish Police Jury

Dear Vernon:

I have been asked to respond to your audit finding that the "district attorney and judges of the Third Judicial District improperly distributed balances in the Criminal Court fund." This is a finding with which I respectfully disagree.

You have presumed that the funds in that account in excess of \$1,000.00 are surplus funds. However, that is simply not the case. There are no surplus funds in the Criminal Court Fund of Union Parish nor have there been for several years. The lack of a surplus in the Criminal Court Fund is further evidenced by the fact that the Union Parish Police Jury is currently advancing significant sums of money from its general fund to the district attorney's office for the payment of reasonable and necessary expenses of the office. In fact, the impetus for entering into the Cooperative Endeavor Agreement between the judges and the district attorney was that there had, for a number of years, been insufficient funds available from the Criminal Court Fund to pay the vouchered expenses of those offices. This resulted in bills and expenses of both offices going unpaid for substantial periods of time creating a financial hardship upon those offices. Many times we would learn that the voucher expenses had not be paid when a creditor or supplier called regarding the past due status of their account.

In an effort to reduce the hardship on each office as a result of the failure of the Union Parish Police Jury to pay the vouchered expenses of the judges and district attorney because of the lack of monies in the Criminal Court Fund, the judges and the district attorney entered into the Cooperative Endeavor Agreement dated February 6, 2003. That agreement provides for maintenance of a balance of not less than \$1,000.00 in the Criminal Court Fund at all times. The judges and district attorney next agreed that the first payments out of the Criminal Court Fund each month would be for those expenses related to the general operations of the criminal justice system, such as the expenses for recording and transcribing of testimony, interpreters, appellate records, witness fees, attendance fees, etc. These expenses continue to be vouchered to the Union Parish Police Jury. The balance in the Criminal Court Fund after the payment of the general expenses previously referred to is then divided equally between the judges and the district attorney to be used by them in defraying the expenses of their offices. These expenses include those

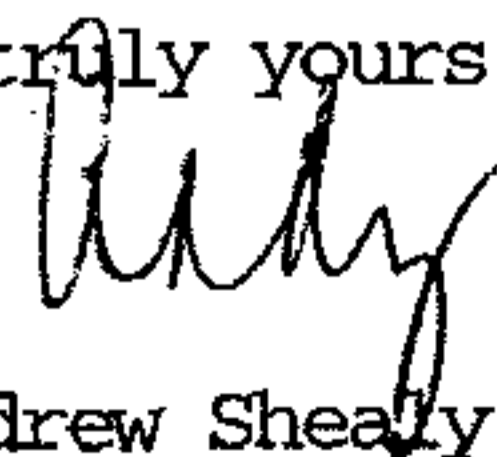
Mr. Vernon R. Coon
March 31, 2004
Page Two

for salaries, office supplies, telephone service, insurance, legal publications, etc. The "order or warrant of the district judge and district attorney" for the payment of those funds is evidenced by the Cooperative Endeavor Agreement executed by the offices of the judge and district attorney as allowed by Article VII, Section 14C of the Louisiana Constitution. LSA-R.S. 15:571.11 does not provide any specific form for the "order or warrant" described therein. However, it does envision some sort of request or direction signed by the district judge and the district attorney. The Cooperative Endeavor Agreement dated February 6, 2003 should suffice as a written request or direction signed by the district judge and district attorney.

Additionally, this office disagrees with your characterization of the payment of said expenses of the monies distributed to the district attorney's office by virtue of the Cooperative Endeavor Agreement dated February 6, 2003 as "unsupported, lump sums" paid to the district attorney's office. Under the current arrangement agreed to by the judges, the district attorney, and the Union Parish Police Jury the allocation which the district attorney's office receives from the Criminal Court Fund is averaging less than \$5,000.00 per month. Additionally, this office receives an additional allocation of \$10,000.00 per month from the Union Parish Police Jury General Fund. During the budget meetings with the Union Parish Police Jury this office submitted documentation indicating that the monthly wages and fringe benefit payments alone for the District Attorney employees assigned exclusively to Union Parish exceeded \$18,000.00 which is more than the total appropriations received from the Criminal Court Fund and the Union Parish Police Jury General Fund combined. In addition to the monthly wages and fringe benefit payments for those employees assigned exclusively to Union Parish, this office also has substantial recurring expenses for telephone, fax, copying, office supplies, and insurance. It is my understanding that a schedule of wages and fringe benefit payments are submitted to the Union Parish Police Jury each month as documentation and support for the appropriations which this office receives from the Criminal Court Fund and the Union Parish Police Jury General Fund. If that is not occurring, I have no objection to providing the Union Parish Police Jury with that in documentation.

I trust that the information provided herein is sufficient for your needs and should you have any questions or desire to further discuss this matter, please feel free to contact me.

Very truly yours,



S. Andrew Shealy
Assistant District Attorney

SAS/cja/ada/uppj/coon3

xc: Mr. Dennis Reeves