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**TENSAS PARISH POLICE JURY
St. Joseph, Louisiana**

**Primary Government Financial Statements
And Independent Auditor's Reports
As of December 31, 2001
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 8/14/02

**TENSAS PARISH POLICE JURY
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INDEPENDENT AUDITOR'S REPORT

**Tensas Parish Police Jury
St. Joseph, Louisiana**

We were engaged to audit the accompanying primary government financial statements of the Tensas Parish Police Jury, as of and for the year ended December 31, 2001, as listed in the table of contents. These primary government financial statements are the responsibility of the Tensas Parish Police Jury management.

Detailed property records have not been maintained and certain prior year records and supporting data were not available for our audit. Therefore, we were not able to satisfy ourselves about the amounts at which the general fixed assets are recorded in the general fixed asset account group at December 31, 2001 (stated at \$4,247,951).

Because of the significance of the matters discussed in the preceding paragraph, the scope of our work was not sufficient to enable us to express, and we do not express an opinion on the financial statements referred to in the first paragraph.

In accordance with *Government Auditing Standards*, we have also issued a report dated June 24, 2002, on our consideration of the Tensas Parish Police Jury's internal control over financial reporting and our tests of its compliance with certain laws, regulations, contracts and grants.

The accompanying schedules listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the primary government financial statements of the Tensas Parish Police Jury.

Ferriday, Louisiana
June 24, 2002

Switzer, Hopkins & Mange

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA
ALL FUND TYPES AND ACCOUNT GROUPS

COMBINED BALANCE SHEET, DECEMBER 31, 2001

	Governmental Fund Type			Account Groups			Total (Memorandum Only) 2001	2000
	General Fund	Special Revenue Fund	Capital Projects Funds	General		Long-Term Debt		
				Fixed Assets				
ASSETS AND OTHER DEBITS								
Cash and cash equivalents	\$ 607,971	\$ 1,721,964	\$ -	\$ -	\$ -	\$ 2,329,935	\$ 2,379,222	
Cash with trustee	-	169,505	-	-	-	169,505	127,874	
Receivables	468,885	412,395	-	-	-	881,280	959,559	
Land, buildings and equipment	-	-	-	4,247,951	-	4,247,951	3,489,505	
Other debits:								
Amount available in trust	-	-	-	-	169,505	169,505	127,874	
Amount to be provided for retirement of general long-term debt	-	-	-	-	1,126,413	1,126,413	1,202,838	
TOTAL ASSETS AND OTHER DEBITS	1,076,856	2,303,864	-	4,247,951	1,295,918	8,924,589	8,286,872	
LIABILITIES, OTHER CREDITS AND FUND EQUITY								
Liabilities:								
Bank overdraft	-	18,796	-	-	-	18,796	-	
Accounts and withholdings payable	32,443	3,695	-	-	-	36,138	90,530	
Intergovernmental payables	-	24,146	-	-	-	24,146	24,597	
Deferred revenues	-	-	-	-	-	-	94,431	
Lease/purchases payable	-	-	-	-	86,656	86,656	121,450	
Landfill closure and postclosure care costs	-	-	-	-	1,209,262	1,209,262	1,209,262	
Total Liabilities	32,443	46,637	-	-	1,295,918	1,374,998	1,540,270	

The accompanying notes are an integral part of this financial statement.

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA
ALL FUND TYPES AND ACCOUNT GROUPS

COMBINED BALANCE SHEET, DECEMBER 31, 2001

	Governmental Fund Type			Account Groups			Total (Memorandum Only)
	General Fund	Special Revenue Fund	Capital Projects Funds	General Fixed Assets	General Long-Term Debt	2001	
Fund Equity:							
Other credits-Investment in general fixed assets	-	-	-	4,247,951	-	4,247,951	3,489,505
Fund balances:							
Reserved for employee benefits	-	-	-	-	-	-	13,402
Reserved for unemployment benefits	-	-	-	-	-	-	32,874
Reserved for landfill closure	-	169,505	-	-	-	169,505	127,874
Unreserved/undesignated	1,044,413	2,087,722	-	-	-	3,132,135	3,082,947
Total Fund Equity	1,044,413	2,257,227	-	4,247,951	-	7,549,591	6,746,602
TOTAL LIABILITIES AND FUND EQUITY	\$ 1,076,856	\$ 2,303,864	\$ -	\$ 4,247,951	\$ 1,295,918	\$ 8,924,589	\$ 8,286,872

The accompanying notes are an integral part of this financial statement.

**TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA
GOVERNMENTAL FUND TYPE - GENERAL AND SPECIAL REVENUE FUND**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended December 31, 2001**

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Capital Projects Funds</u>	<u>Total (Memorandum Only)</u>	
				<u>2001</u>	<u>2000</u>
REVENUES					
Taxes:					
Ad valorem	\$ 521,751	\$ 345,278	\$ -	\$ 867,029	\$ 855,685
Sales and use	-	910,933	-	910,933	1,072,849
Other taxes	1,982	-	-	1,982	1,687
Licenses and permits	26,422	-	-	26,422	39,398
Intergovernmental revenues:					
Federal funds	-	-	253,105	253,105	95,369
State funds	120,333	87,344	615,031	822,708	757,404
Fees, charges and commissions	-	207,939	-	207,939	260,222
Fines and forfeitures	-	174,534	-	174,534	61,226
Use of money and property	33,250	68,834	2,180	104,264	126,350
Other	1,194	-	745	1,939	132,217
	<u>704,932</u>	<u>1,794,862</u>	<u>871,061</u>	<u>3,370,855</u>	<u>3,402,407</u>
Total revenues					
EXPENDITURES					
Current:					
General government:					
Legislative	234,325	-	-	234,325	182,370
Judicial	49,129	134,615	-	183,744	182,099
Elections	25,669	-	-	25,669	30,662
Finance and administration	167,881	46,077	-	213,958	332,857
Other general government	129,761	-	-	129,761	110,075
Public safety	89,647	69,961	-	159,608	152,407
Public works	1,037	873,269	-	874,306	950,683
Health and welfare	11,171	213,097	-	224,268	254,119
Culture and recreation	3,604	148,396	-	152,000	165,157
Economic development	5,935	27,319	-	33,254	40,127
Transportation	1,099	-	-	1,099	4,307
Intergovernmental	-	117,892	-	117,892	117,841
Debt service	-	75,348	-	75,348	61,898
Capital outlay	-	-	929,511	929,511	380,122
	<u>719,258</u>	<u>1,705,974</u>	<u>929,511</u>	<u>3,354,743</u>	<u>2,964,724</u>
Total expenditures					
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(14,326)	88,888	(58,450)	16,112	437,683

The accompanying notes are an integral part of this financial statement.

**TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA
GOVERNMENTAL FUND TYPE - GENERAL AND SPECIAL REVENUE FUND**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended December 31, 2001**

	General Fund	Special Revenue Funds	Capital Projects Funds	Total (Memorandum Only)	
				2001	2000
OTHER FINANCING SOURCES (USES)					
Other reimbursements	-	25,606	-	25,606	14,176
Operating transfers in	128,127	244,354	58,450	430,931	76,068
Operating transfers out	(260,000)	(170,931)	-	(430,931)	(76,068)
Sale of general fixed assets	-	2,825	-	2,825	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total other financing sources (uses)	(131,873)	101,854	58,450	28,431	14,176
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	(146,199)	190,742	-	44,543	14,176
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
FUND BALANCE BEGINNING OF YEAR	1,190,612	2,066,485	-	3,257,097	2,805,238
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
FUND BALANCE END OF YEAR	\$ 1,044,413	\$ 2,257,227	\$ -	\$ 3,301,640	\$ 3,257,097
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The accompanying notes are an integral part of this financial statement.

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA
GOVERNMENTAL FUND TYPE - GENERAL AND SPECIAL REVENUE FUNDS

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget (Non-GAAP) Basis and Actual
For the Year Ended December 31, 2001

	GENERAL FUND			SPECIAL REVENUE FUNDS		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES						
Taxes:						
Ad valorem	\$ 340,000	\$ 521,751	\$ 181,751	\$ 156,835	\$ 345,278	\$ 188,443
Sales and use	-	-	-	760,000	910,933	150,933
Other taxes	2,000	1,982	(18)	-	-	-
Licenses and permits	43,300	26,422	(16,878)	-	-	-
Intergovernmental revenues:						
Federal funds	-	-	-	767,000	-	(767,000)
State funds	136,600	120,333	(16,267)	212,505	87,344	(125,161)
Fees, charges and commissions	6,000	-	(6,000)	-	-	-
Fines and forfeitures	-	-	-	77,000	207,939	130,939
Use of money and property	57,000	33,250	(23,750)	69,000	174,534	105,534
Miscellaneous	27,913	1,194	(26,719)	15,200	68,834	53,634
Total revenues	612,813	704,932	92,119	2,057,540	1,794,862	(262,678)
EXPENDITURES						
Current:						
General government:						
Legislative	195,565	234,325	(38,760)	-	-	-
Judicial	67,290	49,129	18,161	178,314	134,615	43,699
Elections	20,984	25,669	(4,685)	-	-	-
Finance and administration	103,935	167,881	(63,946)	8,760	46,077	(37,317)
Other general government	206,577	129,761	76,816	-	-	-
Public safety	111,915	89,647	22,268	81,200	69,961	11,239
Public works	-	1,037	(1,037)	678,790	873,269	(194,479)
Health and recreation	17,835	11,171	6,664	174,860	213,097	(38,237)

The accompanying notes are an integral part of this financial statement.

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA
GOVERNMENTAL FUND TYPE - GENERAL AND SPECIAL REVENUE FUNDS

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget (Non-GAAP) Basis and Actual
For the Year Ended December 31, 2001

	GENERAL FUND			SPECIAL REVENUE FUNDS			VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	
Culture and recreation	4,470	3,604	866	115,800	148,396	(32,596)	
Economic development	700	5,935	(5,235)	250,000	27,319	222,681	
Transportation	2,900	1,099	1,801	-	117,892	(117,892)	
Intergovernmental	-	-	-	678,500	-	678,500	
Debt service	-	-	-	-	75,348	(75,348)	
Total expenditures	732,171	719,258	12,913	2,166,224	1,705,974	460,250	
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(119,358)	(14,326)	105,032	(108,684)	88,888	197,572	
OTHER FINANCING SOURCES							
Other reimbursements	-	-	-	45,160	25,606	(19,554)	
Operating transfers in	211,000	128,127	(82,873)	322,000	244,354	(77,646)	
Operating transfers out	(260,000)	(260,000)	-	(273,000)	(170,931)	102,069	
Sale of capital assets	-	-	-	-	2,825	2,825	
Total other financing sources	(49,000)	(131,873)	(82,873)	94,160	101,854	7,694	
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	(168,358)	(146,199)	22,159	(14,524)	190,742	205,266	
FUND BALANCE BEGINNING OF YEAR	1,190,612	1,190,612	-	2,066,485	2,066,485	-	
FUND BALANCE END OF YEAR	\$ 1,022,254	\$ 1,044,413	\$ 22,159	\$ 2,051,961	\$ 2,257,227	\$ 205,266	

The accompanying notes are an integral part of this financial statement.

**TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2001**

INTRODUCTION

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

Louisiana Revised Statute 33:1236 gives the police jury various powers in regulating and directing the affairs of the parish and its inhabitants. The more notable of those are the 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. Ad valorem taxes, sales taxes, beer and alcoholic beverage permits, state revenue sharing and various other state and federal grants provide funding to accomplish these tasks.

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, water distribution, sewerage collection and disposal, drainage control, library facilities, and health care facilities.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the Tensas Parish Police Jury is the financial reporting entity for Tensas 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) 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 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.

**TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2001**

A. REPORTING ENTITY – continued

The police jury has chosen to issue financial statements of the primary government (police jury) and the following component units:

**Lake Bruin Commission
Gravity Drainage District No. 1
Gravity Drainage District No. 2
Gravity Drainage District No. 3**

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) and the component units above.

The following component units of the Tensas Parish Police Jury are not included in this report:

**Fire Protection District No. 1 of Tensas Parish
Tensas Economic and Industrial Development District
Tensas Port Commission
Tensas Parish Agricultural Arena Commission
Tensas Water District, Inc.
Lake Bruin Water Works #1
Tensas Parish Hospital Service District
Tensas Parish Library Board of Control**

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. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities (general fixed assets and general long-term debt) that are not recorded in the funds because they do not directly affect net expendable available financial resources. They are concerned only with the measurement of financial position, not with the measurement of results of operations.

**TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2001**

B. FUND ACCOUNTING – continued

Government Fund Types:

Governmental fund types account for all the police jury's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. Governmental fund types include:

General Fund – the general operating fund of the police jury and accounts for all activities except those required to be accounted for in other funds.

Special Revenue Funds – account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. In addition, the General Fund of the Eleventh Judicial District Criminal Court Fund is reported as a special revenue fund.

Capital Projects Funds – account for financial resources to be used to acquire or construct major capital facilities.

C. FIXED ASSETS AND LONG-TERM DEBT

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 governmental funds and the related assets are reported in the general fixed assets account group. All purchased fixed assets are valued at cost where historical records are available and at estimated cost where no historical records are available. The costs of normal maintenance and repairs that do not add to the value of fixed assets or materially extend their useful lives are not capitalized but are only recognized as a normal current expenditure of the governmental funds. Public domain or infrastructure general fixed assets consisting of roads bridges and drainage systems are not capitalized, as these assets are immovable and of value only to the police jury. No depreciation is recognized on general fixed assets.

D. BASIS OF ACCOUNTING

The accounting and 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

**TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2001**

D. BASIS OF ACCOUNTING – continued

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

Revenues

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

Sales and use taxes are recognized in the month received by the police jury's collection agents, the Concordia Parish School Board and the Louisiana Department of Public Safety and Corrections – Office of Motor Vehicles.

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

Fines and forfeitures are recognized in the period they are collected by the parish sheriff.

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

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

Based on the above criteria, ad valorem taxes, state revenue sharing, federal and state grants, fines and forfeitures, and sales taxes on motor vehicles are treated as susceptible to accrual.

Expenditures

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

**TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2001**

D. BASIS OF ACCOUNTING -- continued

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid and increase in long-term debt are accounted for as other financing sources (uses) and are recognized when the underlying events occur.

E. BUDGETS

Preliminary budgets for the ensuing year are prepared by the secretary/treasurer during October of each year. During November of each year, 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 budgets are then advertised in the official journal. Prior to its regular December meeting, the jury holds a public hearing on the proposed budgets in order to receive comments from citizens. 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 regular December meeting, and notice is published in the official journal.

During the year, the police jury should receive 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 jury when it is determined those actual operations are differing materially from those anticipated in the original budget. The jury in regular session reviews the proposed amendments, makes necessary changes, and formally adopts the amendments. The adoption of amendments is included in jury minutes published in the official journal.

The police jury should exercise budgetary control at the functional level. Within functional levels, the treasurer has the authority to make amendments as necessary. The police jury does not utilize encumbrance accounting in its budget practices. Unexpended appropriations lapse at year-end and must be reappropriated in the next year's budget to be expended. The budget comparison statements included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

F. ENCUMBRANCES

Encumbrances accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, are not employed for other commitments of the police jury. However, outstanding purchase orders are taken into consideration before expenditures are incurred in order to assure that applicable appropriations are not exceeded.

**TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2001**

G. 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.

H. COMPENSATED ABSENCES

Employees of the police jury earn 5 to 10 days of non-cumulative annual leave each year, depending on their length of service. Full-time employees are allowed, on an as-needed basis, sick leave up to 12 days each year. A maximum of 30 days of sick leave may be accumulated and carried forward. There is no provision for payment of accrued sick leave upon separation.

Full-time employees of the Tensas Parish Library, with at least 6 months of service, earn from 10 to 22 days of non-cumulative annual leave each year, depending on their position. Part-time employees earn annual leave on a pro rata basis. Full-time employees earn 14 days of sick leave each year, with part-time employees earning sick leave on a pro rata basis. Sick leave of up to 42 days may be accumulated. There is no provision for payment of accumulated sick leave upon separation.

Employees of the Sixth Judicial District Criminal Court Fund earn from 5 to 10 days of vacation leave each year, depending on their length of service. Annual leave must be taken in the year earned and cannot be carried forward. Sick leave is granted, on an as-needed basis, at the discretion of the district attorney and judges of the district. At December 31, 2001 there are no accumulated and vested benefits relating to annual and sick leave that require accrual or disclosure.

I. SALES TAXES

The police jury has been authorized to levy the following sales and use taxes:

- a. A one per cent sales and use tax approved by the voters on August 5, 1975, for an indefinite period. The net proceeds of the tax (after cost of collections) are used for (1) 66 2/3 percent for a sanitary landfill and garbage collection, (2) 33 1/3 percent for ambulance service.
- b. A three-fourths of one per cent sales tax approved by the voters on January 11, 1988, for an indefinite period. The net proceeds of the tax (after cost of collections) are dedicated to supplement revenues of the Road Special Revenue Fund.

**TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2001**

I. SALES TAXES – continued

- c. A one-quarter of one per cent sales tax approved by the voters on January 17, 1998, for a period of five years. The police jury may expend the net proceeds of the tax (after cost of collections) for any lawful purpose of industrial, manufacturing, commercial or professional businesses or concerns, or scientific or educational programs in the parish.
- d. A one-quarter of one per cent sales tax approved by the voters on July 27, 1999, for a period of ten years. The net proceeds of the tax (after cost of collections) to be dedicated for the purpose of establishing and maintaining a parish-wide fire protection district.

J. 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.

2. CASH AND CASH EQUIVALENTS

At December 31, 2001, the police jury has cash and equivalents (book balances) as follows:

Interest bearing demand deposits	\$ 1,010,295
Louisiana Asset Management Pool (LAMP)	<u>1,319,640</u>
Total	<u><u>\$ 2,329,935</u></u>

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

**TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2001**

2. CASH AND CASH EQUIVALENTS – continued

(bank balances) totaling \$2,564,954, are adequately secured by \$309,382 of federal deposit insurance, and \$2,255,572 of securities held in the trust department of the fiscal agent bank, but not in the name of the police jury.

The Louisiana Asset Management Pool (LAMP) is a non-profit corporation created under Louisiana law. This corporation, created at the initiative of the Louisiana State Treasurer's Office and governed by a board of directors, allows units of local government to pool their cash balances as a means of increasing their rate of return on investments. LAMP invests only in securities and other obligations that are permissible under Louisiana law for municipalities and parishes; accordingly, these investments are restricted to securities issued, guaranteed or otherwise backed by the United States Government or one of its agencies, enterprises or instrumentalities. Since participation in LAMP constitutes a direct investment in the assets constituting the pool, there are no specific collateralization requirements; accordingly, these cash equivalents are considered uncollateralized under the provisions of GASB Codification 150.163 (b).

3. RECEIVABLES

The following is a summary of receivables at December 31, 2001:

<u>Class of Receivable</u>	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Total</u>
Taxes:			
Ad valorem	\$ 449,885	\$ 289,057	\$ 738,942
Sales and use	-	80,904	80,904
Intergovernmental revenues:		-	-
State funds	13,780	19,796	33,576
Other	5,220	22,638	27,858
	<hr/>	<hr/>	<hr/>
Total	\$ 468,885	\$ 412,395	\$ 881,280
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2001**

4. CHANGES IN GENERAL FIXED ASSETS

The following provides detail on the changes in general fixed assets for the two years ended December 31, 2001:

	<u>Land and Buildings</u>	<u>Construction in Progress</u>	<u>Furniture and Equipment</u>	<u>Library Books</u>	<u>Total</u>
Balance, December 31, 2000	\$ 695,439	\$ 301,156	\$ 2,151,989	\$ 340,921	\$ 3,489,505
Additions	893,048	103,168	-	25,159	1,021,375
Deletions	-	(262,929)	-	-	(262,929)
Balance December 31, 2001	<u>\$ 1,588,487</u>	<u>\$ 141,395</u>	<u>\$ 2,151,989</u>	<u>\$ 366,080</u>	<u>\$ 4,247,951</u>

5. PENSION PLANS

Substantially all employees of the police jury, excluding employees of the Tensas Parish Fire Protection Districts, are members of the parochial Employees Retirement System of Louisiana ("system"), a multiple-employer public employee retirement system (PERS), controlled and 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. Employees of the police jury are members of Plan A.

All permanent employees working at least 28 hours per week whom are paid wholly or in part from 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 credited service, at or after age 55 with 25 years of credited service, or at any age with at least 30 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3 per cent of their final compensation multiplied by the employee's years of credited service. However, for those employees who were members of the supplemental plan only prior to January 1, 1980, the benefit is equal to 1 per cent of final compensation, plus \$24 for each year of supplemental plan only service earned prior to January 1, 1980.

Final compensation is the employee's monthly earnings during the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of credited service stated previously and who do not withdraw their employee contributions, may retire at the ages specified previously and receive the benefit accrued to their date of termination. The system also provides death and disability benefits. Benefits are established by state statute.

**TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2001**

5. PENSION PLANS – continued

The System issues an annual publicly available financial 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, Post Office Box 14619, Baton Rouge, LA 70898-4619, or by calling (504) 928-1361.

Under Plan A, members are required by state statute to contribute 9.5 percent of their annual covered salary and the employer is required to contribute at an actuarially determined rate. The current rate is 8.0 percent of annual covered payroll. Contributions to the System include one-fourth of one percent (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of the 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 employers 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 of the prior fiscal year. The employer contributions to the System under Plan A for the year ending December 2001 were \$36,266.

6. CHANGES IN GENERAL LONG-TERM DEBT

The following is a summary of general long-term debt transactions for the year ended December 31, 2001:

	Lease/ Purchases Payable	Landfill Closure and Postclosure Care costs	Total
Long-term debt at January 1, 2000	\$ 139,432	\$ 1,209,262	\$ 1,348,694
Additions	-	-	-
Deductions	<u>(52,776)</u>	-	<u>(52,776)</u>
Long-term debt payable at December 31, 2001	<u>\$ 86,656</u>	<u>\$ 1,209,262</u>	<u>\$ 1,295,918</u>

The following is a schedule of future minimum payments of capital leases under the agreements together with the present value of the minimum payments as of December 31, 2001:

**TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2001**

6. CHANGES IN GENERAL LONG-TERM DEBT – continued

Year Ending December 31,	
2002	\$ 48,099
2003	37,407
2004	12,468
2005	-
Totals	<u>97,974</u>
Less - amounts representing interest	<u>(11,318)</u>
Net present value of future payments	<u>\$ 86,656</u>

7. SANITARY LANDFILL

State and federal laws and regulations require that the police jury place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. In addition to operating expenses related to current activities of the landfill, an expense provision and related liability are being recognized based on future closure and postclosure care costs that will be incurred near or after the date the landfill no longer accepts waste. The estimated liability for landfill closure and postclosure care is \$1,209,262.

However, the actual cost of closure and postclosure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

During the year ended December 31, 1998, the police jury established a trust fund, in accordance with an agreement between the police jury and the Louisiana Department of Environmental Quality (LDEQ), to provide funding to cover the closure and postclosure care costs estimated to be approximately \$1,209,262. The agreement provides that the police jury shall make annual contributions of approximately \$40,309 for thirty years.

The following is a summary of the trust fund activity for the year ended December 31, 2001, relating to the police jury's compliance with the LDEQ agreement:

Balance, December 31, 2000	\$ 127,874
Additions:	
Deposits	41,162
Interest earnings	<u>469</u>
Balance, December 31, 2001	<u>\$ 169,505</u>

**TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2001**

7. SANITARY LANDFILL – continued

These costs and any additional costs that might arise from changes in postclosure requirements (due to changes in technology or more rigorous environmental regulations, etc.) may need to be recovered by charges to future landfill users, taxpayers, or both.

On February 29, 1996, the Tensas Parish Police Jury entered into a Contract of Landfill management with Twin Bridges Company, Inc. which transfers operation and maintenance of the Tensas Parish Landfill from the Parish to the Contractor. The Contract frees the Parish from any and all future environmental liabilities and/or responsibility associated with ownership, operation of, and management of the Tensas Parish Landfill.

Although the financial obligation related to closure and postclosure care of the landfill has been legally transferred to the Contractor and the contract ultimately frees the police jury from the financial obligation related to closure and postclosure care of the landfill, it has been determined that the Contractor is not currently financially capable of meeting the financial obligations imposed by the closure and postclosure care responsibilities. Accordingly, the Parish is required to, and has, recognized the closure and postclosure costs relating to the operation of the Tensas Parish Landfill in the accompanying financial statements.

8. COMMITMENTS

The Tensas Parish Police Jury has a contract for the construction of a Health Unit building, for a cost of \$850,000. At December 31, 2001, \$103,168 had been spent and was included in construction in progress. The contract is expected to be completed in year 2002. Grants of \$600,000 and Police Jury funds of approximately \$250,000 will fund the project.

**TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA
SUPPLEMENTAL INFORMATION SCHEDULES
As of December 31, 2001**

SPECIAL REVENUE FUNDS

PUBLIC WORKS FUNDS

Road Fund – accounts for the maintenance and operation of parish highways, streets and bridges. The State of Louisiana Parish Transportation Act funds and sales tax revenues provide financing.

Gravity Drainage District Funds – account for drainage projects within the boundaries of each respective district. A specific ad valorem tax and the related state revenue sharing in each district provide financing.

Waste Collection Fund – accounts for the operation of a solid waste collection and disposal system. Sales tax revenues provide financing.

Landfill Site Fund – accounts for the operation of the parish landfill. Financing is provided by sales tax revenues and tipping fees.

Rosenwald/Tensas Reunion Fund – accounts for the costs relating to the improvements made to the property owed by the aforementioned non-profit organization located in the parish. Financing is provided by a grant from the State of Louisiana.

HEALTH UNIT FUND – accounts for the maintenance and operation of the Tensas Parish Health Unit. Financing is provided by a specific parishwide ad valorem tax and the related state revenue sharing.

AMBULANCE FUND – accounts for the operation of the parishwide ambulance service. Financing is provided by sales tax revenue.

CRIMINAL COURT FUND – created by Section 571.11 of Title 15 of the Louisiana Revised Statute of 1950, which provided that fines and forfeitures imposed by the district courts and district attorney conviction fees in criminal cases be transferred to parish treasurer and deposited into a special Criminal Court Fund to be used to pay expenses of the criminal court system of the parish. Expenditures are made from the fund on motion of the district attorney and approved by the district judges. The statute requires that one-half of the fund balance remaining at December 31, of each year be transferred to the parish General Fund.

LIBRARY FUND – accounts for the operation of the Tensas Parish Library financed by a specific parishwide ad valorem tax and the related state revenue sharing, and state grants.

EMERGENCY PREPAREDNESS FUND – accounts for the operation of the parishwide civil defense program. Financing is provided by a grant from the Federal Emergency Management Agency.

ECONOMIC DEVELOPMENT FUND – accounts for the activities relating to economic development in the parish. Sales tax revenues provide funding.

FIRE PROTECTION FUND – accounts for the activities relating to the collection and remittance of the one-quarter of one per cent sales tax approved by the voters for a period of ten years. The net proceeds of the tax (after cost of collections) are dedicated for the purpose of establishing and maintaining a parish-wide fire protection district. The net proceeds are remitted to the Fire Protection District No. 1 of Tensas Parish for subsequent disbursement, by the board of commissioners, for fire protection in the parish.

RURAL DEVELOPMENT FUND – accounts for State of Louisiana grant for the construction of two parking lots for the court house.

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA
GOVERNMENTAL FUND TYPE - SPECIAL REVENUE FUNDS

Combining Balance Sheet - December 31, 2001

	Public Works Funds	Health Unit	Ambulance	Criminal Court	Library	Emergency Preparedness	Economic Development Fund		Fire Protection Fund		Rural Development	Total
Cash and cash equivalents	\$ 523,536	\$ 489,934	\$ 189,591	\$ 15,087	\$ 139,822	\$ 46,819	\$ 302,017	\$ 15,158	\$ -	\$ -	\$ 1,721,964	
Cash with trustee	169,505	-	-	-	-	-	-	-	-	-	169,505	
Receivables	131,687	89,233	11,993	4,981	130,512	6,230	8,975	8,988	19,796	-	412,395	
TOTAL ASSETS	824,728	579,167	201,584	20,068	270,334	53,049	310,992	24,146	19,796	2,303,864		
LIABILITIES AND FUNDEQUITY												
Liabilities:												
Bank overdraft	-	-	-	-	-	-	-	-	-	18,796	-	18,796
Accounts and withholdings payable	381	173	-	2,987	154	-	-	-	-	-	-	3,695
Intergovernmental payable	-	-	-	-	-	-	-	24,146	-	-	-	24,146
Total Liabilities	381	173	-	2,987	154	-	-	24,146	-	18,796	-	46,637
Fund Equity-fund balance	169,505	-	-	-	-	-	-	-	-	-	-	169,505
Reserved for landfill closure	654,842	578,994	201,584	17,081	270,180	53,049	310,992	-	-	1,000	2,087,722	
Unreserved-undesignated	824,347	578,994	201,584	17,081	270,180	53,049	310,992	-	-	1,000	2,257,227	
Total Fund Equity	1,648,694	1,157,988	403,168	34,162	540,360	106,098	621,984	24,146	1,000	2,088,722	2,303,864	
TOTAL LIABILITIES AND FUNDEQUITY	824,728	579,167	201,584	20,068	270,334	53,049	310,992	24,146	19,796	2,303,864		

The accompanying notes are an integral part of this financial statement.

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA
GOVERNMENTAL FUND TYPE - SPECIAL REVENUE FUNDS

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended December 31, 2001

	Public Works Funds	Health Unit	Ambulance	Criminal Court	Library	Emergency Preparedness	Economic Development Fund	Fire Protection Fund	Rural Development	Total
REVENUES										
Taxes:										
Ad valorem	\$ 87,680	\$ 104,852	\$ -	\$ -	\$ 152,746	\$ -	\$ -	\$ -	\$ -	\$ 345,278
Sales and use	568,120	-	133,678	-	-	-	101,576	107,559	-	910,933
Intergovernmental revenues:										
State funds	-	7,726	-	-	22,621	-	-	-	56,997	87,344
Fees, charges and commissions	124,115	-	-	-	-	83,824	-	-	-	207,939
Fines and forfeitures	117,224	-	-	57,310	-	-	-	-	-	174,534
Use of money and property	26,359	16,211	7,869	-	4,930	1,991	11,474	-	-	68,834
Total revenues	923,498	128,789	141,547	57,310	180,297	85,815	113,050	107,559	56,997	1,794,862
EXPENDITURES										
Current:										
General government										
Judicial	-	-	-	134,615	-	-	-	-	-	134,615
Finance and administration	22,101	5,635	18,341	-	-	-	-	-	-	46,077
Public safety	-	-	-	-	-	69,961	-	-	-	69,961
Public works	817,272	-	-	-	-	-	-	-	55,997	873,269
Health and welfare	-	45,097	168,000	-	-	-	-	-	-	213,097
Culture and recreation	-	-	-	-	148,396	-	-	-	-	148,396
Economic development	-	-	-	-	-	-	27,319	-	-	27,319
Intergovernmental	-	-	-	-	-	-	-	117,892	-	117,892
Debt service	75,348	-	-	-	-	-	-	-	-	75,348
Total expenditures	914,721	50,732	186,341	134,615	148,396	69,961	27,319	117,892	55,997	1,705,974
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	8,777	78,057	(44,794)	(77,305)	31,901	15,854	85,731	(10,333)	1,000	88,888

The accompanying notes are an integral part of this financial statement.

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA
GOVERNMENTAL FUND TYPE - SPECIAL REVENUE FUNDS

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended December 31, 2001

	Public Works Funds	Health Unit		Ambulance	Criminal Court	Library	Emergency Preparedness	Economic Development Fund	Fire Protection Fund	Rural Development	Total
OTHER FINANCING SOURCES											
Other reimbursements	13,462	-	-	-	4,912	5,915	-	1,317	-	-	25,606
Operating transfers in	140,021	-	-	-	87,000	7,000	-	-	10,333	-	244,354
Operating transfers out	(153,905)	(12,026)	(5,000)	-	-	-	-	-	-	-	(170,931)
Sale of general fixed assets	2,825	-	-	-	-	-	-	-	-	-	2,825
Total other financing sources	2,403	(12,026)	(5,000)	(5,000)	91,912	12,915	-	1,317	10,333	-	101,854
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	11,180	66,031	(49,794)	14,607	44,816	15,854	87,048	1,000	190,742		
FUND BALANCE, BEGINNING OF YEAR	813,167	512,963	251,378	2,474	225,364	37,195	223,944	-	-	-	2,066,485
FUND BALANCE, END OF YEAR	\$ 824,347	\$ 578,994	\$ 201,584	\$ 17,081	\$ 270,180	\$ 53,049	\$ 310,992	\$ 1,000	\$ 2,257,227		

The accompanying notes are an integral part of this financial statement.

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA
GOVERNMENTAL FUND TYPE - SPECIAL REVENUE FUNDS - PUBLIC WORKS FUNDS

Combining Balance Sheet, December 31, 2001

ASSETS	Road Fund	Gravity Drainage District No.1	Gravity Drainage District No.2	Gravity Drainage District No.3	Waste Collection Fund	Landfill Site Fund	Rosenwald Tensas Reunion Fund	Total
Cash and cash equivalents	\$ 647	\$ 34,688	\$ 89,225	\$ 49,052	\$ 262,308	\$ 87,616	\$ -	\$ 523,536
Cash with trustee	-	-	-	-	-	169,505	-	169,505
Receivables	<u>33,394</u>	<u>17,814</u>	<u>29,990</u>	<u>21,509</u>	<u>23,980</u>	<u>5,000</u>	-	<u>131,687</u>
TOTAL ASSETS	<u>34,041</u>	<u>52,502</u>	<u>119,215</u>	<u>70,561</u>	<u>286,288</u>	<u>262,121</u>	-	<u>824,728</u>
LIABILITIES AND FUND EQUITY								
Liabilities:								
Accounts and withholdings payable	<u>381</u>	-	-	-	-	-	-	<u>381</u>
Fund Equity - fund balances:								
Reserved for landfill closure	-	-	-	-	-	169,505	-	169,505
Unreserved - undesignated	<u>33,660</u>	<u>52,502</u>	<u>119,215</u>	<u>70,561</u>	<u>286,288</u>	<u>92,616</u>	-	<u>654,842</u>
Total Fund Equity	<u>33,660</u>	<u>52,502</u>	<u>119,215</u>	<u>70,561</u>	<u>286,288</u>	<u>262,121</u>	-	<u>824,347</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 34,041</u>	<u>\$ 52,502</u>	<u>\$ 119,215</u>	<u>\$ 70,561</u>	<u>\$ 286,288</u>	<u>\$ 262,121</u>	<u>\$ -</u>	<u>\$ 824,728</u>

The accompanying notes are an integral part of this financial statement.

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA
GOVERNMENTAL FUND TYPE - SPECIAL REVENUE FUNDS - PUBLIC WORKS FUNDS

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended December 31, 2001

	Road Fund	No.1	Gravity Drainage District No.2	No.3	Waste Collection Fund	Landfill Site Fund	Rosenwald Tensas Reunion Fund	Total
REVENUES								
Taxes:								
Ad valorem	\$ 298,434	\$ 22,421	\$ 40,134	\$ 25,125	\$ -	\$ -	\$ -	\$ 87,680
Sales and use	-	-	-	-	269,686	-	-	568,120
Intergovernmental revenues:								
State funds	87,024	1,099	1,685	629	-	-	33,678	124,115
Fees, charges and commissions	-	-	-	-	-	117,224	-	117,224
Use of money and property	-	1,305	2,190	1,380	11,281	10,203	-	26,359
Total revenues	<u>385,458</u>	<u>24,825</u>	<u>44,009</u>	<u>27,134</u>	<u>280,967</u>	<u>127,427</u>	<u>33,678</u>	<u>923,498</u>
EXPENDITURES								
Current:								
Finance and administration	5,680	2,556	6,109	2,109	-	5,647	-	22,101
Public works	531,581	857	2,480	-	247,476	1,200	33,678	817,272
Debt service	75,348	-	-	-	-	-	-	75,348
Total expenditures	<u>612,609</u>	<u>3,413</u>	<u>8,589</u>	<u>2,109</u>	<u>247,476</u>	<u>6,847</u>	<u>33,678</u>	<u>914,721</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(227,151)	21,412	35,420	25,025	33,491	120,580	-	8,777
OTHER FINANCING SOURCES								
Other reimbursements	13,020	61	-	381	-	-	-	13,462
Operating transfers in	133,000	-	-	-	-	-	7,021	140,021
Operating transfers out	-	(32,392)	(24,421)	(24,092)	(8,000)	(65,000)	-	(153,905)
Sale of general fixed assets	-	-	-	-	2,825	-	-	2,825
Total other financing sources	<u>146,020</u>	<u>(32,331)</u>	<u>(24,421)</u>	<u>(23,711)</u>	<u>(5,175)</u>	<u>(65,000)</u>	<u>7,021</u>	<u>2,403</u>

The accompanying notes are an integral part of this financial statement.

TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA
GOVERNMENTAL FUND TYPE - SPECIAL REVENUE FUNDS - PUBLIC WORKS FUNDS

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended December 31, 2001

	Road Fund	Gravity Drainage District No.1	No.2	No.3	Waste Collection Fund	Landfill Site Fund	Rosenwald Tensas Reunion Fund	Total
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(81,131)	(10,919)	10,999	1,314	28,316	55,580	7,021	11,180
FUND BALANCE - BEGINNING OF YEAR	<u>114,791</u>	<u>63,421</u>	<u>108,216</u>	<u>69,247</u>	<u>257,972</u>	<u>206,541</u>	<u>(7,021)</u>	<u>813,167</u>
FUND BALANCE - END OF YEAR	<u>\$ 33,660</u>	<u>\$ 52,502</u>	<u>\$ 119,215</u>	<u>\$ 70,561</u>	<u>\$ 286,288</u>	<u>\$ 262,121</u>	<u>\$ -</u>	<u>\$ 824,347</u>

The accompanying notes are an integral part of this financial statement.

**TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA
SUPPLEMENTAL INFORMATION SCHEDULES
As of December 31, 2001**

CAPITAL PROJECTS FUND

COMMUNITY DEVELOPMENT BLOCK GRANT – accounts for federal grants from the United States Department of Housing and Urban Development (CFDA 14.219) which are passed through the Louisiana Community Development Block Grant Section. The grant funds re used to finance “grant specific” projects as approved by state pass-through grantor agency.

HEALTH UNIT SIDE FUND – accounts for the acquisition of land relating to the future construction of a new health unit facility in Tensas Parish. Financing is provided by a grant from the State of Louisiana.

AGRICULTURE ARENA FUND – Financing is provided by a grant from the State of Louisiana.

AIRPORT – accounts for a state of Louisiana grant used for the overlay of the airport runway.

**TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA**

GOVERNMENTAL FUND TYPE - CAPITAL PROJECTS FUNDS

Combining Balance Sheet - December 31, 2001

	<u>AIRPORT</u>	<u>LCDBG HOME RECREATION</u>	<u>HEALTH UNIT SITE FUND</u>	<u>AGRICULTURAL ARENA FUND</u>	<u>TOTAL</u>
ASSETS					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
LIABILITIES AND FUND EQUITY					
Liabilities - deferred revenues	-	-	-	-	-
Fund Equity - fund balances					
Unreserved - undesignated	-	-	-	-	-
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>

The accompanying notes are an integral part of this financial statement.

**TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA**

GOVERNMENTAL FUND TYPE - CAPITAL PROJECTS FUNDS

**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended December 31, 2001**

	<u>AIRPORT</u>	<u>COMMUNITY DEVELOPMENT BLOCK GRANT</u>	<u>HEALTH UNIT SITE FUND</u>	<u>AGRICULTURAL ARENA FUND</u>	<u>TOTAL</u>
REVENUES					
Intergovernmental revenues:					
Federal funds	\$ -	\$ 253,105	\$ -	\$ -	\$ 253,105
State funds	280,768	-	89,962	244,301	615,031
Other	-	-	-	745	745
Use of money	-	-	2,180	-	2,180
	<u>280,768</u>	<u>253,105</u>	<u>92,142</u>	<u>245,046</u>	<u>871,061</u>
Total revenues					
EXPENDITURES					
Capital outlay	<u>282,918</u>	<u>264,826</u>	<u>103,168</u>	<u>278,599</u>	<u>929,511</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES					
	(2,150)	(11,721)	(11,026)	(33,553)	(58,450)
OTHER FINANCING SOURCES					
Operating transfers in	<u>2,150</u>	<u>11,721</u>	<u>11,026</u>	<u>33,553</u>	<u>58,450</u>
FUND BALANCE, BEGINNING OF YEAR					
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, END OF YEAR					
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of this financial statement.

**TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA
SUPPLEMENTAL INFORMATION SCHEDULES
As of December 31, 2001**

COMPENSATION PAID

The schedule of compensation paid to police jurors and other board members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature.

POLICE JURORS

Compensation of the police jurors is included in the legislative expenditures of the General Fund. In accordance with Louisiana Revised Statute 33:1233, the police jury has elected the monthly payment method of compensation. Under this method jurors receive monthly compensation at varying rates, but not exceeding the maximum provided by State law.

COMMISSIONERS – GRAVITY DRAINAGE DISTRICTS

In accordance with Louisiana Revised Statute (LSR-R.S.) 38:1794, each board member may receive per diem of up to \$60 for each day in the conduct of official business of the district, not to exceed 36 days each year.

The board of commissioners of Gravity District No. 1 has elected to receive \$50 per diem per meeting.

The board of commissioners of Gravity District No. 2 has elected to receive \$50 per diem per meeting.

The board of commissioners of Gravity District No. 3 has elected to receive \$30 per diem per meeting.

COMMISSIONERS – LIBRARY BOARD OF CONTROL

The commissioners of the library board of control receive no compensation from the library.

**TENSAS PARISH POLICE JURY
ST. JOSEPH, LOUISIANA
SUPPLEMENTAL INFORMATION SCHEDULE**

**Schedule of Compensation Paid Police Jurors and Others
For the Year Ended December 31, 2001**

<u>Police Jurors</u>	<u>2001</u>
Ples Bell	\$ 14,400
Sam Dillard	14,400
Thomas Hale	14,400
Rufus Merritt	14,400
James Nicholson	14,400
Woodrow W. Wiley, Jr.	14,400
William Trevillion	14,400
Totals	<u>100,800</u>
<u>Gravity Drainage District No. 1</u>	
Glenn Keyes	\$ 150
Calvin Rabb	150
Woodrow Wiley, Sr.	150
Woodrow Wiley, Jr.	150
Walter Butler	150
Totals	<u>750</u>
<u>Gravity Drainage District No. 2</u>	
James Jackson	\$ 200
Bill Crigler	250
Curt Leake	150
LaVance Herring	150
Billy Mitchell	150
Totals	<u>900</u>
<u>Gravity Drainage District No. 3</u>	
Rusty Ratcliff	\$ 50
Sidney Lee	150
Clarence Evans	150
James Gray	50
Totals	<u>400</u>

**OTHER REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

The following pages contain reports on internal control structure and compliance with laws and regulations required by *Government Auditing Standards*, issued by the Comptroller General of the United States. The reports are based solely on the audit of the primary government financial statements.

SWITZER, HOPKINS & MANGE

Certified Public Accountants

DENNIS R. SWITZER, CPA
H. MYLES HOPKINS, CPA
SUSAN L. MANGE, CPA

JOHN M. JONES, CPA 1921 - 1983

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

**Tensas Parish Police Jury
St. Joseph, Louisiana**

We have audited the primary government financial statements of the Tensas Parish Police Jury as of and for the year ended December 31, 2001, and have issued our report thereon dated June 24, 2001. We have conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller general of the United States.

Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed the following instances of noncompliance that are required to be reported under *Government Auditing Standards* which are described in the accompanying schedule of findings and questioned costs as items 2001-2, 2001-3, and 2001-4.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Tensas Parish Police Jury's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses.

**Tensas Parish Police Jury
Page Two**

However, we noted one certain matter involving the internal control over financial reporting and its operation that we consider being a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that in our judgement, could adversely affect the Tensas Parish Police Jury's ability to record, summarize and report financial data consistent with the assertions of management in the general purpose financial statements. The reportable condition is described in the accompanying schedule of findings and questioned costs as item 2001-1.

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 general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider being material weaknesses.

This report is intended for the information and use of management of the district and the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

Switzer, Hopkins & Menge

Ferriday, Louisiana
June 24, 2002

TENSAS PARISH POLICE JURY

**Schedule of Findings and Questioned Costs
Year Ended December 31, 2001**

Summary of Audit Results

- 1. The auditor's report includes a disclaimer of opinion of the primary government financial statements.**
- 2. One reportable condition was disclosed during the audit of the financial statements reported in the report on Internal Control over Financial Reporting.**
- 3. Three instances of noncompliance with laws and regulations were disclosed.**

Findings – Financial Statement Audit

2001-1 – Dual Signature Required on Checks

We noted that the Lake Burin Recreation and Water Conservation bank account only requires one signature. The requirement of two signatures would improve internal control over this bank account.

We recommend that two signatures be required on all checks issued by the Tensas Parish Police Jury and its components.

Response: The Tensas Parish Police Jury agrees with this recommendation and their response is attached.

2001-2 – Payroll Tax Return Filings

We noted that payroll tax returns are being filed late and penalties and interest are being paid.

We recommend that a system be implemented that includes filing payroll taxes on a timely basis.

Response: The Tensas Parish Police Jury agrees with this recommendation and their response is attached.

2001-3 – Preparation of 1099's and W-2's

We noted that two employees received pay totaling \$2,776.56 and were not issued a W-2 or 1099. This is a Federal and State law violation.

Schedule of Findings and Questioned Costs
Page Two

We recommend that a system be implemented to capture and report all payments to employees on Form W-2 and all payments to contractors on Form 1099.

Response: The Tensas Parish Police Jury agrees with this recommendation and their response is attached.

2001-4 -- General Fixed Asset Listing

LSA-RS 24:515 requires that records be maintained on general fixed assets. The Police Jury did not maintain these records as required by law. The law also requires that a physical inventory be taken at least every two years. The Police Jury did not take a physical inventory during the year.

We recommend that a fixed asset ledger including date acquired, description, costs, serial number or other identification number, etc. be maintained and a physical inventory be taken every two years in accordance with the law.

Response: The Tensas Parish Police Jury agrees with this recommendation and their response is attached.

TENSAS PARISH POLICE JURY

**Summary of Prior Audit Findings
December 31, 2000**

Findings – Financial Statement Audit

2000-1 Preparation of 1099's and W-2's

We noted that eight persons were paid a total of \$8,177 that was not reported on a 1099 or a W-2. One of those individuals received \$1,450 for attending meetings, was issued two W-2's, and neither included the \$1,450. Federal law requires employers to include all payments to employees on Form W-2 and to include all payments to non-employees on Form 1099 when the total payments in a calendar year exceeds \$600.

We recommend that a system be implemented to capture and report all payments to employees on Form W-2 and all payments to non-employees on Form 1099 when the total of payments exceeds \$600 in a calendar year.

Current Status: This finding continues in the current audit as finding 2001-3.

2000-2 General fixed assets listing

LSA-RS 24:515 requires that records be maintained on general fixed assets. The Police Jury did not maintain these records as required by law. The law also requires that a physical inventory be taken at least once per year. The Police Jury did not take a physical inventory during the year.

We recommend that a fixed asset ledger including date acquired, description, costs, serial number or other identification number, etc. be maintained and that a physical inventory be taken once per year in accordance with the law.

Current Status: This finding continues in the current audit as finding 2001-4.

2000-3 Completion date of audit

As a result of Finding 2000-6, the Police Jury did not have the audit completed within the six-month period as required by law.

We recommend that the audit be done according to law.

Current Status: This finding has been corrected.

Summary of Prior Audit Findings
Page Two

2000-4 Payroll taxes

We noted the payroll taxes were not always paid timely. The state withholding for the 4th quarter 2000 was paid in June of 2001 and the final payment for Form 941 for the 4th quarter 2000 has not yet been paid.

We recommend a system be implemented so payroll taxes are paid timely.

Current Status: This finding continues in the current audit as finding 2001-2.

2000-5 Budget

The general fund budgeted \$619,667 in expenditures and actually spent \$824,930. The amount of expenditures was 33.1% greater than the amount budgeted. Louisiana law requires expenditures to be no more than 5% greater than the amount budgeted.

We recommend that the Tensas Parish Police Jury monitor its expenses on a monthly basis and make amendments to the budget if necessary.

Current Status: This finding has been corrected.

2000-6 General ledger preparation

The Police Jury did not compile a general ledger and other supporting cash receipts and cash disbursements journals that were of the quality to be audited. Also the jury did not reconcile bank statements during the year and did not have financial statements available for the members of the Police Jury and others during the year.

We recommend that the Police Jury put a priority to have general ledgers and financial statements prepared timely so that the financial statements are presented at monthly Police jury meetings.

Current Status: This finding is in the process of being corrected.

2000-7 Files of the Police Jury

We noted that the files containing invoices and other supporting data of the Police Jury are not orderly and sometimes contain many years of documents in the same file. An example is a file for certain revenues that contained check copies for the past ten years.

**Summary of Prior Audit Findings
Page Three**

We recommend that the Police Jury implement a filing system that provides for the orderly segregation of files by year and topic and the systematic destruction of records that are no longer necessary.

Current Status: This finding is in the process of being corrected.

2000-8 Segregation of duties

We noted that there is not adequate segregation of accounting duties including record keeping, check writing, making deposits, etc. This is an internal control problem.

We recommend the duties within the accounting department be split up so that the same person does not have control of transactions from the start to finish including (for example) approving an invoice for payment, writing the checks and making the account entries.

Current Status: This finding has been corrected.

CLIENT'S RESPONSE



TENSAS PARISH POLICE JURY

P.O. BOX 6168

ST. JOSEPH, LOUISIANA 71366

TELEPHONE (318) 766-3542

FAX (318) 766-4580

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June 25, 2002

MEMBERS

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Newellton, LA 71357

District 2

SAM DILLARD
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Newellton, LA 71357

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District 6

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District 7

WOODROW W. WILEY, JR.
P. O. Box 33
Waterproof, LA 71375

Switzer, Hopkins & Mange
P. O. Box 478
Ferriday, LA 71334

Dear Sir:

In response to the audit findings for the year 2001 we have the following comments:

Finding 2001 - Lake Bruin Recreation & Water Conservation Bank Account Signature Required

We recommend that two (2) signatures be required.

Finding 2001-2 Payroll Tax Returns Filed Late

We implemented a system to keep this from happening.

Finding 2002 - 3 Preparation of W-2's and 1099


In regard to the preparation of W-2's and 1099's we did feel that all were in the system but we now agree that two (2) were missed. We will have them in the payroll system for 2002 so this does not happen again.

Finding 2001 - 4 General Fixed Assets Listing

We have not located all the information that we need to compile this information and do not know if it is possible to compile this information for years past. We plan to do the best we can to compile this information for year 2002.

Please let us know if you have any questions.

Sincerely,


Linda L. Sikes, Secretary/Treasurer
Tensas Parish Police Jury

PRESIDENT
JAMES NICHOLSON

VICE PRESIDENT
WOODROW W. WILEY, JR.

SECRETARY/TREASURER
LINDA SIKES

Regular Meetings on Second Tuesday at 7:00 p.m. and Fourth Tuesday at 7:00 p.m. of Each Month