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**WEST CARROLL PARISH POLICE JURY**  
Oak Grove, Louisiana**Primary Government Financial Statements**  
**With Independent Auditor's Report**  
**As of and for the Year Ended**  
**December 31, 2004**  
**With Supplemental Information Schedules**

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

Release Date 7-13-05

**West Carroll Parish Police Jury  
Oak Grove, Louisiana**

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

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Oak Grove, Louisiana  
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**Required Supplemental Information (Part I)**  
**Management's Discussion and Analysis**

**West Carroll Parish Police Jury**  
**Oak Grove, Louisiana**  
**Management's Discussion and Analysis**  
**December 31, 2004**  
(Unaudited)

As management of the West Carroll Parish Police Jury, we offer readers of the police jury's financial statements this narrative overview and analysis of the financial activities of the police jury for the year ended December 31, 2004. We encourage readers to consider the information presented here, in conjunction with the basic financial statements, and the supplementary information provided in this report in assessing the efficiency and effectiveness of our stewardship of public resources.

***Overview of the Financial Statements***

This discussion and analysis are intended to serve as an introduction to the West Carroll Parish Police Jury's basic financial statements. The police jury's basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

***Government-wide Financial Statements.*** The government-wide financial statements are designed to provide readers with a broad overview of the West Carroll Parish Police Jury's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all of the West Carroll Parish Police Jury's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the police jury is improving or deteriorating.

The statement of activities presents information showing how the police jury's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (for example, earned but not taken annual leave).

***Fund Financial Statements.*** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The West Carroll Parish Police Jury, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the current funds of the police jury are included in one category - governmental funds.

***Governmental Funds.*** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The West Carroll Parish Police Jury maintains 17 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Parish Wide Road Tax Fund, Solid Waste, Criminal Court, Drainage Maintenance, and Section 8 special revenue funds, which are considered to be major funds. Data from the other funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining schedules in the other supplemental information section of the report.

West Carroll Parish Police Jury adopts an annual appropriated budget for the General Fund and all special revenue funds. Budgetary comparison schedules are provided in the Required Supplemental Information (Part II) for the major funds to demonstrate compliance with this budget.

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

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain other supplemental information concerning the West Carroll Parish Police Jury. The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplemental information section.

**Government-Wide Financial Analysis** As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. At the close of the fiscal year, assets of the West Carroll Parish Police Jury exceeded liabilities by \$18,223,314. Of those net assets, \$14,670,573 represents the police jury's investment in capital assets net of accumulated depreciation and debt associated with assets. These assets are not available for future spending. The remaining net assets are made up of bank balances and receivables.

**Financial Analysis of the Government's Funds** West Carroll Parish Police Jury uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the governmental funds is to provide information on near-term revenue, expenditures, and balances of expendable resources. This information is used in assessing the financing requirements of the police jury. Unreserved fund balances may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of December 31, 2004, combined governmental fund balances of \$4,855,075 showed a decrease of \$680,343 over December 31, 2003. The General Fund's balance of \$795,378 showed an increase of \$54,871 over the 2003 balance of \$740,507.

### ***Budgetary Highlights***

Differences in the General Fund between the original budgeted revenues and the final budgeted numbers were mainly due to an increase in anticipated Sales Tax and Licenses and Permits. Expenditures were higher in areas such as Finance and Administrative, Public Works, Public Safety, Economic Development, and Transportation.

Differences in the Parish Wide Road Tax Fund between the original budgeted revenues and the final budgeted numbers were mainly due to an increase in anticipated Sales Tax, Interfund Transfers and Miscellaneous Revenues. Expenditures were higher in areas such as Public Works, Capital Outlay and Interfund Transfers.

Differences in the Solid Waste Fund between the original budgeted revenues and the final budgeted numbers were mainly due to an increase in anticipated Sales Tax and Use of Money and Property. Expenditures were higher in Public Works.

Differences in the Drainage Maintenance Fund between the original budgeted revenues and the final budgeted numbers were mainly due to an increase in Interfund Transfers. Expenditures were higher in areas such as Public Works and Capital Outlay.

### ***Capital Asset and Debt Administration***

***Capital Assets.*** The West Carroll Parish Police Jury's investment in capital assets for its governmental activities as of December 31, 2004, amounts to \$14,865,224 (net accumulated depreciation). This investment includes land, buildings and improvements, infrastructure roads and bridges, and furniture and equipment. The increase in capital assets for the year was \$255,985. Reductions in capital assets for the year ended December 31, 2004 were \$315,650.

***Long-Term Debt.*** At the end of the year, West Carroll Parish Police Jury had total long-term debt of \$1,496,985, which consisted of Capital Leases, Compensated Absences, and Landfill Closure/Post Closure Care. During 2004, approximately \$101,332 was paid on this debt.

### ***Economic Factors and Next Year's Budgets***

The police jury's financial plan for this upcoming year is underway. The General Fund plans to make transfers to alleviate deficit balances in the Criminal Court fund.

### ***Requests for Information***

This financial report is designed to be a summary of the West Carroll Parish Police Jury's finances. If there are any questions regarding any information, a request can be made in writing to the West Carroll Parish Police Jury, at P.O. Drawer 630, Oak Grove, Louisiana 71263. Our telephone number is (318) 428-3390.

June 6, 2005

# MARY JO FINLEY, CPA, INC.

A PROFESSIONAL CORPORATION

116 Professional Drive - West Monroe, LA 71291

Phone (318) 329-8880 - Fax (318) 329-8883

## Independent Auditor's Report

West Carroll Parish Police Jury  
Oak Grove, Louisiana

I have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of West Carroll Parish Police Jury as of and for the year ended December 31, 2004, which collectively comprise the basic financial statements of the parish's primary government as listed in the table of contents. These financial statements are the responsibility of West Carroll Parish Police Jury's management. My responsibility is to express an opinion on these financial statements based on my audit.

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

The financial statements referred to above include only the primary government of West Carroll Parish which consist of all funds, organizations, institutions, agencies, departments, and offices that comprise the police jury's legal entity. The financial statements do not include financial data of the police jury's legally separate component units, which accounting principles generally accepted in the United States of America require to be reported with the financial data of the parish's primary government. As a result, the primary government financial statements do not purport to, and do not, present fairly the financial position of the reporting entity of West Carroll Parish as of December 31, 2004, and the changes in its financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, major funds, and the aggregate remaining fund information for the primary government of West Carroll Parish Police Jury as of December 31, 2004, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.



West Carroll Parish Police Jury  
Oak Grove, Louisiana  
Independent Auditor's Report,  
December 31, 2004

As discussed in Note 1, the police jury has implemented a new financial reporting model, as required by the provisions of GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, as of December 31, 2004.

Management's discussion and analysis on pages 4 through 6 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, I did not audit the information and express no opinion on it.

My audit was performed for the purpose of forming an opinion on the financial statements that collectively comprise West Carroll Parish Police Jury's basic financial statements. The budgetary comparison schedules on pages 36 through 39, which is supplementary information required by the Governmental Accounting Standards Board and the other supplementary information schedules on pages 42 through 45 are presented for the purpose of additional analysis and are not a required part of the basic financial statements. Those schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, are presented fairly in all material respects in relation to the basic financial statements taken as a whole.

In accordance with *Government Auditing Standards*, I have also issued a report dated June 6, 2005, on my consideration of the West Carroll 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  
June 6, 2005

## **Basic Financial Statements**

**Statement A**

West Carroll Parish Police Jury  
Oak Grove, Louisiana  
Governmental Activities  
Statement of Net Assets  
December 31, 2004

<b>Assets</b>	
Cash and cash equivalents	\$3,940,471
Deposits held in trust	242,715
Receivables	966,926
Prepays	3,168
Capital assets (net)	<u>14,865,224</u>
Total Assets	<u>\$20,018,504</u>
<b>Liabilities</b>	
Cash overdrafts	\$11,124
Accounts payable	186,707
Compensated absences payable	94,170
Leases payable	194,651
Landfill closure/post closure payable	1,208,164
Deferred revenues:	
Protest taxes	45,291
Federal grant	<u>55,083</u>
Total Liabilities	<u>\$1,795,190</u>
<b>Net Assets</b>	
Invested in capital assets, net of related debt	\$14,670,573
Unrestricted	<u>3,552,741</u>
Total Net Assets	<u>\$18,223,314</u>

See accompanying notes to basic financial statements.

**Statement B**

West Carroll Parish Police Jury  
Oak Grove, Louisiana  
Statement of Activities  
For the Year Ended December 31, 2004

Functions:	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets
Governmental Activities:		Charges for Services	Operating Grants and Contributions	
General government	\$733,019	\$72,156		(\$660,863)
Public safety	404,960	79,748	\$55,243	(269,969)
Public works	3,664,944	407,370	147,992	(3,109,582)
Health and welfare	264,845	2,685	212,505	(49,655)
Culture and recreation	133,134		131,090	(2,044)
Economic development and assistance	213,538		60,000	(153,538)
Transportation	85,083		62,844	(22,239)
Total governmental activities	\$5,499,523	\$561,959	\$669,674	(4,267,890)
General revenues:				
Taxes:				
Ad valorem taxes				716,859
Sales taxes				1,702,860
State revenue sharing				67,157
Fire insurance rebate				35,505
Severance taxes				12,633
Grants and contributions not restricted to specific programs				10,012
Licenses and permits				37,289
Unrestricted investment earnings				98,951
Gain on sale of assets				17,812
Other				135,359
Total general revenues				2,834,437
Change in net assets				(1,433,453)
Net assets at beginning of year				19,656,767
Net assets at end of year				\$18,223,314

See accompanying notes to basic financial statements.

Statement C

West Carroll Parish Police Jury  
Oak Grove, Louisiana  
Governmental Funds  
Balance Sheet  
December 31, 2004

	General	Parish Wide Road Tax	Solid Waste	Criminal Court	Drainage Maintenance	Section 8	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>								
Cash and equivalents	\$595,756	\$1,024,259	\$872,977		\$754,863	\$55,083	\$637,533	\$3,940,471
Deposits held in trust			242,715					242,715
Receivables	253,455	406,436	98,998	\$3,021	93,075		111,941	966,926
Due from other funds	34,832		1,529				220	36,581
Prepaid charges			3,168					3,168
<b>Total Assets</b>	<b>\$884,043</b>	<b>\$1,430,695</b>	<b>\$1,219,387</b>	<b>\$3,021</b>	<b>\$847,938</b>	<b>\$55,083</b>	<b>\$749,694</b>	<b>\$5,189,861</b>
<b>Liabilities and Fund Balances</b>								
<b>Liabilities:</b>								
Cash overdrafts				\$11,124				\$11,124
Accounts payable	\$75,501	\$66,347	\$9,560	890	\$2,049		\$32,360	186,707
Due to other funds	220			34,832	1,529			36,581
Deferred revenues:								
Federal grant	12,944	23,495			3,973	\$55,083	4,879	55,083
Protest taxes	88,665	89,842	9,560	46,846	7,551	55,083	37,239	45,291
<b>Total Liabilities</b>	<b>795,378</b>	<b>1,340,853</b>	<b>1,209,827</b>	<b>(43,825)</b>	<b>840,387</b>	<b>NONE</b>	<b>712,455</b>	<b>4,855,075</b>
Fund balances- unreserved - undesignated								
<b>Total Liabilities and Fund Balances</b>	<b>\$884,043</b>	<b>\$1,430,695</b>	<b>\$1,219,387</b>	<b>\$3,021</b>	<b>\$847,938</b>	<b>\$55,083</b>	<b>\$749,694</b>	<b>\$5,189,861</b>

See accompanying notes to basic financial statements.

West Carroll Parish Police Jury  
Oak Grove, Louisiana  
Reconciliation of Governmental Funds Balance Sheet to  
Statement of Net Assets  
December 31, 2004

Total Fund Balances at December 31, 2004- Governmental Funds (Statement C)		<u>\$4,855,075</u>
Cost of capital assets at December 31, 2004	\$45,996,917	
Less accumulated depreciation as of December 31, 2004	<u>(31,131,693)</u>	14,865,224
Elimination of interfund activities:		
Due from other funds	36,581	
Due to other funds	<u>(36,581)</u>	
Long-term liabilities at December 31, 2004:		
Compensated absences	94,170	
Leases payable	194,651	
Landfill closure/post closure payable	<u>1,208,164</u>	<u>(1,496,985)</u>
Net Assets at December 31, 2004 (Statement A)		<u>\$18,223,314</u>

See accompanying notes to basic financial statements.

**Statement D**

West Carroll Parish Police Jury  
Oak Grove, Louisiana  
Governmental Funds

Statement of Revenues, Expenditures, and Changes in Fund Balances  
For the Year Ended December 31, 2004

	General	Parish Wide Road Tax	Solid Waste	Criminal Court	Drainage Maintenance	Section 8	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>								
Taxes:								
Ad valorem	\$209,392	\$379,787			\$52,421		\$75,259	\$716,859
Sales	425,715	425,715	\$851,430					1,702,860
Licenses and permits	37,289							37,289
Intergovernmental revenues:								
Federal funds	50,254	95			16	\$202,853	9,848	263,066
State funds:								
Severance taxes	12,633							12,633
Fire insurance rebate	35,505							35,505
State revenue sharing					67,157			67,157
Parish transportation		147,992						147,992
Rural development grants	13,725							13,725
Other	193,732	9,653					51,518	254,903
Fees, charges, and commissions for services	13,914		407,370				82,433	503,717
Fines and forfeitures	7,049			\$69,561			2,595	72,156
Use of money and property	31,929	13,282	21,117	48	7,692	273	49,490	98,951
Other		26,395	5,081	72		1,063	4,297	68,837
Total revenues	1,031,137	1,002,919	1,284,998	69,681	127,286	204,189	275,440	3,995,650
<b>EXPENDITURES</b>								
Current:								
General government:								
Legislative	54,111							54,111
Judicial	46,143			85,067			1,004	132,214
Elections	30,612							30,612
Finance and administrative	166,522							166,522
Other general government	267,920						25,058	292,978
Public safety	163,947						127,205	291,152

Public works	16,600	1,329,108	1,441,165	86,008	206,589	17,470	2,872,881
Health and welfare	36,285						260,344
Culture and recreation	128,134						128,134
Economic development and assistance	242,898						242,898
Transportation	6,703		70,110	13,764		6,545	13,248
Debt service			6,120	51,512			83,874
Capital outlay	56,454	62,000				1,360	177,446
Total expenditures	<u>1,216,329</u>	<u>1,391,108</u>	<u>1,517,395</u>	<u>151,284</u>	<u>206,589</u>	<u>178,642</u>	<u>4,746,414</u>
Excess (deficiency) of revenues over expenditures	<u>(185,192)</u>	<u>(388,189)</u>	<u>(232,397)</u>	<u>(23,998)</u>	<u>(2,400)</u>	<u>96,798</u>	<u>(750,764)</u>
<b>OTHER FINANCING SOURCES (Use)</b>							
Proceeds from insurance	34,230	2,717				15,662	52,609
Operating transfers in	213,233	471,315	5,252	377,052	2,400	99,263	1,168,515
Gain on sale of property		17,812					17,812
Operating transfers out	<u>(7,400)</u>	<u>(5,485)</u>				<u>(1,155,630)</u>	<u>(1,168,515)</u>
Total other financing sources (use)	<u>240,063</u>	<u>486,359</u>	<u>5,252</u>	<u>377,052</u>	<u>2,400</u>	<u>(1,040,705)</u>	<u>70,421</u>
<b>NET CHANGE IN FUND BALANCES</b>	54,871	98,170	(227,145)	353,054	NONE	(943,907)	(680,343)
<b>FUND BALANCES (Deficit) - BEGINNING</b>	740,507	1,242,683	1,436,972	487,333	NONE	1,656,362	5,535,418
<b>FUND BALANCES (Deficit) - ENDING</b>	<u>\$795,378</u>	<u>\$1,340,853</u>	<u>\$1,209,827</u>	<u>\$840,387</u>	<u>NONE</u>	<u>\$712,455</u>	<u>\$4,855,075</u>

See accompanying notes to basic financial statements.



West Carroll Parish Police Jury  
Oak Grove, Louisiana  
Reconciliation of the Statement of Revenues, Expenditures  
and Changes in Fund Balances to the Statement of Activities  
For the Year Ended December 31, 2004

Net change in fund balances - total governmental funds	(\$680,343)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays (\$177,446) exceeded depreciation (\$931,402) in the current period.	(753,956)
In the Statement of Activities, certain operating expenses - compensated absences - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).	(3,057)
Repayment of lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets.	74,729
The accrued liability for the landfill closure/post closure is reported in the Statement of Net Assets, but not in the governmental funds.	<u>(70,826)</u>
Change in net assets of governmental activities	<u><u>(\$1,433,453)</u></u>

See accompanying notes to basic financial statements.

**Statement E**

**WEST CARROLL PARISH POLICE JURY**  
Oak Grove, Louisiana  
Statement of Fiduciary Net Assets - Agency Funds

December 31, 2004

	<u>AMBULANCE DISTRICT</u>	<u>FIRE DISTRICT</u>	<u>TOTAL</u>
<b>ASSETS</b>			
Cash	\$48	\$45	\$93
Accounts Receivables	32,860	32,860	65,720
<b>TOTAL ASSETS</b>	<u>\$32,908</u>	<u>\$32,905</u>	<u>\$65,813</u>
<b>LIABILITIES</b>			
Accounts payable	\$32,860	\$32,860	\$65,720
Due to others	48	45	93
<b>TOTAL LIABILITIES</b>	<u>\$32,908</u>	<u>\$32,905</u>	<u>\$65,813</u>

The accompanying notes are an integral part of this statement.

*Notes to the Financial Statements*

WEST CARROLL PARISH POLICE JURY  
Oak Grove, Louisiana

Notes to the Financial Statements  
As of and for the Year Ended December 31, 2004

**Introduction**

The West Carroll Parish Police Jury is the governing authority for West Carroll Parish and is a political subdivision of the State of Louisiana. The police jury is governed by five jurors representing the various districts within the parish. The jurors serve four-year terms which expire in January, 2008.

Louisiana Revised Statute 33:1236 gives the police jury various powers in regulating and directing the affairs of the parish and its inhabitants. The more notable of those are the powers 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, sales taxes, state revenue sharing, and various other state and federal grants.

In accomplishing its objectives, the police jury also has the authority to create special districts (component units) within the parish. The districts perform specialized functions, such as fire protection, library facilities, and health care facilities.

In June, 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*. Certain of the significant changes in the statements include the following:

For the first time the financial statements include:

A Management Discussion and Analysis (MD&A) providing an analysis of the police jury's overall financial position and results of operations.

Financial statements prepared using full accrual accounting for all of the police jury's activities, including infrastructure (roads).

A change in the fund financial statements to focus on the major funds.

These and other changes are reflected in the accompanying financial statements (including notes to the financial statements). The police jury has elected to implement the general provisions of the Statement in the current year.

GASB Statement No. 14, *The Reporting Entity*, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the jury is considered a primary government, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, fiscally independent means that the police jury may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. In accordance with GASB Statement 14, the reporting entity for West Carroll Parish consist of the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and

West Carroll Parish Police Jury  
 Oak Grove, Louisiana  
 Notes to the Financial Statements (Continued)

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.

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

1. Appointing a voting majority of an organization's governing body, and:
  - a. The ability of the police jury to impose its will on that organization and/or
  - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

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

<u>Component Unit</u>	<u>Fiscal Year End</u>	<u>Criteria Used</u>
<i>West Carroll Parish:</i>		
Library	December 31	1, 2, and 3
Kelly Airport Authority	December 31	1, 2, and 3
Tax Assessor	December 31	2 and 3
Clerk of Court	June 30	2 and 3
Sheriff	June 30	2 and 3
<i>Fifth Judicial District</i>		
Criminal Court	December 31	2 and 3
Kilbourne Fire District	December 31	1 and 3
Fiske-Union Fire District	December 31	1 and 3
Forest Fire District	December 31	1 and 3
Goodwill Fire District	December 31	1 and 3
Concord Fire District	December 31	1 and 3
Ward One Fire District	December 31	1 and 3

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Ward Two Fire District	December 31	1 and 3
Oak Grove Fire District	December 31	1 and 3
Oak Grove Recreation District	December 31	1, 2, and 3
Emergency Communications District	December 31	1 and 3
Office of Emergency Preparedness	December 31	1 and 3
Ambulance Service District	December 31	1 and 3

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

GASB Statement 14 provides for the issuance of primary government financial statements that are separate from those of the reporting entity. However, the primary government's (police jury's) 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.

The police jury has chosen to issue financial statements of the primary government (police jury) only; therefore, none of the previously listed component units, except as discussed in the following paragraph, are included in the accompanying primary government financial statements. These financial statements are not intended to and do not report on the West Carroll Parish reporting entity but rather are intended to reflect only the financial statements of the primary government (police jury).

These primary government (police jury) financial statements include all funds, account groups, and organizations for which the police jury maintains the accounting records. The Fifth Judicial District Criminal Court, Kelly Airport Authority, and the Office of Emergency Preparedness, for which the police jury maintains the accounting records, are considered part of the primary government (police jury).

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and, where applicable, proprietary and fiduciary funds, even though fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds and, where applicable, major individual enterprise funds are reported as separate columns in the fund financial statements.

**B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are proprietary and fiduciary fund financial statements, where applicable. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

Ad valorem taxes, state revenue sharing, and federal and state grants are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the police jury.

The police jury reports the following major governmental funds:

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Notes to the Financial Statements (Continued)

The General Fund is the police jury's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund

The Parishwide Road Tax Fund accounts for the maintenance of parish highways, streets, and bridges. Financing is provided by a specific ad valorem tax which was renewed for a ten-year period during 1994, proceeds from a one cent sales tax, and the State of Louisiana Parish Transportation Fund.

The Solid Waste Fund accounts for the expenditures of a three-fourths per cent sales tax which is dedicated to construction, maintenance, and operation of facilities for the collection and disposal of solid waste. The tax is for a ten year period and expires on August 1, 2005.

The Criminal Court Fund for the Fifth Judicial District was established under Section 571.111 of Title 15 of the Louisiana Revised Statutes of 1950, which provides that fines and forfeitures imposed by district courts and district attorneys' 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 judges.

The Drainage Maintenance Fund accounts for maintenance of storm drainage systems and watershed programs in the parish. Financing is provided by a parishwide ad valorem tax and state revenue sharing funds.

The Section 8 Housing Fund provides housing assistance payments to participating owners on behalf of eligible tenants to provide decent, safe, and sanitary housing for very low income families at rents they can afford. Housing assistance payments are used to make up the difference between the approved rent due to the owner for the dwelling unit and the occupant family's required contribution towards the rent. Assisted families are required to contribute up to 30 per cent of their adjusted family income towards rent. Funding is provided through the United States Department of Housing and Urban Development.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent



private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The police jury has elected not to follow subsequent private-sector guidance. As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

When both restricted and unrestricted resources are available for use, it is the police jury's policy to use restricted resources first, then unrestricted resources as they are needed.

#### **C. Deposits and Investments**

The police jury's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State law and the police jury's investment policy allow the police jury to invest in collateralized certificates of deposits, government backed securities, commercial paper, the Louisiana Asset Management Pool (a state sponsored investment pool), and mutual funds consisting solely of government backed securities. Investments for the police jury are reported at fair value.

#### **D. Receivables and Payables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources

All property tax receivables are shown net of an allowance for uncollectibles. Ad valorem taxes are assessed on a calendar year basis and attach as an enforceable lien and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15<sup>th</sup>. Ad valorem taxes become delinquent if not paid by December 31<sup>st</sup>. The taxes are normally collected in December

West Carroll Parish Police Jury  
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 Notes to the Financial Statements (Continued)

of the current year and January and February of the ensuing year. The following is a summary of authorized and levied ad valorem taxes:

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Parish wide taxes:			
General	4.00	5.37	Indefinite
Parishwide Road	8.00	9.74	2014
Health Unit	1.98	1.93	2010
Drainage	1.35	1.69	2013
Library	4.25	4.54	2007

The difference between authorized and levied millage is the result of reassessments of taxable property within 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 2004 assessed valuation:

	Assessed Valuation	
	<u>2004</u>	<u>Percent of Total</u>
Trunkline Gas Company	\$13,801,300	25.29%
Entergy Louisiana, Inc.	1,624,230	2.98%
Centennial Pipeline LLC	1,535,980	2.82%
Bellsouth	1,067,430	1.96%
Southern Natural Gas Company	1,035,290	1.90%
Regions Bank	1,030,360	1.89%
ANR Pipeline Company	942,430	1.73%
Northeast Louisiana Power Coop	859,240	1.57%
Louisiana Machinery Co., Inc.	771,950	1.41%
Ruffin Building Systems, Inc.	644,200	1.18%
Total	<u>\$23,312,410</u>	<u>42.73%</u>

**E. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads and bridges) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are capitalized at historical cost

West Carroll Parish Police Jury  
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 Notes to the Financial Statements (Continued)

or estimated cost if historical cost is not available. Approximately 92% of the police jury's non-infrastructure assets are based on actual costs while the remaining 8% are based on the actual historical costs of like items. The cost of infrastructure assets (roads and bridges) acquired prior to 2004 are based on current replacement cost adjusted to their year of acceptance into the parish road system using the U.S. Department of Labor's producer price index. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The police jury maintains a threshold level of \$1,000 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend their useful lives are not capitalized.

All capital assets, other than land and construction in progress, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	Estimated Lives
Infrastructure roads and bridges	20 - 40 Years
Buildings and building improvements	10 - 40 Years
Furniture and fixtures	5 - 10 Years
Vehicles	5 - 10 Years
Heavy equipment	5 - 10 Years
Other equipment	5 - 10 Years

**F. Annual and Sick Leave**

Employees of the West Carroll Parish Police Jury receive from one to twenty days of vacation leave each year, depending on length of service. Vacation leave must be taken in the year earned or, with written approval, in the following year. Upon separation, employees are paid for any accrued vacation leave at the employee's current rate of pay. Additionally, police jury employees earn up to ten days of sick leave per year, depending on length of service. Sick leave can be accumulated without limitation. Upon retirement, a maximum of sixty days of sick leave may be paid to the employee at his or her average rate of pay for the last five years of service. The same sixty days may be carried into the retirement system at the employee's expense.

Employees of the criminal court earn ten days of vacation leave and seven days of sick leave each year. Vacation and sick leave are noncumulative and are forfeited if not taken in the year earned.

West Carroll Parish Police Jury  
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Notes to the Financial Statements (Continued)

At December 31, 2004, employees of the police jury had accumulated and vested \$94,170 of employee leave benefits, computed in accordance with GASB Codification C60.

The entire compensated absence liability, determined in accordance with the provisions of GASB Codification Section C60, is reported on the government-wide financial statements. For governmental fund financial statements, the current portion of unpaid compensated absences is the amount that is normally expected to be paid using expendable available financial resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported in the governmental funds.

**G. Sales Taxes**

On March 8, 1988, the voters of West Carroll Parish passed a one per cent sales tax. One half of the sales tax is dedicated to operating expenditures of the General Fund while the remaining one-half is dedicated to the maintenance of roads, bridges, and drainage. The sales tax was for a five year period and expired on May 1, 1993. On October 3, 1992, the sales tax was renewed for a ten year period and expired on April 30, 2003. On October 5, 2003, the sales tax was renewed for a ten year period beginning May 1, 2003.

On January 20, 1990, voters of West Carroll Parish approved a three-fourths per cent sales tax, which became effective on August 1, 1990. The sales tax expired on August 1, 1995. On November 8, 1994, the sales tax was renewed for a ten year period beginning July 1, 1995. On November 2, 2004, the sales tax was renewed for a ten year period beginning July 1, 2005. The tax is dedicated for the purpose of constructing, acquiring, maintaining, and operating facilities for collecting and disposing of solid waste for West Carroll Parish.

On October 7, 2000, the voters of West Carroll Parish renewed a one-fourth per cent sales tax, effective July 1, 2001. The sales tax is dedicated for the purpose of providing a solid waste recycling program for the parish. The sales tax is for a ten year period and expires on June 30, 2011.

On September 21, 1996, voters of West Carroll Parish approved a one-half per cent sales tax. The sales tax is dedicated for the purpose of providing fire protection in the eight fire protection districts in the parish through the acquisition, construction, improvement, operation and maintenance of equipment, property, and facilities to be used in providing such fire protection. The sales tax is for a ten year period and expires in 2007.

On September 21, 1996, the voters of West Carroll Parish approved a one-half per cent sales tax to provide ambulance service to the public, including acquiring, improving, maintaining and operating facilities and equipment required in connection therewith and paying related personnel costs. The sales tax is for a ten year period and expires in 2007.

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 Notes to the Financial Statements (Continued)

Effective January 1, 1987, the jury entered into an agreement with the West Carroll Parish School Board whereby the school board provides collection services for a fee of two per cent of total collections plus two-thirds of the costs of supplies and postage.

**2. CASH AND 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, 2004, the police jury has cash and cash equivalents (book balances) totaling 3,929,440 which includes bank overdrafts in the amount of \$11,124, as follows:

Demand deposits	\$545,490
Time deposits	3,383,900
Petty Cash	<u>50</u>
Total	<u><u>\$3,929,440</u></u>

These deposits are stated at cost, which approximates market. Under state law, these deposits, or the resulting bank balances, must be secured by federal deposit insurance 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 (bank balances) at December 31, 2004, are secured in total as follows:

Bank Balances	<u>\$4,044,610</u>
Federal deposit insurance	\$200,000
Pledged securities (uncollateralized)	<u>4,228,737</u>
Total	<u><u>\$4,428,737</u></u>

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

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Notes to the Financial Statements (Continued)

**3. RECEIVABLES**

The receivables of \$1,032,646 at December 31, 2004, are as follows:

	General Fund	Special Revenue Funds	Agency Funds	Total
Taxes:				
Ad valorem	\$192,130	\$465,838		\$657,968
Sales	32,861	98,581	\$65,720	197,162
Fees, charges, and commissions	2,214	44,590		46,804
Fines and forfeitures		3,021		3,021
Licenses and permits	684			684
Grants - federal	4,311	27,975		32,286
Grants - state	17,105	68,506		85,611
Other	4,150	4,960		9,110
<b>Total</b>	<b><u>\$253,455</u></b>	<b><u>\$713,471</u></b>	<b><u>\$65,720</u></b>	<b><u>\$1,032,646</u></b>

**4. CHANGES IN GENERAL FIXED ASSETS**

	Balance January 1,	Additions	Deletions	Balance December 31,
Police Jury:				
Capital assets not being depreciated:				
Land	\$994,480			\$994,480
Assets under capital lease	277,202	\$78,539		355,741
Construction in Progress		45,891		45,891
Total capital assets not being depreciated	<u>1,271,682</u>	<u>124,430</u>	NONE	<u>1,396,112</u>
Capital assets being depreciated:				
Infrastructure - roads and bridges	35,216,518			35,216,518
Buildings and improvements	3,704,676			3,704,676
Improvements other than buildings	1,622,886			1,622,886
Office furniture and equipment	177,612	11,923	(\$14,175)	175,360
Heavy equipment	1,833,924	56,512	(270,293)	1,620,143
Other equipment	526,191	6,120	(13,332)	518,979
Vehicles	1,703,093	57,000	(17,850)	1,742,243
Total capital assets being depreciated	<u>44,784,900</u>	<u>131,555</u>	<u>(315,650)</u>	<u>44,600,805</u>
Less accumulated depreciation for:				
Infrastructure - roads and bridges	(25,810,645)	(483,887)		(26,294,532)
Buildings and improvements	(2,011,850)	(86,387)		(2,098,237)
Improvements other than buildings	(313,975)	(40,572)		(354,547)
Office furniture and equipment	(135,677)	(10,941)	14,175	(132,443)

West Carroll Parish Police Jury  
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Notes to the Financial Statements (Continued)

	Balance January 1,	Additions	Deletions	Balance December 31,
Heavy equipment	(\$948,169)	(\$119,543)	\$270,293	(\$797,419)
Other equipment	(276,577)	(42,955)	9,332	(310,200)
Vehicles	<u>(1,019,048)</u>	<u>(147,117)</u>	<u>21,850</u>	<u>(1,144,315)</u>
Total accumulated depreciation	(30,515,941)	(931,402)	315,650	(31,131,693)
Total capital assets being depreciated (net)	<u>\$14,268,959</u>	<u>(\$799,847)</u>	<u>NONE</u>	<u>\$13,469,112</u>
Total capital assets (net)	<u>\$15,540,641</u>	<u>(\$675,417)</u>	<u>NONE</u>	<u>\$14,865,224</u>

Beginning balances for the year ended December 31, 2004 have been restated to reflect police jury's changing its policy on capitalization of assets and the agency performing a physical inventory. Additions do not agree with capital outlay due to paid out capital leases added to equipment of \$78,539.

Depreciation expense for the year was charged to the following governmental functions:

	<u>Amount</u>
General government	\$56,863
Health and welfare	4,532
Public works (including depreciation on road infrastructure)	709,255
Public safety	113,277
Culture and recreation	5,000
Transportation	<u>42,475</u>
Total	<u>\$931,402</u>

## 5. CAPITAL AND OPERATING LEASES

The police jury records items under capital leases as an asset and an obligation in the accompanying financial statements. Capital leases at December 31, 2004, are comprised of the following:

Solid Waste Tax special revenue fund - Lease-purchase agreement for the purchase of a Ford Truck entered into on July 23, 1999, due in 60 monthly installments of \$460 through June, 2004, with an interest rate of 6.25 percent per annum. Lease-purchase agreement for the purchase of a 2001 GMC Sierra truck entered into on April 16, 2001, due in 60 monthly installments of \$551 through March, 2006, with an interest rate of 6.50 percent per annum. Lease-purchase agreement for the purchase of a Komatsu Dozer entered into on October 23, 2001, due in 60 monthly installments of \$3,045 through October, 2006, with an interest rate of 4.75 percent per annum. Lease-purchase agreement for the purchase of a 2002 GMC dump truck entered into on August 2, 2002, due in 60 monthly installments of \$1,655 through July, 2007, with an interest rate of 5.80 percent per annum. Lease-purchase agreement for the purchase of a 2005 Freightliner garbage truck entered into on October 8, 2004, due in 60 monthly installments of \$1,441 through October, 2009, with an interest rate of 3.98 percent per annum.

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 Notes to the Financial Statements (Continued)

Drainage Maintenance special revenue fund - Lease-purchase agreement for the purchase of a Komatsu Excavator entered into in November, 1999, due in 60 monthly installments of \$1,529 through September 2004, with an interest rate of 5.5 per cent per annum.

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, 2004:

<u>Year</u>	<u>Payments</u>
2005	\$80,315
2006	69,262
2007	28,879
2008	17,291
2009	<u>13,478</u>
Total minimum lease payments	209,225
Less - amount representing interest	<u>(14,574)</u>
Present value of net minimum lease payments	<u>\$194,651</u>

The West Carroll Parish Hospital is leased to West Carroll Hospital, Incorporated, a nonprofit corporation, under an operating agreement dated June 20, 1996. The lease expires on February 28, 2022. The lessee pays \$3,500 per month to the police jury, and is subject to certain other provisions of the lease agreement.

## 6. PENSION PLAN

Substantially all employees of the West Carroll 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 assets and benefit provisions. All employees of the police jury are members of Plan A.

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



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 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 14619, Baton Rouge, Louisiana 70898-4619, or by calling (504) 928-1361.

Under Plan A, members are required by state statute to contribute 9.50 per cent of their annual covered salary and the West Carroll Parish Police Jury is required to contribute at an actuarially determined rate. The current rate is 11.75 per cent of annual covered payroll. Contributions to the system also include one-fourth of one per cent (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the West Carroll Parish Police Jury are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The West Carroll Parish Police Jury's contributions to the System under Plan A for the years ending December 31, 2004, 2003, and 2002, were \$116,094, \$70,087, and \$61,734, respectively, equal to the required contributions for each year.

**7. DUE FROM/TO OTHER FUNDS**

The following presents interfund balances due from and to other funds at December 31, 2004.

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
General Fund	\$34,832	\$220
Special Revenue Funds:		
Criminal Court		34,832
Solid Waste	1,529	
Communications	220	
Drainage Maintenance		<u>1,529</u>
Total	<u>\$36,581</u>	<u>\$36,581</u>

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

The following is a summary of long-term obligation transactions for the year ended December 31, 2004:

	<u>Capital Leases</u>	<u>Compensated Absences</u>	<u>Landfill Closure/Post Closure Care</u>	<u>Total</u>
Long-term obligations at January 1, 2004	\$190,841	\$91,113	\$1,137,338	\$1,419,292
Additions:	78,539	34,089	70,826	183,454

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 Notes to the Financial Statements (Continued)

Deductions:	(\$74,729)	(\$26,603)		(\$101,332)
Adjustment <sup>1</sup>		(4,429)		(4,429)
Long-term obligations at December 31, 2004	<u>\$194,651</u>	<u>\$94,170</u>	<u>\$1,208,164</u>	<u>\$1,496,985</u>

<sup>1</sup>As discussed in note 1G, upon separation from employment, employees are paid for accumulated leave at their current rate of pay. The adjustment is for the purpose of adjusting amounts for annual leave resulting from the differences between beginning and ending rates of pay and to reflect the maximum accumulation of ninety days.

**9. RISK MANAGEMENT**

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

**10. FUND DEFICIT**

At December 31, 2004, the Criminal Court Special Revenue Fund had a deficit fund balance of \$43,825. The deficit will be eliminated by reducing expenditures and making transfers from the General Fund.

**11. LITIGATION AND CLAIMS**

At December 31, 2004, the police jury is involved in several lawsuits. Although the total amount of potential liability cannot be determined at this time, any damages awarded would be covered under the police jury's insurance. In the event there is an unfavorable outcome, the police jury's maximum loss would be limited to the insurance deductible amount. No provision for the potential liability has been made in the accompanying financial statements.

**12. CHANGES IN AGENCY FUNDS DEPOSITS DUE OTHERS**

	Ambulance District	Fire District	Total
Balance, January 1, 2004	NONE	NONE	NONE
Additions	\$425,718	\$425,718	\$851,436
Reductions	(425,670)	(425,673)	(851,343)
Balance, December 31, 2004	<u>\$48</u>	<u>\$45</u>	<u>\$93</u>

**13. LANDFILL CLOSURE AND POST-CLOSURE CARE COSTS**

State and federal laws and regulations require the police jury to place a final cover on its landfill when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although final closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the police jury reports a portion of those closure and postclosure care costs in long-term debt on Statement A, based on cumulative landfill capacity used as of December 31 of each year. The \$1,208,164 reported as landfill closure and postclosure care liability at December 31, 2004, represents 47.83 percent of the estimated capacity of the landfill. Of that amount, \$70,826 is attributable to operations of the current year. The police jury will recognize the remaining estimated cost of closure and postclosure care of \$1,102,749 as the remaining capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2004. The police jury expects to close the landfill in 2030. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. Actual closure costs will be incurred on an on-going basis. Final cover will be completed for cells as they reach total capacity. Therefore closure costs will be incurred as cells are filled and final closure costs will involve no more than five acres, which is the largest currently planned cell size.

To provide assurances that it will be financially able to pay all post closure care costs (financial assurance plan), the police jury, on April 3, 1998, entered into a Solid Waste Facility Trust Agreement. Under the terms of the agreement, the police jury transfers \$27,000 per year into an irrevocable trust. Transfers must continue until the total amount in the trust is \$810,000. It is currently estimated that the total amount in the trust at the date of final closure, plus interest earnings over the thirty year period of post closure care will provide sufficient funds to cover all post closure care costs. At December 31, 2004, the trust held \$242,715, and is reflected as a reserve for post closure care on Statement A.

**14. RESTATEMENT OF FUND BALANCE**

The December 31, 2004 fund balances of the General Fund, Parishwide Road Tax Fund, Health Unit Maintenance Fund, and Drainage Maintenance Funds have been restated to correct for deferred revenue (protested taxes) not reported in the prior year.

**15. FEDERAL FINANCIAL ASSISTANCE**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR NAME/ PROGRAM TITLE	CFDA NUMBER	PASS THROUGH GRANTORS NUMBER	EXPENDITURES YEAR ENDED DECEMBER 31, 2004
<b>United States Department of Housing and Urban Development</b>			
Direct programs:			
Section 8 Choice Voucher Program	14.871	LA233VO	<u>\$202,852</u>

West Carroll Parish Police Jury  
 Oak Grove, Louisiana  
 Notes to the Financial Statements (Continued)

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR NAME/ PROGRAM TITLE	CFDA NUMBER	PASS THROUGH GRANTORS NUMBER	EXPENDITURES YEAR ENDED DECEMBER 31, 2004
<b>Federal Emergency Management Agency</b>			
Emergency Management Assistance (Civil Defense) Program	83.503	N/A	<u>\$9,829</u>
<b>United States Department of Interior</b>			
Direct Program - Payment in Lieu of Taxes	15.000	N/A	<u>183</u>
<b>United States Department of Transportation</b>			
Airport Improvement Program	20.106	3-22-0041-08	<u>50,202</u>
Total Federal Financial Assistance			<u><u>\$263,066</u></u>

***Required Supplemental Information (Part II)***

**West Carroll Parish Police Jury  
Oak Grove, Louisiana**

**Required Supplementary Information  
Budgetary Comparison Schedules for Major Funds  
For the Year Ended December 31, 2004**

Preliminary budgets for the ensuing year are prepared by the secretary/treasurer prior to November of each year. During November, the finance committee reviews the proposed budgets and makes changes as they deem appropriate. The availability of the proposed budgets for public inspection and the date of the public hearing on the budgets are then advertised in the official journal. During its regular December meeting, the police jury holds a public hearing on the proposed budget in order to receive comments from residents. 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 is published in the official journal.

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

The police jury exercises budgetary control at the function level. 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, 2004, modified accrual based budgets were adopted for the General Fund and all special revenue funds. Budgetary comparison schedules include the original budgets and all subsequent amendments.

West Carroll Parish Police Jury  
Oak Grove, Louisiana  
Budgetary Comparison Schedule - General Fund  
For the Year Ended December 31, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes:				
Ad valorem	\$190,000	\$190,000	\$209,392	\$19,392
Sales	375,000	421,000	425,715	4,715
Licenses and permits	31,800	38,228	37,289	(939)
Intergovernmental revenues:				
Federal funds			50,254	50,254
State funds:				
Severance taxes	6,500	9,743	12,633	2,890
Fire insurance rebate			35,505	35,505
Rural development		3,725	13,725	10,000
Other	162,000	165,505	193,732	28,227
Fees, charges, and commissions for services	13,500	13,500	13,914	414
Use of money and property	5,000	7,000	7,049	49
Other revenue	32,000	29,100	31,929	2,829
Total revenues	<u>815,800</u>	<u>877,801</u>	<u>1,031,137</u>	<u>153,336</u>
<b>Expenditures</b>				
Current:				
General government:				
Legislative	63,227	55,900	54,111	1,789
Judicial	43,519	47,324	46,143	1,181
Elections	41,650	32,080	30,612	1,468
Finance and administrative	146,022	168,091	166,522	1,569
Other general government	245,036	278,375	267,920	10,455
Public works	5,000	15,000	16,600	(1,600)
Public safety	137,949	178,471	163,947	14,524
Health and welfare	34,202	35,202	36,285	(1,083)
Culture and recreation	140,000	130,459	128,134	2,325
Economic development and assistance	6,650	238,211	242,898	(4,687)
Transportation	5,400	50,400	6,703	43,697
Capital outlay	10,000	2,000	56,454	(54,454)
Total expenditures	<u>878,655</u>	<u>1,231,513</u>	<u>1,216,329</u>	<u>15,184</u>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<u>(62,855)</u>	<u>(353,712)</u>	<u>(185,192)</u>	<u>168,520</u>
<b>Other Financing Sources (use)</b>				
Proceeds from insurance			34,230	34,230
Operating transfers in	5,000	222,650	213,233	(9,417)
Operating transfer out	(7,400)	(20,390)	(7,400)	12,990
Total other financing sources (use)	<u>(2,400)</u>	<u>202,260</u>	<u>240,063</u>	<u>37,803</u>
<b>Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Use</b>	<u>(65,255)</u>	<u>(151,452)</u>	<u>54,871</u>	<u>206,323</u>
<b>Fund Balance - Beginning</b>	<u>462,308</u>	<u>518,426</u>	<u>740,507</u>	<u>222,081</u>
<b>Fund Balance - Ending</b>	<u>\$397,053</u>	<u>\$366,974</u>	<u>\$795,378</u>	<u>\$428,404</u>

(Continued)

West Carroll Parish Police Jury  
Oak Grove, Louisiana  
Budgetary Comparison Schedule  
Parish Wide Road Tax and Solid Waste Funds  
For the Year Ended December 31, 2004

	Parish Wide Road Tax			Solid Waste		
	Budgeted Amounts Original	Actual	Variance With Final Budget Positive (Negative)	Budgeted Amounts Original	Actual	Variance With Final Budget Positive (Negative)
<b>Revenues</b>						
Taxes:						
Ad valorem	\$355,500	\$379,787	\$24,287			
Sales	375,000	425,715	4,715	\$750,000	\$851,430	\$9,430
Intergovernmental revenues -						
Federal funds		95	95			
State funds:						
Parish transportation	150,000	147,992	(2,008)			
Other		9,653	9,653			
Fees, charges, and commissions for services	3,000	13,282	5	322,592	407,370	8,901
Use of money and property	10,000	26,395	395	12,000	21,117	3,351
Other	893,500	965,777	37,142	9,500	5,081	(5,919)
Total revenues	1,202,200	1,309,798	(19,310)	1,094,092	1,284,998	15,763
<b>Expenditures</b>						
Current - Public works	1,202,200	1,329,108	(19,310)	1,312,395	1,441,165	63,143
Debt service				65,800	70,110	(5,203)
Capital outlay	20,305	62,000	(41,695)	10,000	6,120	2,380
Total expenditures	1,202,200	1,391,108	(61,005)	1,388,195	1,517,395	60,320
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<u>(308,700)</u>	<u>(388,189)</u>	<u>(23,863)</u>	<u>(294,103)</u>	<u>(232,397)</u>	<u>76,083</u>
<b>Other Financing Sources (Use)</b>						
Proceeds from insurance		2,717	2,717			
Operating transfers in	471,315	471,315			5,252	5,252
Gain on sale of property	17,537	17,812	275			
Operating transfers out	(25,884)	(5,485)	20,399			
Total other financing sources (use)	NONE	486,359	20,674	NONE	5,252	5,252
<b>Net Change In Fund Balances</b>	<u>(308,700)</u>	<u>98,642</u>	<u>(472)</u>	<u>(294,103)</u>	<u>(227,145)</u>	<u>81,335</u>
<b>Fund Balance - Beginning</b>	<u>838,294</u>	<u>806,469</u>	<u>436,214</u>	<u>938,744</u>	<u>1,436,972</u>	<u>281,940</u>
<b>Fund Balance - Ending</b>	<u>\$529,594</u>	<u>\$1,340,853</u>	<u>\$435,742</u>	<u>\$634,641</u>	<u>\$1,209,827</u>	<u>\$671,755</u>

(Continued)



West Carroll Parish Police Jury  
 Oak Grove, Louisiana  
 Budgetary Comparison Schedule  
 Drainage Maintenance and Section 8 Funds  
 For the Year Ended December 31, 2004

	Drainage Maintenance				Section 8				
	Budgeted Amounts		Actual		Budget		Actual		Variance With Final Budget Positive (Negative)
	Original	Final							
<b>Revenues</b>									
Taxes - Ad valorem	\$53,600	\$53,600	\$52,421						
Intergovernmental revenues -									
Federal funds			16						
State - State revenue sharing (net)	70,000	70,000	67,157		202,853		202,853		
Use of money and property	1,500	7,683	7,692		273		273		
Other					1,063		1,063		
Total revenues	125,100	131,283	127,286		204,189		204,189		
<b>Expenditures</b>									
Current									
Public works	83,090	92,441	86,008						
Health and welfare					204,189		204,189		
Debt service	13,764	13,764	13,764						
Capital outlay		51,512	51,512						
Total expenditures	96,854	157,717	151,284		204,189		204,189		
<b>Excess (Deficiency) of Revenues over Expenditures</b>	28,246	(26,434)	(23,998)		NONE		NONE		
<b>Other Financing Source</b>									
Operating transfers in		377,152	377,052						
Total other financing source		377,152	377,052		NONE		NONE		
<b>Net Change In Fund Balances</b>	28,246	350,718	353,054						
<b>Fund Balance - Beginning</b>	360,081	393,018	487,333						
<b>Fund Balance - Ending</b>	\$388,327	\$743,736	\$840,387		NONE		NONE		

(Concluded)

*Other Supplemental Schedules*

WEST CARROLL PARISH POLICE JURY  
Oak Grove , Louisiana  
SUPPLEMENTAL INFORMATION SCHEDULES  
As of and for the Year Ended December 31, 2004

**SPECIAL REVENUE FUNDS**

**HEALTH UNIT MAINTENANCE FUND**

The Health Unit Maintenance Fund accounts for the maintenance and operation of the parish health unit. Financing is provided for by a specific parishwide ad valorem tax authorized by Louisiana Revised Statute 33:1236.

**MISCELLANEOUS EMERGENCY FUND**

The Miscellaneous Emergency Fund was established to accumulate monies to be used in case of an emergency. Financing is provided by monthly lease payments from the rental of a hospital building.

**HOSPITAL PROCEEDS FUND**

The Hospital Proceeds Fund was established to accumulate monies received by the police jury due to the Hospital changing from a not for profit entity to a for profit entity. All monies held by the hospital must be paid to the police jury before it can become a for profit entity.

**WITNESS FEE FUND**

The Witness Fee Fund was established to pay off-duty law enforcement officers. Financing is provided by fines paid by defendants who are found guilty.

**SUBSTANCE ABUSE FUND**

The Substance Abuse Fund is funded by costs imposed by the district court on certain traffic violations and from the payment of fees by persons required to attend the drivers education course. The funding provided is used to pay expenses for administration of the program.

**EMERGENCY PREPAREDNESS FUND**

The Emergency Preparedness Fund accounts for a federal grant used to support the development and maintenance of an emergency management capability for dealing with large-scale disasters.

## **COMMUNICATIONS DISTRICT FUND**

The Communications District Fund was established for the purpose of establishing, maintaining, and operating the 911 emergency telephone system for West Carroll Parish. Financing is provided by a 5 per cent service charge on local telephone service within the parish. The Fund also receives an eighty-five cent fee per subscriber per month for wireless services provided within the parish.

## **KELLY AIRPORT AUTHORITY FUND**

The West Carroll Kelly Airport Authority Fund accounts for the general operating expenditures of the Kelly Airport Authority. Financing is provided by rental of hangers and other miscellaneous receipts.

## **WEST CARROLL INDUSTRIAL DEVELOPMENT FUND**

The Industrial Development Fund accounts for the maintenance of the parish-owned industrial district. Financing is provided by a sale of land within the industrial district.

WEST CARROLL PARISH POLICE JURY  
Oak Grove, Louisiana  
SPECIAL REVENUE FUNDS

Combining Balance Sheet, December 31, 2004

	HEALTH UNIT	MISC EMERGENCY	HOSPITAL PROCEEDS	WITNESS FEE	SUBSTANCE ABUSE	EMERGENCY PREPAREDNESS	COMM DISTRICT	KELLY AIRPORT AUTHORITY	INDUST DEV	TOTAL
<b>ASSETS</b>										
Cash and cash equivalents	\$317,582	\$82,699	\$75	\$5,894	\$6,736	\$23,924	\$87,738	\$5,025	\$107,860	\$637,533
Receivables	69,053	3,500		90		27,975	11,323			111,941
Due from other funds							220			220
<b>TOTAL ASSETS</b>	<b>\$386,635</b>	<b>\$86,199</b>	<b>\$75</b>	<b>\$5,984</b>	<b>\$6,736</b>	<b>\$51,899</b>	<b>\$99,281</b>	<b>\$5,025</b>	<b>\$107,860</b>	<b>\$749,694</b>
<b>LIABILITIES AND FUND EQUITY</b>										
Liabilities:										
Accounts payable	\$3,373					\$28,347	\$640			\$32,360
Deferred revenue - protest taxes	4,879									4,879
Total liabilities	8,252	NONE	NONE	NONE	NONE	28,347	640	NONE	NONE	37,239
Fund Equity - fund balances										
- unreserved - undesignated	378,383	\$86,199	\$75	\$5,984	\$6,736	23,552	98,641	\$5,025	\$107,860	712,455
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$386,635</b>	<b>\$86,199</b>	<b>\$75</b>	<b>\$5,984</b>	<b>\$6,736</b>	<b>\$51,899</b>	<b>\$99,281</b>	<b>\$5,025</b>	<b>\$107,860</b>	<b>\$749,694</b>

WEST CARROLL PARISH POLICE JURY  
Oak Grove, Louisiana  
SPECIAL REVENUE FUNDS

Combining Schedule of Revenues, Expenditures,  
and Changes in Fund Balances  
For the Year Ended December 31, 2004

	HEALTH UNIT	MISC EMERGENCY	HOSPITAL PROCEEDS	WITNESS FEE	SUBSTANCE ABUSE	EMERGENCY PREPAREDNESS	COMM DISTRICT	KELLY AIRPORT AUTHORITY	INDUST DEV	TOTAL
<b>REVENUES</b>										
Taxes - Ad valorem	\$75,259									\$75,259
Intergovernmental:										
Federal funds - grants	19				\$2,685	\$9,829				9,848
State funds - Other						51,518	\$79,748			51,518
Fees, charges, and commissions for services				\$2,595						2,595
Fines and forfeitures	3,403	\$43,373	\$47	45	80	292	577	\$2	\$1,671	49,490
Use of money and property						923	3,374			4,297
Other revenues	78,681	43,373	47	2,640	2,765	62,562	83,699	2	1,671	275,440
<b>EXPENDITURES</b>										
Current:										
General government				1,004						1,004
Judicial										
Other general government		25,058								25,058
Public safety						70,414	56,791			127,205
Health and welfare	14,337				3,133					17,470
Transportation								6,545		6,545
Capital outlay										
Total expenditures	14,337	25,058	NONE	1,004	3,133	1,360	56,791	6,545	NONE	178,642
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	64,344	18,315	47	1,636	(368)	(9,212)	26,908	(6,543)	1,671	96,798
<b>OTHER FINANCING SOURCES (USE)</b>										
Proceeds from insurance							15,662			15,662
Operating transfers in								5,000	94,263	99,263
Operating transfers out		(100,000)	(942,630)						(113,000)	(1,155,630)
Total other financing sources (use)	NONE	(100,000)	(942,630)	NONE	NONE	NONE	15,662	5,000	(18,737)	(1,040,705)
<b>EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USE</b>	64,344	(81,685)	(942,583)	1,636	(368)	(9,212)	42,570	(1,543)	(17,066)	(943,907)
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	314,039	167,884	942,658	4,348	7,104	32,764	56,071	6,568	124,926	1,656,362
<b>FUND BALANCES AT END OF YEAR</b>	\$378,383	\$86,199	\$75	\$5,984	\$6,736	\$23,552	\$98,641	\$5,025	\$107,860	\$712,455

WEST CARROLL PARISH POLICE JURY  
Winnsboro , Louisiana  
SUPPLEMENTAL INFORMATION SCHEDULES  
As of and for the Year Ended December 31, 2004

**COMPENSATION PAID POLICE JURORS**

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

**Schedule 4**

WEST CARROLL PARISH POLICE JURY  
Oak Grove, Louisiana

Schedule of Compensation Paid Police Jurors  
For the Year Ended December 31, 2004

Curtis S. Butler	\$300
<i>Dianne Sistrunk</i>	300
Eddie C. Russell (President)	8,050
Eugene R. Crosby	6,900
Don J. Harris	6,900
Richard T. Strong	7,200
John T. Kitchens	<u>7,200</u>
Total	<u>\$36,850</u>



*Other Reports*

**Independent Auditor's Report Required  
by *Government Auditing Standards***

The following independent Auditor's report on compliance with laws, regulations and contracts and internal control is presented in compliance with the requirements of *Government Auditing Standards*, issued by the Comptroller General of the United States, 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**

WEST CARROLL PARISH POLICE JURY  
Oak Grove, Louisiana

I have audited the primary government financial statements of the West Carroll Parish Police Jury as of and for the year ended December 31, 2004, and have issued my report thereon dated June 6, 2005. I conducted my audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance**

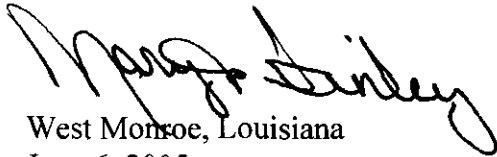
As part of obtaining reasonable assurance about whether the West Carroll Parish Police Jury's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and 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 one instance of noncompliance that was required to be reported under *Government Auditing Standards*. This finding is presented in the accompanying schedule of findings and questioned costs as item 04-01.

**Internal Control Over Financial Reporting**

In planning and performing my audit, I considered the West Carroll Parish Police Jury's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

WEST CARROLL PARISH POLICE JURY  
Oak Grove, Louisiana  
Independent Auditor's Report on Compliance  
And Internal Control Over Financial Reporting, etc.  
December 31, 2004

This report is intended solely for the information and use of the members of the West Carroll 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. Although the intended use of this report may be limited, under Louisiana Revised Statutes 24:513, the report is distributed by the Legislative Auditor as a public document.

A handwritten signature in black ink, appearing to read "M. J. Binley", is written over the typed name and date.

West Monroe, Louisiana  
June 6, 2005

WEST CARROLL PARISH POLICE JURY  
Oak Grove, Louisiana

Schedule of Findings and Questioned Costs  
For the Year Ended December 31, 2004

**A. SUMMARY OF AUDIT RESULTS**

1. The Auditor's report expresses an unqualified opinion on the general purpose financial statements of West Carroll Parish Police Jury.
2. One instance of noncompliance material to the financial statements of West Carroll Parish Police Jury was disclosed during the audit.
3. No reportable conditions relating to the audit of the financial statements are reported in the Independent Auditor's Report on Internal Control.

**B. FINDINGS - FINANCIAL STATEMENTS AUDIT**

**04-01 Failure to Comply With Public Bid Law**

**Finding:** Louisiana Revised Statute (LSA-RS) 38:2212 requires that all purchases of any materials or supplies exceeding the sum of \$20,000 to be paid out of public funds, be advertised and let by contract to the lowest responsible bidder who had bid according to the contract, plans and specifications as advertised. The police jury did not advertise or receive bids for the purchase of sand for the landfill cell.

**Recommendation:** In the future, the police jury should advertise for bids for any material or supplies exceeding \$20,000 as prescribed by state law.

**WEST CARROLL PARISH POLICE JURY**  
Oak Grove, Louisiana

**Summary Schedule of Prior Audit Findings**  
**For the Year Ended December 31, 2004**

The audit report for the year ended December 31, 2003 contained no audit findings.

# West Carroll Parish Police Jury

P. O. Drawer 630 • Oak Grove, Louisiana 71263

Telephone (318) 428-3390

Fax (318) 428-4835

DISTRICT A - JOHN KITCHENS  
DISTRICT B - RICHARD STRONG  
DISTRICT C - DON HARRIS

MARTHA STEPHENS  
SECRETARY - TREASURER

DISTRICT D - EUGENE "Pop" CROSBY  
DISTRICT E - EDDIE RUSSELL

June 13, 2005

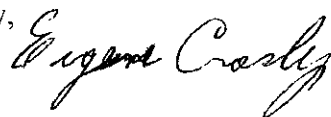
Mr. Steve Theriot, CPA  
Legislative Auditor  
1600 North Third Street  
Baton Rouge, LA 70802

Dear Mr. Theriot;

In response to the finding related to the Public Bid Law of the West Carroll Parish Police Jury, we offer the following response:

04-01 Need to Comply With the Public Bid Law

When we began purchasing sand for the landfill cell we did not realize that we would be using enough for the bid law to apply. In the future we will track these expenditures more carefully and try to project more closely the needs of the parish.

Sincerely,  


Eugene Crosby  
Vice President  
West Carroll Parish Police Jury