

**BOCA RATON PARISH POLICE JURY**  
**Miami-Dade, Louisiana**

**Primary Government Financial Statements**  
**With Independent Auditor's Report**  
**As of and for the Year Ended**  
**December 31, 2004**  
**With Supplemental Information Schedule**

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 Main Floor office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date: 10-13-04

**MARY JO FINLEY, CPA, INC.**  
**A PROFESSIONAL CORPORATION**

DESOUDS PARISH POLICE JURY  
Mansfield, Louisiana

Primary Government Financial Statements  
With Independent Auditor's Report  
As of and for the Year Ended December 31, 2005  
With Supplemental Information Schedules

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**MARY JO FINLEY, CPA, INC.**

A PROFESSIONAL CORPORATION

119 Professional Drive - West Monroe, LA 71291

Phone (514) 820-6880 - Fax (514) 820-6880

**Independent Auditor's Report**

**DESOLO PARISH POLICE JURY**  
Mansfield, Louisiana

I have audited the primary government financial statements of the DeSoto 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 DeSoto 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 the Government Auditing Standards, issued by the Comptroller General of the United States. These 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 DeSoto 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 DeSoto Parish Police Jury, do not purport to, and do not, present fairly the financial position of the DeSoto Parish Police Jury at December 31, 2003, and results of its operations for the year then ended in conformity with U. S. generally accepted accounting principles.

DEBOTE PARISH POLICE JURY

Monroe, 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, *Audit 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 DeBote 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 September 27, 2004, on my consideration of the DeBote 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.



West Monroe, Louisiana  
September 27, 2004

**PRIMARY GOVERNMENT FINANCIAL STATEMENTS  
(OVERVIEW)**

**DEOTO-PARISH POLICE BUREAU**  
 Mandeville, Louisiana  
**ALL FUND TYPES AND ACCOUNT GROUPS**

Continued Balance Sheet, December 31, 2005

|   | COMMERCIAL FUND TYPE |                             | PROPERTY<br>PLANT AND<br>EQUIPMENT<br>FUND | ACCOUNT GROUPS      |                      | TOTAL<br>AMOUNTS<br>DUE TO |
|---|----------------------|-----------------------------|--|---------------------|----------------------|----------------------------|
|   | GENERAL<br>FUND      | SPECIAL<br>REVENUE<br>FUNDS |  | GENERAL<br>FUND     | NON-GENERAL<br>FUNDS |                            |
| <b>ASSETS AND OTHER DEBITS</b>  |                      |                             |  |                     |                      |                            |
| Current assets:   | \$1,531,497          | \$681,523                   |  |                     |                      | \$2,213,020                |
| Cash and cash equivalents   | 2,401,040            | 1,200,036                   |  |                     |                      | 3,601,076                  |
| Investments   | 1,241,907            | 3,286,403                   | 12,908                                     |                     |                      | 4,540,218                  |
| Receivables   | 159,588              | 3,597                       |  |                     |                      | 163,185                    |
| Due from other funds  |                      |                             |  |                     |                      |                            |
| Land, buildings, equipment, and improvements<br>(net of accumulated depreciation) |                      |                             | 152,318                                    | \$23,149,419        | \$5,429,441          | \$24,731,178               |
| Amounts to be provided for retirement<br>of general long-term obligations         |                      |                             |  |                     |                      |                            |
|   | <u>\$3,932,992</u>   | <u>\$3,961,953</u>          | <u>\$165,226</u>                           | <u>\$23,172,618</u> | <u>\$5,429,441</u>   | <u>\$33,664,830</u>        |
| <b>LIABILITIES AND FUND EQUITY</b>  |                      |                             |  |                     |                      |                            |
| Liabilities:  |                      |                             |  |                     |                      |                            |
| Bonds payable   | \$60,597             | \$46,482                    |  | \$14,490            |                      | \$121,569                  |
| Accounts payable  | 458                  | 23,541                      |  | 344                 |                      | 24,343                     |
| Due to other funds  |                      | 153,885                     |  |                     |                      | 153,885                    |
| Deferred revenues   |                      | 151,457                     |  |                     |                      | 151,457                    |
| Customer deposits   |                      |                             |  | 379                 |                      | 379                        |
| General obligation bonds  |                      |                             |  | \$4,984,800         |                      | \$4,984,800                |
| Capital leases payable  |                      |                             |  | 1,795,466           |                      | 1,795,466                  |
| Compensated absence payable   |                      |                             |  | 26,817              |                      | 26,817                     |
| Total liabilities   |                      | <u>\$482,465</u>            | <u>\$14,844</u>                            | <u>\$6,821,996</u>  |                      | <u>\$7,369,112</u>         |

|  |                  |                  |                     |                    |                     |
|--|------------------|------------------|---------------------|--------------------|---------------------|
| Fund Equity:                                   |                  |                  |                     |                    |                     |
| Contributed capital                            |                  | 142,278          |                     |                    | 142,278             |
| Investment in general fund assets              |                  |                  | 812,447,419         |                    | 812,447,419         |
| Retained earnings - accumulated - undesignated |                  | 19,941           |                     |                    | 19,941              |
| Fund balances - accumulated - undesignated     |                  |                  |                     |                    | (9,944)             |
| Fund balances - accumulated - undesignated     | 3,000,341        |                  |                     |                    | 3,000,341           |
| Total Fund Equity                              | <u>3,000,341</u> | <u>142,219</u>   | <u>812,447,419</u>  | <u>19,941</u>      | <u>3,042,961</u>    |
|  | <u>3,000,341</u> | <u>142,219</u>   | <u>812,447,419</u>  | <u>19,941</u>      | <u>3,042,961</u>    |
| TOTAL LIABILITIES AND FUND EQUITY              | <u>\$118,128</u> | <u>\$404,028</u> | <u>\$12,347,419</u> | <u>\$5,071,441</u> | <u>\$46,930,036</u> |

The accompanying notes are an integral part of this statement.



**DESOUD PARISH POLICE RURY**  
**Monroe, Louisiana**  
**GOVERNMENTAL FUND TYPE**

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

|   | GENERAL<br>FUND  | SPECIAL<br>REVENUE<br>FUNDS | CAPITAL<br>PROJECTS<br>FUND | TOTAL<br>(GENERAL FUND<br>ONLY) |
|---|------------------|-----------------------------|-----------------------------|---------------------------------|
| <b>REVENUES</b>                             |                  |                             |                             |                                 |
| <b>Taxes:</b>                               |                  |                             |                             |                                 |
| Ad valorem                                  | \$1,210,080      | \$2,402,631                 |                             | \$3,612,711                     |
| Sales and use                               |                  | 2,774,916                   |                             | 2,774,916                       |
| Licenses and permits                        | 95,103           |                             |                             | 95,103                          |
| <b>Intergovernmental revenues:</b>          |                  |                             |                             |                                 |
| Federal funds - federal grants              | 150,048          | 6,811,368                   | \$24,658                    | 6,786,074                       |
| State funds:                                |                  |                             |                             |                                 |
| Parish transportation funds                 |                  | 296,879                     |                             | 296,879                         |
| Severance taxes                             | 698,624          | 568,489                     |                             | 1,267,113                       |
| State revenue sharing (net)                 | 22,659           | 48,298                      |                             | 71,957                          |
| Other                                       | 268,383          | 204,738                     |                             | 473,121                         |
| Local funds                                 | 22,188           |                             |                             | 22,188                          |
| Fees, charges, and commissions for services | 74,120           | 448,236                     |                             | 522,356                         |
| Fines and forfeitures                       |                  | 296,480                     |                             | 296,480                         |
| Use of money and property                   | 334,787          | 17,484                      |                             | 352,271                         |
| Other revenues                              |                  | 188,127                     |                             | 188,127                         |
| <b>Total revenues</b>                       | <u>2,861,287</u> | <u>12,818,044</u>           | <u>24,658</u>               | <u>15,699,989</u>               |
| <b>EXPENDITURES</b>                         |                  |                             |                             |                                 |
| <b>Current:</b>                             |                  |                             |                             |                                 |
| <b>General government:</b>                  |                  |                             |                             |                                 |
| Legislative                                 | 215,686          |                             |                             | 215,686                         |
| Judicial                                    | 387,489          | 371,471                     |                             | 758,960                         |
| Elections                                   | 83,121           |                             |                             | 83,121                          |
| Finance and administrative                  | 451,288          | 34,183                      |                             | 485,471                         |
| Other general government                    | 281,659          |                             |                             | 281,659                         |
| Public safety                               | 75,722           | 878,271                     |                             | 953,993                         |
| Public works                                |                  | 4,414,988                   | 29,276                      | 4,444,264                       |
| Health and welfare                          | 18,675           | 6,338,755                   |                             | 6,357,430                       |
| Culture and recreation                      | 14,980           | 680,100                     |                             | 695,080                         |
| Economic development and assistance         | 89,418           |                             |                             | 89,418                          |
| Transportation                              |                  | 168,893                     |                             | 168,893                         |

(Continued)

**DESO TO PARISH POLICE JURY**  
**Monroe, Louisiana**  
**GOVERNMENTAL FUND TYPE**  
 Combined Statement of Revenues, Expenditures,  
 and Changes in Fund Balances, etc.

|  | GENERAL<br>FUNDS   | SPECIAL<br>REVENUE<br>FUNDS | CAPITAL<br>PROJECTS<br>FUNDS | TOTAL<br>(MEMORANDUM<br>ONLY) |
|--|--------------------|-----------------------------|------------------------------|-------------------------------|
| <b>EXPENDITURES (Cont'd)</b>   |                    |                             |                              |                               |
| Debt service   | \$271,563          | \$302,153                   |                              | \$573,716                     |
| Capital outlay   | 623,739            | 1,338,038                   |                              | 1,961,777                     |
| Intergovernmental  |                    | 21,382                      |                              | 21,382                        |
| Total expenditures   | <u>1,617,041</u>   | <u>14,333,182</u>           | <u>263,216</u>               | <u>16,213,439</u>             |
| <b>EXCESS (deficiency) OF REVENUES<br/>OVER EXPENDITURES</b>                                     | <u>244,526</u>     | <u>(526,745)</u>            | <u>(618)</u>                 | <u>(282,837)</u>              |
| <b>OTHER FINANCING SOURCES (Use)</b>   |                    |                             |                              |                               |
| Sale of fixed assets   | 23,100             | 839                         |                              | 23,939                        |
| Insurance recovery   |                    | 900                         |                              | 900                           |
| Increase in capital leases   |                    | 565,885                     |                              | 565,885                       |
| Operating transfers in   |                    | 2,983,370                   |                              | 2,983,370                     |
| Operating transfers out  | <u>(262,624)</u>   | <u>(1,708,545)</u>          |                              | <u>(1,971,169)</u>            |
| Total other financing sources (use)  | <u>(239,524)</u>   | <u>838,617</u>              | <u>29,082</u>                | <u>629,175</u>                |
| <b>EXCESS (deficiency) OF REVENUES AND<br/>OTHER SOURCES OVER EXPENDITURES<br/>AND OTHER USE</b> | <u>(15,198)</u>    | <u>312,682</u>              | <u>(618)</u>                 | <u>297,875</u>                |
| <b>FUND BALANCES AT BEGINNING OF YEAR</b>  | <u>1,817,541</u>   | <u>1,599,516</u>            | <u>618</u>                   | <u>3,417,675</u>              |
| <b>FUND BALANCES AT END OF YEAR</b>  | <u>\$1,802,343</u> | <u>\$1,912,208</u>          | <u>2000</u>                  | <u>\$3,714,551</u>            |

(Continued)

The accompanying notes are an integral part of this statement.

**DESOUD PARISH POLICE JURY**  
**Monroe, Louisiana**  
**GOVERNMENTAL FUND-TYPE - GENERAL**  
**AND SPECIAL REVENUE FUNDS**

Continued Statement of Revenues, Expenditures,  
and Changes in Fund Balances - Budget  
(Non-GAAP Basis and Actual)  
For the Year Ended December 31, 2000

|                                | GENERAL FUND     |                  |                                      | SPECIAL REVENUE FUNDS |                   |                                      |
|--------------------------------|------------------|------------------|--------------------------------------|-----------------------|-------------------|--------------------------------------|
|                                | BUDGET           | ACTUAL           | VARIANCE<br>FAVORABLE<br>UNFAVORABLE | BUDGET                | ACTUAL            | VARIANCE<br>FAVORABLE<br>UNFAVORABLE |
| <b>REVENUES</b>                |                  |                  |                                      |                       |                   |                                      |
| Taxes:                         |                  |                  |                                      |                       |                   |                                      |
| Ad valorem taxes               | \$1,104,615      | \$1,200,063      | \$95,450                             | \$1,808,708           | \$2,402,631       | \$593,923                            |
| Sales and use taxes            |                  |                  |                                      | 2,443,208             | 2,776,846         | 333,638                              |
| Licenses and permits           | 61,475           | 63,353           | 1,878                                |                       |                   |                                      |
| Intergovernmental revenues:    |                  |                  |                                      |                       |                   |                                      |
| Federal funds - federal grants |                  | 136,048          | 136,048                              | 6,321,183             | 6,611,368         | 290,185                              |
| State funds:                   |                  |                  |                                      |                       |                   |                                      |
| Parish transportation funds    |                  |                  |                                      | 413,904               | 236,870           | (177,034)                            |
| Severance tax                  | 655,625          | 686,604          | (148,992)                            | 423,008               | 360,405           | 153,603                              |
| State revenue sharing (net)    | 23,373           | 21,609           | (1,764)                              | 48,990                | 49,218            | 228                                  |
| Other state grants             | 57,504           | 283,553          | 288,049                              | 12,180                | 204,773           | 192,593                              |
| Local funds                    | 36,500           | 23,158           | (28,342)                             |                       |                   |                                      |
| Fees, charges, and commissions |                  |                  |                                      |                       |                   |                                      |
| for services                   | 71,208           | 74,308           | 3,100                                | 583,904               | 448,235           | (135,709)                            |
| Fines and forfeitures          |                  |                  |                                      | 689,373               | 296,499           | (392,874)                            |
| Use of money and property      | 53,043           | 204,787          | 288,744                              | 63,683                | 17,808            | (45,875)                             |
| Other revenues                 |                  |                  |                                      | 23,076                | 188,127           | 165,051                              |
| Total revenues                 | <u>2,389,322</u> | <u>2,881,281</u> | <u>491,959</u>                       | <u>11,279,059</u>     | <u>12,318,449</u> | <u>1,039,390</u>                     |
| <b>EXPENDITURES</b>            |                  |                  |                                      |                       |                   |                                      |
| Current:                       |                  |                  |                                      |                       |                   |                                      |
| General government:            |                  |                  |                                      |                       |                   |                                      |
| Legislative                    | 254,448          | 253,686          | (1,180)                              |                       |                   |                                      |
| Judicial                       | 488,372          | 387,669          | 100,703                              | 387,486               | 370,471           | 21,995                               |
| Elections                      | 61,940           | 40,121           | 21,819                               |                       |                   |                                      |
| Finance and administrative     | 292,042          | 431,288          | (359,246)                            | 41,280                | 54,150            | (12,870)                             |
| Other general government       | 488,547          | 281,629          | 206,918                              |                       |                   |                                      |
| Public safety                  |                  | 73,723           | (73,723)                             | 783,974               | 876,373           | (92,399)                             |
| Public works                   |                  |                  |                                      | 4,394,838             | 4,414,808         | 14,970                               |
| Health and welfare             | 16,183           | 16,375           | 1,188                                | 6,323,483             | 6,328,759         | (7,276)                              |
| Culture and recreation         | 11,788           | 14,960           | (3,260)                              | 283,244               | 688,319           | (405,075)                            |

(Continued)

**IBISOYO PARISH POLICE JURY**  
**Manfield, Louisiana**  
**GOVERNMENTAL FUND TYPE - GENERAL**  
**AND SPECIAL REVENUE FUNDS**  
 Combined Statement of Revenues, Expenditures,  
 and Changes in Fund Balances - Budget  
 (Non-GAAP Basis) and Actual, etc.

|  | — GENERAL FUND — |                    |  | — SPECIAL REVENUE FUNDS — |                    |  |
|--|------------------|--------------------|--|---------------------------|--------------------|--|
|  | BUDGET           | ACTUAL             | VARIANCE<br>FAVORABLE<br>(UNFAVORABLE) | BUDGET                    | ACTUAL             | VARIANCE<br>FAVORABLE<br>(UNFAVORABLE) |
| <b>EXPENDITURES: (Cont.)</b>   |                  |                    |  |                           |                    |  |
| <b>Current: (Cont.)</b>  |                  |                    |  |                           |                    |  |
| Economic development<br>and assistance   | \$10,846         | \$99,418           | (\$88,572)                             |                           |                    |  |
| Transportation   |                  |                    |  | \$68,250                  | \$105,881          | (\$37,631)                             |
| Debt service   | 371,201          | 371,200            |  | 5,400                     | 381,251            | (\$79,851)                             |
| Capital outlay   | 994,630          | 623,139            | 371,491                                | 153,844                   | 614,253            | (\$464,411)                            |
| Intergovernmental  |                  |                    |  |                           | 41,881             | (41,881)                               |
| Total expenditures   | <u>2,879,232</u> | <u>2,617,894</u>   | <u>261,338</u>                         | <u>13,817,248</u>         | <u>15,771,266</u>  | <u>(1,954,018)</u>                     |
| <b>EXCESS (Deficiency) OF<br/>REVENUES OVER<br/>EXPENDITURES</b>   | <u>(889,519)</u> | <u>284,326</u>     | <u>1,173,845</u>                       | <u>(142,733)</u>          | <u>79,835</u>      | <u>(628,812)</u>                       |
| <b>OTHER FINANCING<br/>SOURCES (Use)</b>   |                  |                    |  |                           |                    |  |
| Sale of fixed assets   |                  | 23,100             | (23,100)                               | 300                       | 839                | 839                                    |
| Insurance recovery   |                  |                    |  | 1,150                     | 930                | (220)                                  |
| Operating transfers in   |                  |                    |  | 2,766,843                 | 2,883,376          | 216,533                                |
| Operating transfers out  | <u>(375,895)</u> | <u>(182,815)</u>   | <u>193,080</u>                         | <u>(2,459,911)</u>        | <u>(2,790,242)</u> | <u>(330,331)</u>                       |
| Total other financing<br>sources (use)   | <u>(375,895)</u> | <u>(182,510)</u>   | <u>169,980</u>                         | <u>317,389</u>            | <u>294,604</u>     | <u>(22,785)</u>                        |
| <b>EXCESS (Deficiency) OF<br/>REVENUES AND OTHER<br/>SOURCES OVER<br/>EXPENDITURES<br/>AND OTHER USE</b> | (940,804)        | (15,194)           | 925,610                                | (148,000)                 | 315,681            | 463,682                                |
| <b>FUND BALANCES AT<br/>BEGINNING OF YEAR</b>  | <u>910,000</u>   | <u>2,047,345</u>   | <u>1,137,345</u>                       | <u>148,000</u>            | <u>2,381,216</u>   | <u>2,233,216</u>                       |
| <b>FUND BALANCES<br/>AT END OF YEAR</b>  | <u>NONE</u>      | <u>\$2,032,144</u> | <u>\$2,032,144</u>                     | <u>NONE</u>               | <u>\$2,696,897</u> | <u>\$2,696,897</u>                     |

(Continued)

The accompanying notes are an integral part of this statement.

DESOTO PARISH POLICE JURY  
Mansfield, Louisiana  
PROPRIETARY FUND TYPE -  
SEWER ENTERPRISE FUND

Statement of Revenues, Expenses,  
and Changes in Retained Earnings  
For the Year Ended December 31, 2005

|   |                        |
|---|------------------------|
| <b>OPERATING REVENUES</b>   |                        |
| Charges for services  | <u>\$20,619</u>        |
| <b>OPERATING EXPENSES</b>   |                        |
| General and administrative  | 18,760                 |
| Official fees   | 1,154                  |
| Professional fees   | 600                    |
| Materials, supplies, and repairs                                      | 6,848                  |
| Utilities and communications  | 7,071                  |
| Depreciation expense  | <u>23,728</u>          |
| Total operating expenses  | <u>58,201</u>          |
| <b>NET INCOME (LOSS)</b>  | <b>(37,582)</b>        |
| Add depreciation on fixed assets required<br>with contributed capital | 23,728                 |
| <b>RETAINED EARNINGS AT BEGINNING OF YEAR</b>                         | <u>6,918</u>           |
| <b>RETAINED EARNINGS AT END OF YEAR</b>                               | <u><b>(65,944)</b></u> |

The accompanying notes are an integral part of this statement.

DESO TO PARISH POLICE JURY  
 Mansfield, Louisiana  
 PROPRIETARY FUND TYPE -  
 SEWER ENTERPRISE FUND

Statement of Cash Flows  
 For the Year Ended December 31, 2003

|  |                   |
|--|-------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>  |                   |
| Operating Income (Loss)  | <u>(\$37,582)</u> |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash<br>Provided (Used) by Operating Activities: |                   |
| Depreciation expense   | 20,728            |
| Increase in accounts receivable  | (2,934)           |
| Increase in accounts payable   | <u>91</u>         |
| Total adjustments  | <u>17,885</u>     |
| <b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>   | <b>(19,757)</b>   |
| <b>CASH AT BEGINNING OF YEAR</b>   | <u>2,107</u>      |
| <b>CASH AT END OF YEAR</b>   | <u>(\$14,190)</u> |

The accompanying notes are an integral part of this statement.

**DESOLO PARISH POLICE JURY**  
Mansfield, Louisiana

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

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The DeSoto Parish Police Jury is the governing authority for DeSoto Parish and is a political subdivision of the State of Louisiana. The police jury is governed by eleven jurors representing five 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 most notable of these 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 DeSoto Parish Police Jury is the financial reporting entity for DeSoto 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 DeSoto 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 include:

1. Appointing a voting majority of an organization's governing body, and:

**DEBOTO PARISH POLICE JURY**

Marshall, Louisiana

**Notes to the Financial Statements (Continued)**

- a. The ability of the police jury to impose its will on that organization and/or
  - b. The potential for the organization to provide specific financial benefits to or 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:

| Component Unit                    | Fiscal<br>Year End | Criteria<br>Used |
|-----------------------------------|--------------------|------------------|
| <b>DeBoto Parish:</b>             |                    |                  |
| Library                           | December 31        | 1, 2, and 3      |
| Airport                           | December 31        | 1, 2, and 3      |
| Community Services                | December 31        | 1, 2, and 3      |
| Tourism Commission                | December 31        | 1, 2, and 3      |
| Tax Assessor                      | December 31        | 2 and 3          |
| Sheriff                           | June 30            | 2 and 3          |
| Clerk of Court                    | June 30            | 2 and 3          |
| <b>Fire Districts:</b>            |                    |                  |
| No. 1                             | December 31        | 1 and 3          |
| No. 2                             | December 31        | 1 and 3          |
| No. 3                             | December 31        | 1 and 3          |
| No. 5                             | December 31        | 1 and 3          |
| No. 8                             | December 31        | 1 and 3          |
| No. 9                             | December 31        | 1 and 3          |
| <b>Eleventh Judicial District</b> |                    |                  |
| Criminal Court (DeBoto Parish)    | December 31        | 2 and 3          |
| East DeBoto Ambulance District    | December 31        | 1 and 3          |
| Eastside Sewer District           | December 31        | 1 and 3          |
| Communications District           | December 31        | 1, 2 and 3       |



## DESOLO PARISH POLICE JURY

Monroe, Louisiana

### Notes to the Financial Statements (Continued)

The police jury has chosen to issue financial statements of the primary government (police jury) only; therefore, some 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 considered part of the primary government (police jury) and include the DeSoto Parish Library, the DeSoto Parish Airport, the DeSoto Parish Community Services, Eastside Sewer District, Communication District, and the Eleventh Judicial District Criminal Court.

GASB Codification Section 2600.127 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 DeSoto Parish School Board, the District Attorney and Judges for the Eleventh Judicial District, and the various municipalities in the parish. It was determined that these governmental entities are not component units of the DeSoto Parish Police Jury reporting entity because they have separately elected governing bodies, are legally separate, and are fiscally independent of the DeSoto 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 fund assets and general long-term obligations) that are not recorded in the "funds" because they do not directly affect net expendable available

**DESOTO PARISH POLICE JURY**  
Mandeville, Louisiana  
Notes to the Financial Statements (Continued)

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 proprietary funds. The fund types used by the police jury are described as follows:

**Governmental Funds:**

**General Fund**

The General Fund is the general operating fund of the police jury. It accounts for all activities 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 such as ad valorem taxes, sales taxes, and federal grants. These revenues are legally restricted, either by tax proposition or by grant agreement, to expenditures for specified purposes such as road maintenance, solid waste disposal, rental housing for very low income families, public library operation, etc.

**Capital Projects Fund**

The capital projects fund accounts for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds.

**Proprietary Fund - Outside Sewer Enterprise Fund**

The Sewer Enterprise Fund accounts for the operations of the police jury's sewer system. Financing is provided by user fees and transfers from the General Fund.

## DESOYO PARISH POLICE JURY

Monroe, Louisiana

Notes to the Financial Statements (Continued)

### 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 fund 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 50 per cent of the police jury's general fixed assets are valued at estimated cost, based on the actual historical cost of like items. Approximately 28 per cent of the library's fixed assets are valued at actual cost while the remaining 72 per cent (books and periodicals) are valued using a moving-average basis. No depreciation has been provided on general fixed assets.

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 fund 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.

The fixed assets used in the proprietary fund type operations are included on the balance sheet of the fund. Depreciation of all exhaustible fixed assets used by the proprietary fund type operations are charged as an expense against operations. Depreciation is computed using the straight-line method over the estimated useful lives, which is 3 to 10 years for equipment, 25 years for buildings, and 20 years for the sewerage system.

Long-term obligations, such as capital leases and general obligation bonds, are recognized as a liability of a governmental fund only when due. For other long-term obligations, such as compensated absences, 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.

### B. 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.

IBEROLA PARISH POLICE JURY  
Mossburn, Louisiana  
Notes to the Financial Statements (Continued)

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 budgeted 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 #7:1993 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 taxes are recognized in the month received by the police jury's sales tax collection agent.

Federal and state grants are recognized when the police jury is entitled to the funds.

Fines, forfeitures, and court costs are recognized in the year they are received by the parish tax collector.

Interest income on time deposits is recognized when the time deposits have matured and the interest is available.

Substantially all other revenues are recognized when they become available to the police jury.

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.

**DESOTO PARISH POLICE JURY**  
Marrfield, Louisiana  
Notes to the Financial Statements (Continued)

**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 compensated absences, which are recognized when paid.

**Other Financing Sources (Uses)**

Sale of fixed assets, compensation for loss of assets, and transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses) and are recognized when the underlying events occur.

**Proprietary Fund Type - Enterprise Fund**

The Eastside Sewer Enterprise Fund is accounted for using the accrual basis of accounting. Revenues are recognized when they are earned, and expenses are recognized when they are incurred.

**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 her judgment, 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.

**DEBOTO PARISH POLICE JURY**

Mandeville, Louisiana

## Notes to the Financial Statements (Continued)

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 function levels, the secretary/treasurer has the discretion to make amendments as the deems necessary for proper control. The police jury does not utilize encumbrance accounting; however, the original budgets and any subsequent amendments are incorporated into the accounting system. Unexpended appropriations lapse at year end and must be reappropriated in the next year's budget to be expended. For the year ended December 31, 2003, the police jury adopted modified accrual based budgets for the General and special revenue funds except for the inclusion of increases in lease purchase agreements and the related capital outlay.

Budget comparison statements included in the accompanying financial statements include the original adopted budgets. There were no amendments during the year.

**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 (bank balances net of cash overdrafts) totaling \$1,953,844, as follows:

|                 |                    |
|-----------------|--------------------|
| Demand deposits | \$664,344          |
| Time deposits   | <u>1,289,500</u>   |
| Total           | <u>\$1,953,844</u> |

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

|                                       |                     |
|---------------------------------------|---------------------|
| Bank Balances                         | <u>\$7,639,868</u>  |
| Federal deposit insurance             | \$269,900           |
| Pledged securities (uncollateralized) | <u>3,883,791</u>    |
| Total                                 | <u>\$11,803,759</u> |

DESOUDRE PARISH POLICE JURY  
Mandeville, Louisiana  
Notes to the Financial Statements (Continued)

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 (330.106); 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.

For purposes of the statement of cash flows, all highly liquid investments with a maturity of three months or less when purchased are considered to be cash equivalents.

#### G. INVESTMENTS

Investments held at December 31, 2003 consist of \$2,551,079 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 150.123 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 301) 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.

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 367 days. LAMP is designed to be highly liquid to give its participants immediate access to their

**DESOIS PARISH POLICE JURY**  
**Manville, Louisiana**  
**Notes to the Financial Statements (Continued)**

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.

**B. VACATION AND SICK LEAVE**

The following provides detail on vacation and sick leave policies of the police jury, library, communications district, and criminal court:

*Employees of the police jury and criminal court earn from 10 to 20 days of vacation leave each year, depending on length of service. All unused vacation leave may be carried forward to succeeding years. Upon separation of employment, employees are paid for any accumulated vacation leave. Employees earn 12 days of sick leave each year. A maximum of 90 days of sick leave may be accumulated and carried forward. Upon retirement, all accumulated sick leave is used in the retirement benefit computation as earned service.*

*Employees of the communications district earn 5 days of vacation leave each year. Unused vacation leave may not be carried forward to succeeding years. Employees earn 6 days of sick leave each year. Sick leave may be accumulated and carried forward. Upon retirement, accumulated sick leave is used in the retirement benefit computation as earned service.*

*Employees of the DeSois Parish Library earn 8 to 22 days of vacation leave each year, depending upon professional status and length of service. Employees may accumulate and carry forward a maximum of one year's vacation leave. Upon separation of employment, employees are paid for any accumulated leave. The library's sick leave policy is the same as that of the police jury, except that no more than 60 days may be accumulated and carried forward.*

At December 31, 2003, employees have accumulated and vested \$196,017 of employee leave benefits, computed in accordance with GASB Codification Section C60. The liability is recorded within the general long-term obligations account group.



**DESOTO PARISH POLICE JURY**  
**Monroe, Louisiana**  
**Notes to the Financial Statements (Continued)**

The cost of leave privileges, computed in accordance with the previous cost method, is recognized as a current-year expenditure within the governmental funds when leave is actually taken or when employees are paid for accrued sick leave upon retirement, while the cost of leave privileges not requiring current resources is recorded in the general long-term obligations account group.

**I. SALES TAXES**

DeSoto Parish has a one per cent sales and use tax approved by the voters on May 15, 1981, for an indefinite period. The tax, after all necessary costs for collection and administration, is dedicated to constructing, acquiring, extending, improving, and maintaining the parish library (25 per cent), parish roads (50 per cent), parish jail facilities (30 per cent), and solid waste collection and disposal facilities (15 per cent).

**J. HOTEL-MOTEL TAX**

The DeSoto Parish Police Jury, by Ordinance No. 2, dated June 13, 1994, levied a 2 per cent tax upon the occupancy of hotel and motel rooms and overnight camping facilities within the parish. The tax, after collection costs not to exceed 6 per cent, is restricted for purposes of attracting conventions and tourists to the parish.

**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 or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

**L. 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; worker's compensation; errors and omissions; and surety bond coverage. No claims were paid on any of the policies during the past three years which exceeded the policies' coverage amounts.

DESOYO PARISH POLICE JURY  
 Mandeville, Louisiana  
 Notes to the Financial Statements (Continued)

2. LEVIED TAXES

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

|                        | <u>Authorized<br/>Millage</u> | <u>Levied<br/>Millage</u> | <u>Expiration<br/>Date</u> |
|------------------------|-------------------------------|---------------------------|----------------------------|
| Parishwide taxes:      |                               |                           |                            |
| General Fund           | 4.00                          | 3.32                      | Indefinite                 |
| Road Maintenance       | 5.00                          | 5.00                      | 2013                       |
| E-911                  | 1.00                          | 1.02                      | 2008                       |
| Landfill               | 5.00                          | 5.00                      | 2005                       |
| Courthouse Maintenance | Variable                      | 1.01                      | 2017                       |
| Courthouse Building    | 1.00                          | 2.50                      | 2007                       |

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 are the principal taxpayers for the parish and their 2003 assessed valuation amounts expressed in thousands:

|                              | <u>2003<br/>Assessed<br/>Valuation</u> | <u>Percent<br/>of Total<br/>Assessed<br/>Valuation</u> |
|------------------------------|--|--|
| International Paper Co.      | \$25,844                               | 17.69%   |
| Central LA Electric Co.      | 22,749                                 | 16.08%   |
| Southwestern Electric Power  | 20,477                                 | 14.48%   |
| DeLoe Hills Mining Venture   | 4,134                                  | 2.99%  |
| El Paso Production Company   | 3,329                                  | 2.44%  |
| Northeast Texas Electric     | 2,739                                  | 1.99%  |
| BellSouth Telecommunications | 2,516                                  | 1.84%  |
| J W Operating Co.            | 1,932                                  | 1.41%  |
| Oklahoma Municipal Power     | 1,844                                  | 1.35%  |
| Hibernia National Bank       | <u>1,748</u>                           | <u>1.27%</u>   |
| Total                        | <u>\$116,332</u>                       | <u>83.32%</u>  |

3. RECEIVABLES

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

**DESOUD PARISH POLICE JURY**  
**Monroe, Louisiana**  
**Notes to the Financial Statements (Continued)**

|                                | General<br>Fund    | Special<br>Revenue<br>Funds | Outside<br>Revenue<br>Enterprise<br>Fund | Total              |
|--------------------------------|--------------------|-----------------------------|--|--------------------|
| Taxes -                        |                    |                             |  |                    |
| Ad valorem                     | \$1,151,878        | \$2,259,027                 |  | \$3,410,905        |
| Grants                         |                    |                             |  |                    |
| Federal                        | 25,858             | 67,469                      |  | 93,327             |
| State                          | 46,604             | 190,290                     |  | 236,894            |
| Fees, charges, and commissions | 3,680              | 28,125                      | \$7,900                                  | 39,705             |
| Fines and forfeitures          |                    | 18,094                      |  | 18,094             |
| Other                          | 5,175              | 31,178                      |  | 36,353             |
| <b>Total</b>                   | <b>\$1,241,977</b> | <b>\$2,586,113</b>          | <b>\$7,900</b>                           | <b>\$3,846,290</b> |

**4. CHANGES IN GENERAL FIXED ASSETS**

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

|                                   | Balance<br>January 1 | Additions          | Deletions        | Balance<br>December 31 |
|-----------------------------------|----------------------|--------------------|------------------|------------------------|
| <b>Police Jury:</b>               |                      |                    |                  |                        |
| Land                              | \$1,773,861          |                    |                  | \$1,773,861            |
| Buildings and improvements        | 18,228,837           |                    |                  | 18,228,837             |
| Improvements other than buildings | 1,282,898            | \$464,129          |                  | 1,747,027              |
| Furniture and equipment           | 5,028,261            | 198,760            |                  | 5,227,021              |
| Fixed assets under capital lease  | 1,468,174            | 563,802            | (\$103,450)      | 1,928,526              |
| Construction in progress          | 43,295               | 1,036,615          | (964,179)        | 55,731                 |
| Sub-total                         | <u>27,837,326</u>    | <u>2,263,306</u>   | <u>(464,579)</u> | <u>29,636,053</u>      |
| <b>Library:</b>                   |                      |                    |                  |                        |
| Land                              | 38,590               |                    |                  | 38,590                 |
| Buildings and improvements        | 283,804              |                    |                  | 283,804                |
| Equipment and furniture           | 461,605              | 24,880             | (38,602)         | 447,883                |
| Books and reference materials     | 1,280,582            | 270,981            | (205,852)        | 1,345,711              |
| Sub-total                         | <u>2,064,581</u>     | <u>295,861</u>     | <u>(244,454)</u> | <u>2,115,988</u>       |
| <b>Total</b>                      | <u>\$30,490,175</u>  | <u>\$2,559,167</u> | <u>(709,033)</u> | <u>\$32,340,309</u>    |

Additions to fixed assets includes transfers from construction in progress and fixed assets under capital leases.

**DELSOTO PARISH POLICE JURY**  
**Manfield, Louisiana**  
**Notes to the Financial Statements (Continued)**

A summary of proprietary fund type property, plant, and equipment of the Eastside Sewer District at December 31, 2003, follows:

|                 | <u>Cost</u>      | <u>Accumulated<br/>Depreciation</u> | <u>Net Book<br/>Value</u> |
|-----------------|------------------|-------------------------------------|---------------------------|
| Land            | \$10,175         |                                     | \$10,175                  |
| Buildings       | 505              | (505)                               | NONE                      |
| Sewer system    | 373,375          | (264,366)                           | 112,009                   |
| Treatment plant | 161,180          | (78,876)                            | 86,304                    |
| Total           | <u>\$655,235</u> | <u>(343,687)</u>                    | <u>\$311,548</u>          |

**5. CONTRIBUTED CAPITAL**

The police jury received a Community Development Block Grant to finance the acquisition and construction of the enterprise fund fixed assets. The amount, shown as contributed capital on the balance sheet, is reduced each year by the amount of depreciation expense recognized on fixed assets constructed or acquired with the grant funds. At December 31, 2003, accumulated amortization on these assets is \$332,192.

**6. PENSION PLAN**

Substantially all employees of the Delso to Parish Police Jury are members of the Parochial Employees Retirement System of Louisiana (System), a cost sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate asset and benefit provisions. All employees of the police jury are members of Plan B.

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 B employees who retire at or after age 62 with at least 10 years of creditable service, or at or after age 55 with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to two per cent of their final average monthly salary in excess of \$100 for each year of creditable service. Furthermore, employees with at least 10 years of creditable service, but less than 30 years, may take early retirement benefits commencing at or after age 60, with the basic benefit reduced three per cent for each year retirement precedes age 62, unless he has 30 years of creditable service. In any case, monthly retirement benefits paid under Plan B cannot exceed 100 per cent of final average salary. 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.

## DESOLO PARISH POLICE JURY

Monroe, Louisiana

Notes to the Financial Statements (Continued)

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 14819, Baton Rouge, Louisiana 70808-4819, or by calling (504) 928-1361.

Under Plan B, members are required, by state statute to contribute 2.00 per cent of their annual covered salary in excess of \$1,200 and the DeSoto Parish Police Jury is required to contribute at an actuarially determined rate. The current rate is 2.75 per cent of annual covered payroll. Contributions to the system include one-fourth of one per cent (one per cent for 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 DeSoto Parish Police Jury are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:185, 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 DeSoto Parish Police Jury's contributions to the System under Plan B for the years ending December 31, 2000, 2002, and 2003 were \$92,928, \$64,781, and \$69,840, respectively, equal to the required contributions for each year.

### **7. POST RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS**

The DeSoto Parish Police Jury provides certain continuing health care insurance benefits for its retired employees. Substantially all of the police jury's employees become eligible for these benefits if they reach normal retirement age while working for the police jury. These benefits for retirees are provided through an insurance company whose monthly premiums are paid 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 \$648,261 for 2003. Of that amount, \$21,228 was for retiree benefits.

### **8. 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 fourteen capital leases in effect for equipment. The leases had an original recorded amount of \$2,263,399. Lease obligations are retired from the Road, Solid Waste, Airport and Communications District special revenue funds. 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:

**DESOLO PARISH POLICE JURY**

Monroe, Louisiana

Notes to the Financial Statements (Continued)

|   |                    |
|---|--------------------|
| <u>Year</u>                                 |                    |
| 2004  | \$593,981          |
| 2005  | 373,140            |
| 2006  | 373,238            |
| 2007  | 170,988            |
| 2008  | 115,322            |
| 2009-2013                                   | 225,845            |
| 2014-2018                                   | <u>16,150</u>      |
| Total minimum lease payments                | \$1,582,764        |
| Less amount representing interest           | <u>(156,358)</u>   |
| Present value of net minimum lease payments | <u>\$1,398,406</u> |

**9. CHANGES IN GENERAL LONG-TERM OBLIGATIONS**

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

|   | General<br>Obligation<br>Bond | Capital<br>Leases  | Compensated<br>Absence | Total              |
|---|-------------------------------|--------------------|------------------------|--------------------|
| Long-term obligations at<br>January 1, 2003   | \$4,360,000                   | \$1,123,081        | \$163,613              | \$5,546,674        |
| Additions                                     |                               | 563,883            | 87,307                 | 651,190            |
| Deductions                                    | <u>(175,000)</u>              | <u>(702,438)</u>   | <u>(34,853)</u>        | <u>(1,512,341)</u> |
| Long-term obligations at<br>December 31, 2003 | <u>\$4,085,000</u>            | <u>\$1,398,406</u> | <u>\$196,057</u>       | <u>\$5,679,463</u> |

Bonded debt at December 31, 2003, is comprised of the following issue:

General Obligation Bond - \$4,700,000 issue of March 1, 1995 for the purpose of improving, renovating and restoring the Desoto parish courthouse and courthouse annex. The principle is due in annual installments of \$135,000 to \$380,000 through March 1, 2018 with interest at 4.2% to 8.0% per annum. Debt retirement payments are made from the General Fund.

\$4,085,000

The annual requirements to amortize all bonded debt outstanding at December 31, 2003, including interest of \$1,478,048 are as follows:

**DEBOTO PARISH POLICE JURY**

Mossfield, Louisiana

**Notes to the Financial Statements (Continued)**

| <u>Year</u> |                    |
|-------------|--------------------|
| 2004        | \$271,900          |
| 2005        | 366,400            |
| 2006        | 363,250            |
| 2007        | 363,580            |
| 2008        | 363,875            |
| 2009-2013   | 1,834,680          |
| 2014-2018   | <u>1,899,538</u>   |
| Total       | <u>\$5,463,018</u> |

**10. REVENUE BONDS**

The following is a summary of long-term bond transactions entered into by the DeBoto Parish Police Jury and outstanding at December 31, 2009:

Pollution control revenue refunding bonds totaling \$50,110,000 were issued May 1, 1991. Under an agreement entered into between the DeBoto Parish Police Jury and Central Louisiana Electric Company, Incorporated, the bonds do not bear the full faith and credit of the police jury. The retirement of the bonds, including interest charges, paying agent fees, and any other costs associated with servicing the debt, are the sole responsibility of Central Louisiana Electric Company, Incorporated.

Pollution control revenue refunding bonds totaling \$53,500,000 were issued July 1, 1991. Under an agreement entered into between the DeBoto Parish Police Jury and Southeastern Electric Power Company, the bonds do not bear the full faith and credit of the police jury. The retirement of the bonds, including interest charges, paying agent fees, and any other costs associated with servicing the debt, are the sole responsibility of Southeastern Electric Power Company.

Pollution control revenue bonds totaling \$27,735,000 were issued August 18, 1993. Under an agreement entered into between the DeBoto Parish Police Jury and International Paper Company, Incorporated, the bonds do not bear the full faith and credit of the police jury. The retirement of the bonds, including interest charges, paying agent fees, and any other costs associated with servicing the debt, are the sole responsibility of International Paper Company, Incorporated.

## DESOLO PARISH POLICE JURY

Mansfield, Louisiana

Notes to the Financial Statements (Continued)

Pollution control revenue refunding bonds totaling \$25,000,000 were issued November 17, 1994. Under an agreement entered into between the DeSoto Parish Police Jury and International Paper Company, the bonds do not bear the full faith and credit of the police jury. The retirement of the bonds, including interest charges, paying agent fees, and any other costs associated with servicing the debt, are the sole responsibility of International Paper Company.

Pollution control revenue refunding bonds totaling \$19,500,000 were issued April 26, 1995. Under an agreement entered into between the DeSoto Parish Police Jury and International Paper Company, the bonds do not bear the full faith and credit of the police jury. The retirement of the bonds, including interest charges, paying agent fees, and any other costs associated with servicing the debt, are the sole responsibility of International Paper Company.

Pollution control revenue refunding bonds totaling \$2,000,000 were issued December 1, 1997. Under an agreement entered into between the DeSoto Parish Police Jury and International Paper Company, the bonds do not bear the full faith and credit of the police jury. The retirement of the bonds, including interest charges, paying agent fees, and any other costs associated with servicing the debt, are the sole responsibility of International Paper Company.

### 11. CRIMINAL COURT FUND

Louisiana Revised Statute 15:571.11 requires that one-half of any balance remaining in the criminal court fund at year end be transferred to the parish General Fund. The following details the amount due at December 31, 2003:

|                                  |                 |
|----------------------------------|-----------------|
| Balance due at January 1, 2003   | \$68,891        |
| Amount due for current year      | 22,159          |
| Amount credited                  | <u>(67,789)</u> |
| Balance due at December 31, 2003 | <u>\$13,261</u> |

### 12. DUE FROM/TO OTHER FUNDS

Individual fund balances due from/to other funds at December 31, 2003, are as follows:



**DESOLO PARISH POLICE JURY**

Mandeville, Louisiana

**Notes to the Financial Statements (Continued)**

|                         | <u>Due from<br/>Other<br/>Funds</u> | <u>Due to<br/>Other<br/>Funds</u> |
|-------------------------|-------------------------------------|-----------------------------------|
| General fund            | \$110,888                           | \$400                             |
| Special revenues funds: |                                     |                                   |
| Road                    |                                     | 2,898                             |
| Solid Waste             | 2,863                               | 2,137                             |
| Criminal court          |                                     | 15,001                            |
| Airport                 | 400                                 |                                   |
| Sales tax               |                                     | 3,000                             |
| Communications District | 3,137                               |                                   |
| Rental assistance       |                                     | 739                               |
| Community services      |                                     | <u>92,000</u>                     |
| Total                   | <u>\$116,288</u>                    | <u>\$116,285</u>                  |

**13. LITIGATION AND CLAIMS**

At December 31, 2023, the police jury is involved in one lawsuit which, in the opinion of the police jury's legal counsel, will not result in any liability.

**14. WORKFORCE INVESTMENT ACT PROGRAM**

The DeSoto Parish Police Jury participates in the Workforce Investment Act Program funded through the Louisiana Department of Labor by the United States Department of Labor. The jury is a member of the Seventh Planning District which is comprised of 10 parishes. On August 18, 1983, the members of the Seventh Planning District, consisting of the Parishes of Bienville, Bossier, Caddo, Calcasieu, DeSoto, Lincoln, Natchitoches, Red River, Sabine, and Webster and the Seventh Planning District Service Delivery Area (SDA) Private Industry Council, entered into an agreement. This agreement designated the president of the DeSoto Parish Police Jury as the chief elected official of the SDA and the DeSoto Parish Police Jury as the WIA grant recipient. This agreement names the Coordinating and Development Corporation (CDC) as the administrative entity.

The SDA is comprised of three elements:

1. Private Industry Council (PIC) - which consists of 15 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.

## DELSOTO PARISH POLICE JURY

Mansfield, Louisiana

Notes to the Financial Statements (Continued)

2. Designated Chief Elected Official - this is 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.

In August 1983, the designated chief elected official notified the Assistant Secretary of Labor, State of Louisiana, that the CDC was designated as the administrative entity for the SDA and that all funds and copies of correspondence should be sent to the CDC. This notification also stated that all bookkeeping and program documents would be maintained by the CDC. Further, in September, 1983, the DeSoto Parish Police Jury appointed the Executive Vice-President of the Coordinating and Development Corporation as the contracting officer for the WIA program to act on behalf of the police jury. Since that date, the contracting officer has signed all documents on behalf of the grant recipient.

The DeSoto 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 Workforce Investment 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 CDC which operates the day-to-day activities of the program. This arrangement was authorized in September, 1983, by the designated chief elected official.

**SUPPLEMENTAL INFORMATION SCHEDULES**

**DESO TO PARISH POLICE JURY**  
Mansfield, Louisiana  
**SUPPLEMENTAL INFORMATION SCHEDULES**  
As of and for the Year Ended December 31, 2005

**SPECIAL REVENUE FUNDS**

**ROAD FUND**

The Road Fund accounts for the maintenance of parish highways, streets, and bridges. Financing is provided by the State of Louisiana Parish Transportation Fund, ad valorem taxes, sales taxes, and state revenue sharing funds.

**LIBRARY FUND**

The Library Fund accounts for the purchase of library materials, books, magazines, records, and films and maintenance and operation of library facilities. Financing is provided by sales taxes and miscellaneous revenues from the sale of materials, at cost.

**JAIL FUND**

The Jail Fund accounts for the construction, improvement, and maintenance of parish jail facilities. Financing is provided by sales taxes.

**SOLID WASTE FUND**

The Solid Waste Fund accounts for the construction and operation of the parish solid waste collection and disposal facilities. Financing is provided by both an ad valorem and a sales and use tax.

**CRIMINAL COURT FUND**

The Eleventh Judicial District Criminal Court Fund is established under Section 571.11 of Title 15 of the Louisiana Revised Statutes of 1958, 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 fund balance remaining in the Criminal Court Fund at December 31 of each year be transferred to the parish General Fund.

## **AIRPORT FUND**

The Airport Fund accounts for the operation and maintenance of a parish airport facility. Financing is provided by grants from local governments, fees, and interest earned on investments.

## **SALES TAX FUND**

The Sales Tax Fund accounts for the collection of the one per cent sales and use tax. Expenditures of the fund are limited by the tax proposition to expenses necessary and reasonable for the collection and administration of the sales tax program. After necessary expenses, all remaining funds are transferred to the Road, Library, Jail, and Solid Waste Funds in accordance with percentages contained in the tax proposition.

## **COMMUNICATION DISTRICT FUND**

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

## **HEALTH AND WELFARE**

### **RENTAL ASSISTANCE FUND**

The Rental Assistance Fund provides for expanding opportunities for rental assistance to lower income families. Financing is provided by grants from the United States Department of Housing and Urban Development.

### **COMMUNITY SERVICES FUND**

The Community Services Fund accounts for the distribution of surplus food commodities provided by the United States Department of Agriculture, in addition to cash grants in lieu of commodities. The objectives of the program are to improve the diets of the elderly and other individuals in need of food assistance and to increase the market for domestically produced foods acquired under surplus removal or price support operations.

The fund also accounts for community services block grants provided by the United States Department of Health and Human Services. The major objective of the block grant program is to provide for services and activities having a measurable and potential impact on causes of poverty.

Assistance is provided in the areas of employment, education, better use of income, adequate housing and environment, and assistance for emergency needs.

## 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 the Coordinating and Development Corporation, which administers the program under contract with the police jury. The WIA 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.

**DEBOTO PARISH POLICE-BURY**  
**Monroe, Louisiana**  
**SPECIAL REVENUE FUNDS**

Comparing Balance Sheet, December 31, 2003

|   | <u>ASSETS</u>      | <u>LIABILITIES</u> | <u>NET ASSETS</u>  | <u>TRANSFERS</u> | <u>NET ASSETS</u> | <u>TRANSFERS</u> | <u>NET ASSETS</u> | <u>LIABILITIES</u> | <u>NET ASSETS</u> |
|---|--------------------|--------------------|--------------------|------------------|-------------------|------------------|-------------------|--------------------|-------------------|
| <b>ASSETS</b>   |                    |                    |                    |                  |                   |                  |                   |                    |                   |
| Cash and cash equivalents                             | \$98,036           | \$144,485          | \$18,151           | \$40,987         | \$1,000           | \$286,508        | \$159,321         | \$681,213          |                   |
| Investments   | 76,129             |                    |                    |                  |                   | 43,307           |                   | 120,436            |                   |
| Receivables   | 1,814,021          | 480,814            | \$1,392            | 18,064           | 5,100             | 177,448          | 67,489            | 2,596,453          |                   |
| Due from other funds                                  |                    |                    | 2,807              |                  | 458               | 3,157            |                   | 3,607              |                   |
| <b>TOTAL ASSETS</b>                                   | <b>\$1,114,558</b> | <b>\$1,114,558</b> | <b>\$1,114,558</b> | <b>\$60,051</b>  | <b>\$500</b>      | <b>\$499,424</b> | <b>\$228,790</b>  | <b>\$1,885,195</b> |                   |
| <b>LIABILITIES AND FUND EQUITY</b>                    |                    |                    |                    |                  |                   |                  |                   |                    |                   |
| Liabilities:  |                    |                    |                    |                  |                   |                  |                   |                    |                   |
| Bank overdraft  |                    |                    |                    |                  |                   | \$11,162         |                   | \$46,682           |                   |
| Accounts payable                                      | \$48,099           | \$27,748           | \$1,313            | \$29,485         | \$21,892          | 7,582            | \$1,515           | 213,541            |                   |
| Due to other funds                                    | 2,008              |                    | 3,117              | 13,816           | \$1,868           |                  | \$2,739           | 115,885            |                   |
| Deferred revenue                                      |                    |                    |                    |                  |                   |                  |                   | 112,872            |                   |
| Total Liabilities                                     | <u>60,907</u>      | <u>60,907</u>      | <u>60,907</u>      | <u>37,802</u>    | <u>3,868</u>      | <u>38,824</u>    | <u>28,172</u>     | <u>488,981</u>     |                   |
| Fund Equity - fund balances - unreserved - unassigned | <u>1,073,651</u>   | <u>1,073,651</u>   | <u>1,073,651</u>   | <u>27,249</u>    | <u>466,132</u>    | <u>460,600</u>   | <u>19,618</u>     | <u>1,396,214</u>   |                   |
| <b>TOTAL LIABILITIES AND FUND EQUITY</b>              | <b>\$1,114,558</b> | <b>\$1,114,558</b> | <b>\$1,114,558</b> | <b>\$60,051</b>  | <b>\$500</b>      | <b>\$499,424</b> | <b>\$228,790</b>  | <b>\$1,885,195</b> |                   |

DEBOTO PARISH POLICE RUBY  
 Metairie, Louisiana  
 SPECIAL REVENUE FUNDS

Combining Schedule of Revenues, Expenditures,  
 and Changes in Fund Balances  
 For the Year Ended December 31, 2010

|                                | REVENUE | AMOUNT           | SALES TAX        | CRIMINAL COURT | GENERAL        | SALES TAX        | CRIM. DISTRICT | REVENUE          | TOTAL             |
|--------------------------------|---------|------------------|------------------|----------------|----------------|------------------|----------------|------------------|-------------------|
| <b>REVENUES</b>                |         |                  |                  |                |                |                  |                |                  |                   |
| Taxes:                         |         |                  |                  |                |                |                  |                |                  |                   |
| Ad valorem                     |         | \$900,403        | \$878,815        |                | \$377,573      |                  | \$278,140      | \$2,432,931      | 2,774,916         |
| Sales and use                  |         |                  |                  |                |                |                  |                |                  |                   |
| Intergovernmental revenues:    |         |                  |                  |                |                |                  |                |                  |                   |
| Federal funds - Federal grants |         |                  |                  |                |                |                  |                |                  |                   |
| State funds:                   |         |                  |                  |                |                |                  |                |                  |                   |
| Parish transportation funds    |         | 256,478          |                  |                |                |                  |                |                  | 256,478           |
| Revenues to:                   |         | 580,408          |                  |                |                |                  |                |                  | 580,408           |
| Total revenue starting point   |         | 18,273           |                  |                |                |                  |                |                  | 49,218            |
| Other state funds              |         | 2,490            |                  |                |                |                  |                |                  | 284,778           |
| Fees, charges, and commissions |         |                  | \$28,333         |                |                |                  |                |                  | 445,236           |
| Fines and forfeitures          |         | 11,778           |                  |                |                |                  |                |                  | 296,498           |
| Use of money and property      |         | 3,803            |                  |                |                |                  |                |                  | 17,494            |
| Other revenues                 |         | 2,214            | 869              |                | 4,993          | 1,089            | 3,438          | 11,278           | 185,127           |
|                                |         | <u>1,364,378</u> | <u>1,943,833</u> | <u>824,279</u> | <u>417,660</u> | <u>2,776,003</u> | <u>323,218</u> | <u>4,390,488</u> | <u>13,430,444</u> |
| <b>EXPENDITURES</b>            |         |                  |                  |                |                |                  |                |                  |                   |
| Current:                       |         |                  |                  |                |                |                  |                |                  |                   |
| General government:            |         |                  |                  |                |                |                  |                |                  |                   |
| Judicial                       |         |                  |                  |                |                |                  |                |                  | 571,471           |
| Financial and administrative   |         |                  |                  |                |                |                  |                |                  | 84,153            |
| Public safety                  |         | 3,468,411        | 1,346,573        |                |                |                  | 355,448        | 6,200,153        | 876,571           |
| Public works                   |         |                  |                  |                |                |                  |                |                  | 4,414,508         |
| Health and welfare             |         |                  |                  |                |                |                  |                |                  | 6,200,153         |
| Culture and recreation         |         | 680,218          |                  |                |                |                  |                |                  | 680,218           |
| Transportation                 |         |                  |                  |                |                |                  |                |                  | 185,963           |
| Debt service                   |         | 98,492           | 198,161          |                |                |                  |                |                  | 582,233           |



|  |                  |                  |                  |                  |                  |                  |
|--|------------------|------------------|------------------|------------------|------------------|------------------|
| Capital study  | 121,769          | 101,579          | 187,276          | 420,614          | 14,489           | 1,126,005        |
| Intergovernmental  |                  |                  |                  |                  |                  | 11,387           |
| Total expenditures   | <u>1,418,424</u> | <u>181,855</u>   | <u>2,414,111</u> | <u>311,425</u>   | <u>302,649</u>   | <u>4,310,189</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES                                  | 41,554,524       | (294,182)        | (2,262,229)      | (78,444)         | (114,472)        | 2,308,545        |
|  |                  |                  |                  |                  |                  | 9,124            |
| OTHER FINANCING SOURCES (Uses)   |                  |                  |                  |                  |                  |                  |
| Sale of fixed assets   |                  | 579              | 248              |                  |                  | 599              |
| Business inventory   |                  | 959              |                  |                  |                  | 959              |
| Decrease in capital loans  | 211,291          |                  | 181,212          |                  |                  | 863,288          |
| Operating transfer in  | 1,399,273        | 673,126          | 479,429          | 81,429           |                  | 2,883,370        |
| Operating transfer for cost  |                  |                  |                  |                  |                  | (2,308,545)      |
| Total other financing sources (uses)   | <u>1,600,564</u> | <u>673,655</u>   | <u>751,614</u>   | <u>81,429</u>    | <u>(32,042)</u>  | <u>899,601</u>   |
| EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES | 9,199            | 472,480          | (49,817)         | (18,444)         | (32,057)         | 3,098            |
| FUND BALANCES AT BEGINNING OF YEAR   | 1,082,112        | 1,051,911        | 876              | 46,402           | 1,149            | 2,991,519        |
| FUND BALANCES AT END OF YEAR   | <u>2,071,681</u> | <u>2,523,811</u> | <u>2,918,302</u> | <u>2,211,151</u> | <u>2,523,172</u> | <u>5,111,421</u> |

DEBOTO PARISH POLICE JURY  
 Mandeville, Louisiana  
 SPECIAL REVENUE - HEALTH AND WELFARE FUNDS

Combining Balance Sheet, December 31, 2000

|   | <u>GENERAL<br/>ASSISTANCE</u> | <u>COMM.<br/>SERVICES</u> | <u>TOTAL</u>     |
|---|-------------------------------|---------------------------|------------------|
| <b>ASSETS</b>   |                               |                           |                  |
| Cash and cash equivalents                                 | \$175,612                     | \$45,819                  | \$199,231        |
| Receivables   | <u>65,469</u>                 | <u>65,469</u>             | <u>65,469</u>    |
| <b>TOTAL ASSETS</b>                                       | <u>\$113,872</u>              | <u>\$113,688</u>          | <u>\$226,280</u> |
| <b>LIABILITIES AND FUND EQUITY</b>                        |                               |                           |                  |
| Liabilities:  |                               |                           |                  |
| Accounts payable  |                               | \$2,313                   | \$2,313          |
| Due to other funds  | \$779                         | \$2,080                   | \$2,799          |
| Deferred revenues   | <u>112,873</u>                | <u>112,873</u>            | <u>112,873</u>   |
| Total Liabilities   | <u>113,652</u>                | <u>94,313</u>             | <u>208,327</u>   |
| Fund Equity - fund balance -<br>unreserved - undesignated | <u>None</u>                   | <u>18,475</u>             | <u>18,475</u>    |
| <b>TOTAL LIABILITIES AND<br/>FUND EQUITY</b>              | <u>\$113,652</u>              | <u>\$113,688</u>          | <u>\$226,280</u> |

DESOUDY PARISH POLICE JURY  
 Mansfield, Louisiana  
 SPECIAL REVENUE - HEALTH AND WELFARE FUNDS

Combining Schedule of Revenues, Expenditures,  
 and Changes in Fund Balances  
 For the Year Ended December 31, 2015

|   | SEPTAL<br>ASSURANCE | COMM<br>SERVICES | 904              | TOTAL            |
|---|---------------------|------------------|------------------|------------------|
| <b>REVENUES</b>                                 |                     |                  |                  |                  |
| Intra-governmental - federal grants             | \$740,830           | \$354,848        | \$3,162,115      | \$4,257,793      |
| Use of money and property                       | 1,349               |                  |                  | 1,349            |
| Other revenues                                  |                     | 161,338          |                  | 161,338          |
| Total revenues                                  | <u>742,179</u>      | <u>516,186</u>   | <u>3,162,115</u> | <u>4,420,480</u> |
| <b>EXPENDITURES</b>                             |                     |                  |                  |                  |
| Current:  |                     |                  |                  |                  |
| Health and welfare                              | 742,179             | 478,461          | 3,162,114        | 4,382,754        |
| <b>EXCESS OF REVENUES<br/>OVER EXPENDITURES</b> | NONE                | \$8,725          | NONE             | 9,725            |
| <b>FUND BALANCES AT<br/>BEGINNING OF YEAR</b>   | NONE                | 8,648            | NONE             | 8,648            |
| <b>FUND BALANCES AT END OF YEAR</b>             | <u>NONE</u>         | <u>\$18,373</u>  | <u>NONE</u>      | <u>\$18,373</u>  |

**DEBOTO PARISH POLICE JURY**  
Mansfield, Louisiana  
**SUPPLEMENTAL INFORMATION SCHEDULES**  
As of and for the Year Ended December 31, 2005

**COMPENSATION PAID POLICE JURORS**

The schedule of compensation paid to police jurors is presented in compliance with House Concurrent Resolution No. 54 of the 1978 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 (1253), the police jury has elected the monthly payment method of compensation. Under this method, the president receives \$1100 per month and the other jurors receive \$1000 per month.

DESOUD PARISH POLICE JURY  
Mandeville, LouisianaSchedule of Compensation Paid Police Jurors  
As of and For the Year Ended December 31, 2005

|                                |                  |
|--------------------------------|------------------|
| Richard T. Barford, Sr.        | \$12,000         |
| Charles A. Barford             | 12,000           |
| Marlin Coston                  | 12,000           |
| Henry P. Evans                 | 12,000           |
| Fred Jones                     | 12,000           |
| O. H. "Dabbs" Jones            | 12,000           |
| S. Mayweather                  | 12,000           |
| A. W. McDonald, Jr.            | 12,000           |
| B. DeWayne Mitchell, President | 13,200           |
| Clyde Washington               | 12,000           |
| Wayne Williams                 | <u>12,000</u>    |
| Total                          | <u>\$133,200</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**

**DÉSOLO PARISH POLICE JURY**  
Mansfield, Louisiana

I have audited the primary government financial statements of the DeSoto Parish Police Jury as of and for the year ended December 31, 2003, and have issued my report thereon dated September 23, 2004. I conducted my audit in accordance with U. S. generally accepted auditing standards and the standards applicable to financial audits contained in *Governance Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the DeSoto 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 two instances of noncompliance that are required to be reported under *Governance Auditing Standards* and are included as findings 01-01 and 01-02 in the accompanying schedule of findings and questioned costs.

**Internal Control Over Financial Reporting**

In planning and performing my audit, I considered DeSoto 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 one matter involving the internal control over financial reporting and its operation that I consider to be a material weakness which is included as finding 01-03 in the accompanying schedule of findings and questioned costs.

**DESOLO PARISH POLICE JURY**

Monroe, 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 DeSoto Parish Police Jury, management of the police jury, the Louisiana Legislative Auditor, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties. Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.*



West Monroe, Louisiana

September 27, 2004



## MARY JO FINLEY, CPA, INC.

A PROFESSIONAL CORPORATION

110 Professional Drive - West Monroe, LA 71291

Phone (504) 589-8880 - Fax (504) 589-8880

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

#### **DEBOTO PARISH POLICE JURY Monroe, Louisiana**

##### **Compliance**

I have audited the compliance of the DeBoto 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 each of its major federal programs for the year ended December 31, 2003. The DeBoto 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 each of its major federal programs is the responsibility of the DeBoto Parish Police Jury. My responsibility is to express an opinion on the DeBoto 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 *Governance Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audit of States, Local Governments, and Non-Profit Organizations*. These 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 DeBoto Parish Police Jury's compliance with these 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 DeBoto Parish Police Jury's compliance with these requirements.

In my opinion, the DeBoto 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.

**DESOLO PARISH POLICE JURY**

**Marrero, 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 DeSoto 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 DeSoto 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 DeSoto Parish Police Jury, management of the police jury, the Louisiana Legislative Auditor, 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.



**Warr Marrero, Louisiana**

**September 27, 2004**

**DESOLO PARISH POLICE JURY**  
 Mansfield, 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 DeSoto Parish Police Jury.
2. One reportable condition relating to the audit of the financial statements is reported in the Independent Auditor's Report on Compliance and Internal Control Over Financial Reporting.
3. Two instances of noncompliance material to the financial statements of the DeSoto Parish Police Jury were disclosed during the audit.
4. No reportable conditions relating to the audit of the major federal award program is 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 DeSoto Parish Police Jury expresses an unqualified opinion.
6. No audit findings relative to the major federal award programs for the DeSoto Parish Police Jury are reported.
7. The programs tested as major programs included:
 

| <u>Program</u>                                | <u>CEDA No.</u> |
|---|-----------------|
| Airport Improvement Program                   | 20.106          |
| Workforce Investment Act - Adult Program      | 17.238          |
| Workforce Investment Act - Youth Activities   | 17.259          |
| Workforce Investment Act - Dislocated Workers | 17.260          |
8. The threshold for distinguishing Type A and B programs was \$300,000.
9. The DeSoto Parish Police Jury was determined to be a low-risk auditee.

(Continued)

## DEBOTO PARISH POLICE JURY

Mansfield, Louisiana

## Schedule of Findings and Questioned Costs

For the Year Ended December 31, 2003

**B. FINDINGS - FINANCIAL STATEMENTS AUDIT****03-01 Need to Comply With State Reporting Laws**

**Finding:** The police jury's annual financial statements were not filed within the time required by state law. Louisiana Revised Statute(LSA-R.S.)24:513(A)(2)(a) requires that annual financial statements and the auditor's reports be filed with the Legislative Auditor within six months of the police jury's year end. Because the accounting records for 2003 were not completed until September, 2004, the annual report and auditor's reports were not filed until three months after the required deadline. It should also be noted that the police jury's annual report for 2002 was also filed late.

**Recommendation:** The police jury should require that its finance committee monitor the accounting function and ensure that the annual report and auditor's reports be filed before June 30<sup>th</sup> of each year.

**03-02 Need to Comply With Budget Act**

**Finding:** The police jury did not comply with the Local Government Budget Act, LSA-R.S. 59:1310-1311 requires, among other things, that the police jury amend an individual fund's budget when actual revenues and other sources to date plus projected amounts to year-end are falling to meet budgeted amounts by five percent or more and/or when actual expenditures and other uses to date plus projected amounts to year-end are exceeding budgeted amounts by five percent or more. The requirement applies to funds with anticipated expenditures of \$350,000 or more. The police jury had seven special revenue funds which met the threshold. Because the police jury's accounting records were not maintained during the year, management had no financial statements with which to monitor budgetary activity. Consequently, of those seven funds which met the threshold, two had unfavorable variances in revenues and other sources. One exceeded the 5% limit while the other had a 4.92% unfavorable variance. Furthermore, all seven funds had unfavorable variances in expenditures and other uses. Six of the funds exceeded the 5% limit while the seventh fund had a 4.57% unfavorable variance.

**Recommendation:** Both management and the finance committee must have monthly financial statements with which to monitor and control expenditures. Because the police jury as a body is ultimately responsible for compliance with laws and regulations, the finance committee should take an active role in reviewing and monitoring financial activity.

(Continued)

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

**(B-8) Need to Maintain Current Accounting Records**

**Finding:** The accounting records of the police jury were not maintained on a current ongoing basis. Proper internal control over accounting records requires that records be posted in a timely manner and that management be provided with interim financial statements. Accounting records which are maintained on a current basis provide management with information necessary to monitor operations and make needed adjustments due to changes in those operations. The majority of the police jury's 2003 accounting transactions were not posted to the general ledger until 2004 and were not completed until September, 2004. As a result, during 2003 the police jury had no budgetary information with which to monitor and control its operations, the finance department could not provide substantiated financial information nor demonstrate its compliance with laws, regulations, and grant agreements and, financial statements could not be produced within a reasonable time after year end.

**Recommendation:** It is imperative that the police jury immediately take whatever action is necessary to correct the accounting problems noted above. This can be accomplished by requiring that the finance committee receive budgetary comparison statements each month which include year-to-date totals through the end of the previous month. The committee should review these statements to ensure that operations are proceeding as the police jury intended at the start of the year. Should this not be the case, the committee should make recommendations to the police jury for corrective action.

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

None

(Continued)

Defence Parish Police Jury  
Bossier Parish, Louisiana  
Schedule of Expenditures of Federal Awards  
For the Year Ended December 31, 2003

| FEDERAL AGENCY<br>PASS THROUGH GRANT/PROGRAM<br>PROGRAM TITLE   | FY04<br>NUMBER | FEDERAL GRANT/PROGRAM<br>NUMBER | FEDERAL<br>EXPENDITURES |
|---|----------------|---------------------------------|-------------------------|
| <b>UNITED STATES DEPARTMENT OF ENERGY</b>   |                |                                 |                         |
| Passed through Louisiana Department of Social Services -<br>Weatherization Assistance for Low-Income Persons            | 61,842         | 770700571                       | <u>351,856</u>          |
| <b>UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES:</b>   |                |                                 |                         |
| Passed through Louisiana Department of Social Services:   |                |                                 |                         |
| Medical Assistance Program  | 95,778         | NONE                            | 615                     |
| Low-Income Energy Assistance Program  | 90,568         | 770700508                       | 114,613                 |
| Temporary Assistance for Needy Families   | 90,558         | NONE                            | 2,628                   |
| Passed through Louisiana Department of Labor:   |                |                                 |                         |
| Community Services Block Grant  | 95,560         | 98P0080                         | <u>113,811</u>          |
| Total United States Department of Health and Human Services   |                |                                 | <u>128,077</u>          |
| <b>UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>  |                |                                 |                         |
| Exec program - Lower-Income Housing Assistance Program  | 14,871         | 1-6207010                       | 708,830                 |
| Passed through Office of the Governor, Division of Administration:<br>Community Development Block Grant (State program) | 14,228         | 0561428                         | 24,658                  |
| Passed through Office of Housing and Urban Development:   |                |                                 |                         |
| Emergency Shelter Grants Program  | 14,231         | NONE                            | <u>2,700</u>            |
| Total United States Department of Housing and Urban Development   |                |                                 | <u>736,188</u>          |
| <b>UNITED STATES DEPARTMENT OF MILITARY</b>   |                |                                 |                         |
| Office of Emergency Preparedness - Hazard Mitigation  | 80,548         | NONE                            | <u>22,800</u>           |
| <b>UNITED STATES DEPARTMENT OF LABOR</b>  |                |                                 |                         |
| Passed through Louisiana Department of Labor - Workforce Investment Act:  |                |                                 |                         |
| Adult Program   | 17,258         | NONE                            | 1,357,900               |
| Youth Activities  | 17,250         | NONE                            | 1,868,965               |
| Dislocated Workers  | 17,260         | NONE                            | <u>1,943,650</u>        |
| Total United States Department of Labor   |                |                                 | <u>3,170,515</u>        |
| <b>FEDERAL EMERGENCY MANAGEMENT AGENCY</b>  |                |                                 |                         |
| Administrative costs - Civil Defense  | 80,310         | NONE                            | 14,142                  |
| Exec program - Emergency Management Agency  | 80,310         | NONE                            | <u>28,260</u>           |
| Total Federal Emergency Management Agency   |                |                                 | <u>42,402</u>           |
| <b>UNITED STATES DEPARTMENT OF TRANSPORTATION</b>   |                |                                 |                         |
| Passed through Louisiana Department of Transportation and Development:  |                |                                 |                         |
| Public Transportation for Non-Urbanized Areas   | 28,800         | 1-6-002018                      | 113,406                 |
| Federal Aviation Administration   | 28,198         | 7-22-0028-003                   | <u>372,575</u>          |
| Total United States Department of Transportation  |                |                                 | <u>485,981</u>          |
| Total Federal Financial Assistance  |                |                                 | <u>36,739,079</u>       |

Footnotes:

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

DESOUD PARISH POLICE JURY  
Monroe, LouisianaSummary Schedule of Prior Audit Findings  
For the Year Ended December 31, 2003**02-01 Need to Maintain Timely Accounting Records  
and Comply With State Reporting Laws**

**Condition:** The finding related to the accounting records of the police jury which were not maintained in such a manner as to enable the preparation of the financial statements to provide for the timely filing of the financial statements in accordance with USA-RS 34:514.

**Recommendation:** The auditor recommended that the police jury immediately take whatever action is necessary to correct the accounting problems noted above. The police jury should continuously maintain all of the accounting records to prevent the audit from being delayed, and remit all accounting records to the auditor in a timely manner.

**Current Status:** The finding has not been corrected and is included in the current year Schedule of Findings and Questioned Costs as Finding 03-01.



# DeSoto Parish Police Jury

P.O. Box 505, Mandeville, Louisiana 71562  
PHONE: (504) 833-8700 FAX: (514) 832-6342

September 30, 2004

## OFFICERS

Wayne Mitchell  
President

Clyde "Doc" Worthington  
Vice President

William C. Smith  
Parish Administrator

Shirley C. Whitson  
Secretary

Linda Gartin  
Treasurer

## MEMBERS

Charles A. Balfanz  
Savoy, LA 71368  
District 1A

Wayne Mitchell  
Liguiret, LA 71368  
District 2

J.D. Smith  
Mandeville, LA 71562  
District 3C

A.W. McIlwain, Jr.  
Bossier, LA 71308  
District 3

Howard Barford  
Vivian, LA 71378  
District 3

Wayne Williams  
Bossier, LA 71308  
District 4A

Joe Jones  
Bossier, LA 71308  
District 4B

Clyde Worthington, Jr.  
Mandeville, LA 71562  
District 6C

Robert Worthington  
Mandeville, LA 71562  
District 6C

Wayne Tate  
Patterson, LA 71367  
District 8

Frank Jones  
Patterson, LA 71367  
District 8

Mr. Steve Theriot, CPA  
Legislative Auditor  
5630 North Third Street  
Baton Rouge, Louisiana 70803

RE: Audit Findings

Dear Mr. Theriot:

In response to the findings related to the accounting records of the DeSoto Parish Police Jury, we offer the following response:

### 03-01 Need to Comply with State Reporting Laws

As you are aware, Betty Woods, Treasurer of 23 years, had severe health problems during 2000 and early 2004. It became apparent that despite her best efforts, the financial records were not being maintained in a timely manner. Ms. Woods was placed on Medical Leave in March 2004 and Linda Gartin was appointed Parish Treasurer on April 12, 2004. Since her appointment, Ms. Gartin has worked with other staff members to learn the accounting system and to complete the 2003 financial records.

To further assist in completing the financial records in a timely manner the Police Jury hired a local CPA. The Police Jury will continue to use a CPA for consulting purposes and to assist as needed with the preparation of the financial records.

### 03-02 Need to Comply with Budget Act

The Police Jury staff has worked diligently to complete the 2003 financial records while keeping the current year's records current. Financial reports have been compiled monthly to insure that the finance committee is able to review and more closely monitor the financial activity.

Ms. Gartin and any necessary staff have been authorized to work as many hours as necessary to bring the financial records up to date. This will further provide the information necessary for the Police Jury to review and monitor its financial activity.



Page 1 of 2  
Mr. Thomas  
September 30, 2004

**03-03 Need to Maintain Current Accounting Records**

As noted in the previous responses, the Police Jury has taken the necessary steps to insure that its accounting records are maintained on a current, ongoing basis. We will continue to monitor the situation and provide our staff with whatever is necessary to insure that these deficiencies are not repeated.

The Police Jury is currently evaluating its accounting software needs to insure that our staff has the necessary tools to maintain the accounting records. The software will be upgraded or replaced with adequate training provided for our staff. The current hardware is also being upgraded to network up to five users.

If you should have any questions regarding this matter, please let me know.

Sincerely, *B. D. Mitchell*  
BRYANT PARENT POLICE JURY

B. D. Mitchell, President

BDM/ted

cc: Finance Committee