MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA

FINANCIAL REPORT

December 31, 2000

# CONTENTS


| | Page(s) |
|---|---|
| INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION | 1 and 2 |
| GENERAL-PURPOSE FINANCIAL STATEMENTS (COMBINED STATEMENTS - OVERVIEW) | |
| Combined balance sheet - all fund types, account groups, and discretely presented component units | 3 and 4 |
| Combined statement of revenues, expenditures, and changes in fund balances - all governmental fund types and discretely presented component units | 5 and 6 |
| Combined statement of revenues, expenditures, and changes in fund balances - budget and actual (non-GAAP budgetary basis) - all governmental fund types and discretely presented component units | 7 and 8 |
| Notes to financial statements | 9 - 28 |
| COMBINING FINANCIAL STATEMENTS | |
| Special revenue funds: | |
| Combining balance sheet | 29 |
| Combining statement of revenues, expenditures, and changes in fund balances | 30 and 31 |
| Component units - governmental fund types - special revenue: | |
| Combining balance sheet | 32 |
| Combining statement of revenues, expenditures, and changes in fund balances | 33 |
| SUPPLEMENTARY INFORMATION | |
| Schedule of jurors' compensation | 34 |
| Schedule of expenditures of federal awards | 35 |
| Notes to schedule of expenditures of federal awards | 36 |
| INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS* | 37 and 38 |

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 39 and 40

SCHEDULE OF FINDINGS AND QUESTIONED COSTS WITH MANAGEMENT'S PLANNED CORRECTIVE ACTION 41 - 43

SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS 44

## INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

Police Jurors
Morehouse Parish Police Jury
Bastrop, Louisiana

We have audited the accompanying general-purpose financial statements of Morehouse Parish Police Jury, primary government, as of and for the year ended December 31, 2000, as listed in the table of contents. These general-purpose financial statements are the responsibility of the management of Morehouse Parish Police Jury. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

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

As described in Note 1, the general-purpose financial statements referred to in the first paragraph include the financial statements of the primary government, Ward Two Cemetery, Bastrop Fire District Two, and Fourth Judicial District Criminal Court. The general-purpose financial statements referred to in the first paragraph do not include financial data of the other component units which should be included in order to conform with accounting principles generally accepted in the United States of America. The effect of the omission of these component units is unknown.

In our opinion, except for the effects on the general-purpose financial statements of the omission described in the preceding paragraph, the general-purpose financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Morehouse Parish Police Jury, as of December 31, 2000, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.



Certified Public Accountants • A Professional Corporation
701 East Madison Avenue • P.O. Box 631 • Bastrop, Louisiana 71221-0631
Telephone 318-281-4492 • Fax 318-281-4087

In accordance with *Government Auditing Standards*, we have also issued our report dated May 18, 2001, on our consideration of Morehouse Parish Police Jury's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements taken as a whole. The combining financial statements and financial information listed as supplementary information in the table of contents are presented for purposes of additional analysis and are not a required part of the general-purpose financial statements of Morehouse Parish Police Jury. The schedule of expenditures of federal awards is presented as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

The combining financial statements and supplementary information have been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, the combining financial statements and supplementary information are fairly presented, in all material respects, in relation to the general-purpose financial statements taken as a whole.

Hill, Dyna & Co.

May 18, 2001

# GENERAL-PURPOSE FINANCIAL STATEMENTS

## (COMBINED STATEMENTS - OVERVIEW)

MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA

COMBINED BALANCE SHEET - ALL FUND TYPES, ACCOUNT GROUPS,
AND DISCRETELY PRESENTED COMPONENT UNITS
December 31, 2000
With Comparative Totals for December 31, 1999

| | Governmental Fund Types | | |
|---|---|---|---|
| ASSETS AND OTHER DEBITS | General | Special Revenue | Debt Service |
| Assets: | | | |
| Cash and cash equivalents | $ 152,173 | $ 2,389,898 | $ 230,879 |
| Investments | - | 3,460,000 | 105,000 |
| Receivables | 381,419 | 1,085,274 | 157,614 |
| Due from other funds | 50,457 | 16,564 | - |
| Due from other component unit | - | - | - |
| Fixed assets | - | - | - |
| Other debits: | | | |
| Amount available in Debt Service Fund | - | - | - |
| Amount to be provided for retirement of general long-term debt | - | - | - |
| Total assets and other debits | $ 584,049 | $ 6,951,736 | $ 493,493 |

| Account Groups | | Primary Government | | Reporting Entity Totals - (Memorandum Only) | |
|---|---|---|---|---|---|
| General Fixed Assets | General Long-Term Debt | Totals - (Memorandum Only) | Component Units | December 31, 2000 | 1999 |
| $ - | $ - | $ 2,772,950 | $ 219,404 | $ 2,992,354 | $ 3,179,548 |
| - | - | 3,565,000 | - | 3,565,000 | 4,385,000 |
| - | - | 1,624,307 | 324,855 | 1,949,162 | 2,642,180 |
| - | - | 67,021 | - | 67,021 | 67,021 |
| - | - | - | - | - | 16,293 |
| 12,366,932 | - | 12,366,932 | 455,886 | 12,822,818 | 10,809,643 |
| - | 488,702 | 488,702 | - | 488,702 | 777,847 |
| - | 135,583 | 135,583 | 1,508 | 137,091 | 409,699 |
| $ 12,366,932 | $ 624,285 | $ 21,020,495 | $ 1,001,653 | $ 22,022,148 | $ 22,287,231 |

(continued)

MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA

COMBINED BALANCE SHEET - ALL FUND TYPES, ACCOUNT GROUPS,
AND DISCRETELY PRESENTED COMPONENT UNITS
(Continued)
December 31, 2000
With Comparative Totals for December 31, 1999

| | Governmental Fund Types | | |
|---|---|---|---|
| LIABILITIES, EQUITY, AND OTHER CREDITS | General | Special Revenue | Debt Service |
| Liabilities: | | | |
| Accounts payable | $ 13,516 | $ 338,354 | $ 4,791 |
| Due to other funds | - | 67,021 | - |
| Capital leases payable | - | - | - |
| General obligation bonds payable | - | - | - |
| Certificates of indebtedness payable | - | - | - |
| Claims and judgments payable | - | - | - |
| Compensated absences payable | - | - | - |
| Total liabilities | $ 13,516 | $ 405,375 | $ 4,791 |
| Equity and other credits: | | | |
| Investment in general fixed assets | $ - | $ - | $ - |
| Fund balances: | | | |
| Reserved for long-term loan to component unit | - | - | - |
| Reserved for debt service | - | - | 488,702 |
| Unreserved and undesignated | 570,533 | 6,546,361 | - |
| Total equity and other credits | $ 570,533 | $ 6,546,361 | $ 488,702 |
| Total liabilities, equity, and other credits | $ 584,049 | $ 6,951,736 | $ 493,493 |

See notes to financial statements.

| Account Groups | | Primary Government | | Reporting Entity Totals - (Memorandum Only) | |
|---|---|---|---|---|---|
| General Fixed Assets | General Long-Term Debt | Totals - (Memorandum Only) | Component Units | December 31, 2000 | 1999 |
| $ - | $ - | $ 356,661 | $ 4,306 | $ 360,967 | $ 107,202 |
| - | - | 67,021 | - | 67,021 | 67,021 |
| - | - | - | - | - | 55,950 |
| - | 450,000 | 450,000 | - | 450,000 | 880,000 |
| - | 65,000 | 65,000 | - | 65,000 | 136,000 |
| - | 79,008 | 79,008 | - | 79,008 | 88,147 |
| - | 30,277 | 30,277 | 1,508 | 31,785 | 27,449 |
| $ - | $ 624,285 | $ 1,047,967 | $ 5,814 | $ 1,053,781 | $ 1,361,769 |
| $ 12,366,932 | $ - | $ 12,366,932 | $ 455,886 | $ 12,822,818 | $ 10,809,643 |
| - | - | - | - | - | 20,000 |
| - | - | 488,702 | - | 488,702 | 777,847 |
| - | - | 7,116,894 | 539,953 | 7,656,847 | 9,317,972 |
| $ 12,366,932 | $ - | $ 19,972,528 | $ 995,839 | $ 20,968,367 | $ 20,925,462 |
| $ 12,366,932 | $ 624,285 | $ 21,020,495 | $ 1,001,653 | $ 22,022,148 | $ 22,287,231 |

MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES AND DISCRETELY PRESENTED COMPONENT UNITS
Year Ended December 31, 2000
With Comparative Totals for Year Ended December 31, 1999

| | Governmental Fund Types | | | |
|---|---|---|---|---|
| | General | Special Revenue | Debt Service | Capital Projects |
| Revenues: | | | | |
| Taxes | $ 325,964 | $ 2,718,715 | $ 157,639 | $ - |
| Licenses and permits | 99,592 | - | - | - |
| Intergovernmental | 839,490 | 437,667 | - | 391,273 |
| Fees, charges, and commissions for services | 200 | 21,877 | - | - |
| Fines and forfeitures | - | - | - | - |
| Interest and miscellaneous | 51,086 | 480,138 | 19,462 | - |
| | $ 1,316,332 | $ 3,658,397 | $ 177,101 | $ 391,273 |
| Expenditures: | | | | |
| Current: | | | | |
| General government: | | | | |
| Legislative | $ 86,818 | $ - | $ - | $ - |
| Judicial | 241,038 | 19,050 | - | - |
| Elections | 45,545 | - | - | - |
| Finance and administrative | 328,214 | - | 4,791 | - |
| Other | 95,185 | 29,945 | - | - |
| Public safety | 279,236 | 15,121 | - | - |
| Public works | - | 2,925,116 | - | - |
| Health and welfare | 86,430 | 26,761 | - | - |
| Culture and recreation | 114 | - | - | - |
| Economic development and assistance | 313,018 | - | - | - |
| Claims and judgments | - | - | - | - |
| Debt service: | | | | |
| Principal | 20,000 | 106,950 | 430,000 | - |
| Interest | 4,590 | 12,314 | 31,455 | - |
| Capital outlay | - | 2,026,432 | - | 391,273 |
| | $ 1,500,188 | $ 5,161,689 | $ 466,246 | $ 391,273 |

| Primary Government Totals - (Memorandum Only) | Component Units | Reporting Entity Totals - (Memorandum Only) Year Ended December 31, 2000 | 1999 |
|---|---|---|---|
| $ 3,202,318 | $ 154,167 | $ 3,356,485 | $ 6,475,192 |
| 99,592 | - | 99,592 | 81,531 |
| 1,668,430 | 276,822 | 1,945,252 | 2,116,829 |
| 22,077 | - | 22,077 | 23,944 |
| - | 229,668 | 229,668 | 261,358 |
| 550,686 | 66,917 | 617,603 | 555,139 |
| $ 5,543,103 | $ 727,574 | $ 6,270,677 | $ 9,513,993 |
| | | | |
| $ 86,818 | $ - | $ 86,818 | $ 63,778 |
| 260,088 | 281,424 | 541,512 | 601,831 |
| 45,545 | - | 45,545 | 43,341 |
| 333,005 | - | 333,005 | 331,121 |
| 125,130 | - | 125,130 | 100,253 |
| 294,357 | 428,065 | 722,422 | 823,012 |
| 2,925,116 | - | 2,925,116 | 3,163,214 |
| 113,191 | 14,185 | 127,376 | 99,067 |
| 114 | - | 114 | 114 |
| 313,018 | - | 313,018 | 296,148 |
| - | - | - | 3,500 |
| 556,950 | - | 556,950 | 477,000 |
| 48,359 | - | 48,359 | 64,074 |
| 2,417,705 | - | 2,417,705 | 1,361,184 |
| $ 7,519,396 | $ 723,674 | $ 8,243,070 | $ 7,427,637 |

(continued)

MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES
AND DISCRETELY PRESENTED COMPONENT UNITS (Continued)
Year Ended December 31, 2000
With Comparative Totals for Year Ended December 31, 1999

| | Governmental Fund Types | | | |
|---|---|---|---|---|
| | General | Special Revenue | Debt Service | Capital Projects |
| Excess (deficiency) of revenues over expenditures | $( 183,856) | $( 1,503,292) | $( 289,145) | $ - |
| Other financing sources (uses): | | | | |
| Sale of assets | 451 | 1,672 | - | - |
| Operating transfers in (out) | 48,469 | ( 48,294) | - | - |
| Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses | $( 134,936) | $( 1,549,914) | $( 289,145) | $ - |
| Fund balances - beginning | 705,469 | 8,096,275 | 777,847 | - |
| Fund balances - ending | $ 570,533 | $ 6,546,361 | $ 488,702 | $ - |

See notes to financial statements.

| Primary Government Totals - (Memorandum Only) | Component Units | Reporting Entity Totals - (Memorandum Only) Year Ended December 31, 2000 | 1999 |
|---|---|---|---|
| $( 1,976,293) | $ 3,900 | $( 1,972,393) | $ 2,086,356 |
| 2,123 | - | 2,123 | 2,736 |
| 175 | ( 175) | - | - |
| $( 1,973,995) | $ 3,725 | $( 1,970,270) | $ 2,089,092 |
| 9,579,591 | 536,228 | 10,115,819 | 8,026,727 |
| $ 7,605,596 | $ 539,953 | $ 8,145,549 | $ 10,115,819 |

MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS) - ALL GOVERNMENTAL FUND TYPES AND
DISCRETELY PRESENTED COMPONENT UNITS
Year Ended December 31, 2000

| | General | | | |
|---|---|---|---|---|
| | Budget | Actual | Variance - Favorable (Unfavorable) | Budget |
| Revenues: | | | | |
| Taxes | $ 303,809 | $ 303,640 | $( 169) | $ 2,917,881 |
| Licenses and permits | 94,900 | 99,568 | 4,668 | - |
| Intergovernmental | 936,394 | 824,116 | ( 112,278) | 468,942 |
| Fee, charges, and commissions for services | 226 | 197 | ( 29) | 22,000 |
| Fines and forfeitures | - | - | - | - |
| Interest and miscellaneous | 63,337 | 63,199 | ( 138) | 206,000 |
| | $ 1,398,666 | $ 1,290,720 | $( 107,946) | $ 3,614,823 |
| Expenditures: | | | | |
| Current: | | | | |
| General government: | | | | |
| Legislative | $ 105,904 | $ 86,818 | $ 19,086 | $ - |
| Judicial | 263,032 | 249,003 | 14,029 | 23,000 |
| Elections | 58,779 | 45,545 | 13,234 | - |
| Finance and administrative | 334,336 | 327,440 | 6,896 | - |
| Other | 182,586 | 125,538 | 57,048 | 75,639 |
| Public safety | 309,634 | 278,966 | 30,668 | 96,255 |
| Public works | - | - | - | 3,590,506 |
| Health and welfare | 90,336 | 86,456 | 3,880 | 74,392 |
| Culture and recreation | 900 | 114 | 786 | - |
| Economic development and assistance | 379,649 | 313,018 | 66,631 | - |
| Claims and judgments | - | - | - | - |
| Debt service: | | | | |
| Principal | - | 20,000 | ( 20,000) | 55,978 |
| Interest | - | 4,590 | ( 4,590) | - |
| Capital outlay | - | - | - | 5,122,606 |
| | $ 1,725,156 | $ 1,537,488 | $ 187,668 | $ 9,038,376 |

| Governmental Fund Types | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Special Revenue | | | Debt Service | | | Component Units | | |
| Actual | Variance - Favorable (Unfavorable) | Budget | Actual | Variance - Favorable (Unfavorable) | Budget | Actual | Variance - Favorable (Unfavorable) |
| $ 3,095,478 | $ 177,597 | $ 481,109 | $ 479,949 | $( 1,160) | $ 244,264 | $ 142,219 | $( 102,045) |
| - | - | - | - | - | - | - | - |
| 436,591 | ( 32,351) | - | - | - | 336,650 | 324,343 | ( 12,307) |
| 21,844 | ( 156) | - | - | - | - | - | - |
| - | - | - | - | - | 235,000 | 232,001 | ( 2,999) |
| 472,330 | 266,330 | 10,000 | 18,947 | 8,947 | 71,850 | 66,966 | ( 4,884) |
| $ 4,026,243 | $ 411,420 | $ 491,109 | $ 498,896 | $ 7,787 | $ 887,764 | $ 765,529 | $( 122,235) |
| | | | | | | | |
| $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| 19,084 | 3,916 | - | - | - | 301,319 | 281,267 | 20,052 |
| - | - | - | - | - | - | - | - |
| - | - | 20,645 | 14,641 | 6,004 | - | - | - |
| 29,568 | 46,071 | - | - | - | - | - | - |
| 26,835 | 69,420 | - | - | - | 607,765 | 428,505 | 179,260 |
| 2,922,570 | 667,936 | - | - | - | - | - | - |
| 26,544 | 47,848 | - | - | - | 26,571 | 14,175 | 12,396 |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| 106,950 | ( 50,972) | - | 430,000 | ( 430,000) | - | - | - |
| 12,314 | ( 12,314) | 611,682 | 31,455 | 580,227 | - | - | - |
| 1,719,913 | 3,402,693 | - | - | - | - | - | - |
| $ 4,863,778 | $ 4,174,598 | $ 632,327 | $ 476,096 | $ 156,231 | $ 935,655 | $ 723,947 | $ 211,708 |

(continued)

MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS) - ALL GOVERNMENTAL FUND TYPES AND
DISCRETELY PRESENTED COMPONENT UNITS (Continued)
Year Ended December 31, 2000

| | General | | | |
|---|---|---|---|---|
| | Budget | Actual | Variance - Favorable (Unfavorable) | Budget |
| Excess (deficiency) of revenues over expenditures | $( 326,490) | $( 246,768) | $ 79,722 | $( 5,423,553) |
| Other financing sources (uses): | | | | |
| Sale of fixed assets | - | 451 | 451 | - |
| Repayment of advance | 20,579 | - | ( 20,579) | - |
| Operating transfers in (out) | 42,654 | 48,469 | 5,815 | ( 56,050) |
| Excess (deficiency) of revenues and and other financing sources over expenditures and other financing uses | $( 263,257) | $( 197,848) | $ 65,409 | $( 5,479,603) |
| Fund balances - beginning (non-GAAP and GAAP budgetary basis) | 567,903 | 705,469 | 137,566 | 1,738,874 |
| Fund balances - ending ( non-GAAP budgetary basis) | $ 304,646 | $ 507,621 | $ 202,975 | $( 3,740,729) |
| Adjustments to generally accepted accounting principles: | | | | |
| Revenue accruals | | 34,731 | | |
| Expenditure accruals | | 28,181 | | |
| Fund balances - ending (GAAP basis) | | $ 570,533 | | |

See notes to financial statements.

| Governmental Fund Types | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Special Revenue | | | Debt Service | | | Component Units | | |
| Actual | Budget | Variance - Favorable (Unfavorable) | Actual | Budget | Variance - Favorable (Unfavorable) | Actual | Budget | Variance - Favorable (Unfavorable) |
| $( 837,535) | $ 4,586,018 | $( 141,218) | $ 22,800 | $ 164,018 | $( 47,891) | $ 41,582 | $ 89,473 | |
| 1,672 | 1,672 | - | - | - | - | - | - | |
| - | - | - | - | - | - | - | - | |
| ( 48,294) | 7,756 | - | - | - | ( 200) | ( 175) | 25 | |
| $( 884,157) | $ 4,595,446 | $( 141,218) | $ 22,800 | $ 164,018 | $( 48,091) | $ 41,407 | $ 89,498 | |
| 8,096,275 | 6,357,401 | 760,790 | 777,847 | 17,057 | 413,589 | 536,228 | 122,639 | |
| $ 7,212,118 | $ 10,952,847 | $ 619,572 | $ 800,647 | $ 181,075 | $ 365,498 | $ 577,635 | $ 212,137 | |
| ( 367,844) | | | ( 321,795) | | | ( 38,111) | | |
| ( 297,913) | | | 9,850 | | | 429 | | |
| $ 6,546,361 | | | $ 488,702 | | | $ 539,953 | | |

MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2000

Note 1. Organization and Summary of Significant Accounting Policies

Morehouse Parish Police Jury (the "Jury") is the governing authority for Morehouse Parish and is a political subdivision of State of Louisiana. The Jury is governed by seven compensated jurors representing, by election, the various districts within the parish. The jurors serve four-year terms that will expire on December 31, 2003.

Louisiana Revised Statute 33:1236 gives the Jury various powers in regulating and directing the affairs of the parish and its inhabitants. The more notable of these are the powers to make regulations for its own government; to regulate the construction and maintenance of roads, bridges, and 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, beer and alcoholic beverage permits, state revenue sharing, and various other state and federal grants.

The parish is located in northeast Louisiana and its population is approximately 31,500. Approximately 540 miles of roads are maintained by the parish. The Jury employs approximately 80 people.

In accomplishing its objectives, the 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, and health care facilities.

Basis of Presentation:

Except as described in the financial reporting entity definition, the accompanying financial statements of the Jury have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Government Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

Financial Reporting Entity:

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

GASB Statement No. 14 established criteria for determining which component units should be considered part of Morehouse 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 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 Jury.

2. Organizations for which the Jury does not appoint a voting majority but are fiscally dependent on the 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 Jury has determined that the following component units are part of the reporting entity:

| Component Unit | Fiscal Year End | Criteria Used |
|---|---|---|
| Bastrop Fire District Two | 12-31 | 1 |
| Fourth Judicial District Criminal Court | 12-31 | 3 |
| Ward Two Fire Protection District No. 1 | 12-31 | 1 |
| Ward Five Fire Protection District No. 1 | 12-31 | 1 |
| Ward Six Fire Protection District No. 1 | 12-31 | 1 |
| Ward Eight Fire Protection District No. 1 | 12-31 | 1 |
| Ward Ten Fire Protection District No. 1 | 12-31 | 1 |
| Morehouse Parish Library | 12-31 | 2 |
| Water District No. 1 | 6-30 | 1 |
| Morehouse General Hospital Service District, Morehouse General Hospital | 12-31 | 1 and 2 |
| Waterworks District No. 2 | 12-31 | 1 |
| Collinston Sewerage District No. 1 | 12-31 | 1 |
| Morehouse Parish Communications District | 12-31 | 1 |
| Ward Two Cemetery | 12-31 | 1 |
| Morehouse Sales and Use Tax Commission | 6-30 | 2 |

Component units that are legally separate from the Jury, but are financially accountable to the Jury, or whose relationship with the Jury are such that exclusion would cause the Jury's financial statements to be misleading or incomplete are discretely presented. The Jury has chosen to issue financial statements of the primary government (Jury) and three discretely presented component units (Ward Two Cemetery, Bastrop Fire District Two, and Fourth Judicial District Criminal Court). The "component units" column of the combined financial statements include the financial data of these discretely presented component units. They are reported in a separate column to emphasize that they are legally separate from the Jury. None of the component units listed in the previous paragraph (except for Ward Two Cemetery, Bastrop Fire District Two, and Fourth Judicial District Criminal Court) are included in the accompanying financial statements. The financial impact on the financial statements of the omission of these component units is unknown.

The following presents the combining financial statements for each of the discretely presented component units:

## Combining balance sheet:

| ASSETS AND OTHER DEBIT | Ward Two Cemetery | Bastrop Fire District Two | Criminal Court | Totals |
|---|---|---|---|---|
| Assets: | | | | |
| Cash and cash equivalents | $ 21,392 | $ 196,498 | $ 1,514 | $ 219,404 |
| Receivables | 20,735 | 297,821 | 6,299 | 324,855 |
| Fixed assets | 13,943 | 437,163 | - | 451,106 |
| Other debit: | | | | |
| Amount to be provided for retirement of general long-term debt | - | - | 1,508 | 1,508 |
| Total assets and other debit | $ 56,070 | $ 931,482 | $ 9,321 | $ 996,873 |
| LIABILITIES, EQUITY, AND OTHER CREDIT | | | | |
| Liabilities: | | | | |
| Accounts payable | $ 212 | $ 4,094 | $ - | $ 4,306 |
| Compensated absences payable | - | - | 1,508 | 1,508 |
| Total liabilities | $ 212 | $ 4,094 | $ 1,508 | $ 5,814 |
| Equity and other credit: | | | | |
| Investment in general fixed assets | $ 13,943 | $ 437,163 | $ - | $ 451,106 |
| Fund balances - unreserved and undesignated | 41,915 | 490,225 | 7,813 | 539,953 |
| Total equity and other credit | $ 55,858 | $ 927,388 | $ 7,813 | $ 991,059 |
| Total liabilities, equity, and other credit | $ 56,070 | $ 931,482 | $ 9,321 | $ 996,873 |

Combining statement of revenues, expenditures, and changes in fund balances:

| | Ward Two Cemetery | Bastrop Fire District Two | Criminal Court | Totals |
|---|---|---|---|---|
| Revenues: | | | | |
| Taxes | $ 20,585 | $ 133,582 | $ - | $ 154,167 |
| Intergovernmental | 214 | 276,608 | - | 276,822 |
| Fines and forfeitures | - | - | 229,668 | 229,668 |
| Interest and miscellaneous | 1,357 | 17,030 | 48,530 | 66,917 |
| | $ 22,156 | $ 427,220 | $ 278,198 | $ 727,574 |
| Expenditures: | | | | |
| Current: | | | | |
| General government: | | | | |
| Judicial | $ - | $ - | $ 281,424 | $ 281,424 |
| Public safety | - | 428,065 | - | 428,065 |
| Health and welfare | 14,185 | - | - | 14,185 |
| | $ 14,185 | $ 428,065 | $ 281,424 | $ 723,674 |
| Excess (deficiency) of revenues over expenditures | $ 7,971 | $( 845) | $( 3,226) | $ 3,900 |
| Other financing sources (uses): | | | | |
| Operating transfers in (out) | ( 175) | - | - | ( 175) |
| Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses | $ 7,796 | $( 845) | $( 3,226) | $ 3,725 |
| Fund balances - beginning | 34,119 | 491,070 | 11,039 | 536,228 |
| Fund balances - ending | $ 41,915 | $ 490,225 | $ 7,813 | $ 539,953 |

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 (Jury) financial statements are not a substitute for the reporting entity's financial statements. The accompanying reporting entity 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 entire reporting entity but rather are intended to reflect only the financial statements of the primary government (Jury) and the three component units.

Considered in the determination of component units of the reporting entity were Morehouse Parish Sheriff, Morehouse Parish Clerk of Court, Morehouse Parish Tax Assessor, Morehouse Parish School Board, District Attorney and Judges for the Fourth Judicial District, Morehouse Council on Aging, Inc., Morehouse Association for Retarded Citizens, Morehouse Community Improvement, Inc., and the various municipalities and nonprofit entities in the parish. It was determined that these governmental and nonprofit entities are not component units of Morehouse Parish Police Jury reporting entity. With the exception of the District Attorney and Judges, these entities have separately elected governing bodies, are legally separate, and are fiscally independent of the Jury. They are considered by the Jury to be separate autonomous entities and issue financial statements separate from those of Morehouse Parish Police Jury reporting entity. The District Attorney and Judges for the Fourth Judicial District are fiscally dependent upon the Jury; however, the Fourth Judicial District includes both Ouachita and Morehouse Parishes, and the preponderance of the activities of those entities occurs in Ouachita Parish. Consequently, the Jury has concluded that the District Attorney and Judges should properly be reported in the Ouachita Parish reporting entity.

Fund Accounting:

The 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 relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds of the Jury are classified into the category of governmental funds. In turn, this category is divided into separate fund types. The fund classification and a description of each existing fund type follow:

Governmental funds:

Governmental funds are used to account for all or most of the 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 funds include:

General Fund - the general operating fund of the Jury and accounts for all financial resources, 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.

Debt Service Fund - accounts for transactions relating to resources retained and used for the payment of principal and interest on those long-term obligations recorded in the General Long-Term Debt Account Group.

Capital Projects Fund - accounts for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds.

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 are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by all governmental funds. The modified accrual basis of accounting recognizes revenues when both "measurable" and "available. Measurable means the amount can be determined and available means collectible within the current period or soon enough thereafter to pay current liabilities. Also, under the modified accrual basis of accounting, expenditures are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported as expenditures in the year due.

Transfers between funds that are not expected to be repaid (and any other financing source/use) are accounted for as other financing sources (uses) and are recorded when the transaction occurs.

Those major revenues susceptible to accrual are ad valorem taxes, sales taxes, and intergovernmental revenues. Licenses and permits; fees, charges, and commissions for services; and fines and forfeitures are deemed to be susceptible to accrual if they are collected by the Jury within sixty days after year end. Other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

Budgets and Budgetary Accounting:

Preliminary budgets for the ensuing year are prepared by the Secretary and Treasurer during October of each year. During November, the finance committee reviews the proposed budgets and makes changes as it deems appropriate. Notice of the location and the availability of the proposed budgets for public inspection and the date of the public hearing to be conducted on the budgets are then advertised in the official journal. Prior to its regular December meeting, the Jury conducts a public hearing on the proposed budgets in order to receive comments from residents. Changes are made to the proposed budgets based on the public hearing and the desires of the Jury as a whole. The budgets are then adopted during the Jury's regular December meeting and notice of adoption, which includes budget summaries, is published in the official journal.

The Jury adopted annual budgets for the General Fund, Special Revenue Funds, Debt Service Fund, and component units on December 27, 1999. The annual budgets were prepared on a non-GAAP budgetary basis of accounting. All budget amendments were approved by the Jury. Budgets were amended at various times throughout the year approving additional revenues and expenditures for the funds. The budget comparison statements included in the accompanying financial statements include the original adopted budgets (non-GAAP budgetary basis) and all subsequent amendments. All annual appropriations lapse at fiscal year end.

Encumbrances:

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the Jury.

Cash and Cash Equivalents:

Cash includes amounts in interest-bearing demand deposits and cash equivalents include amounts in time deposits with original maturities of 90 days or less. Under state law, the Jury may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

Investments:

Investments are limited by Louisiana Revised Statute 33:2955. If the original maturities of time deposits exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents. At December 31, 2000, the Jury's investments consist of non-negotiable certificates of deposit that are reported in the accompanying financial statements at cost.

Uncollectible Allowance:

The statements contain no provision for uncollectible accounts. The Jury is of the opinion that such allowance would be immaterial in relation to the financial statements taken as a whole.

Short-Term Interfund Receivables/Payables:

During the course of operations, numerous transactions occur between individual funds for goods or services rendered. These receivables and payables are classified as due from other funds or due to other funds on the balance sheet.

Fixed Assets:

For the primary government, fixed assets of governmental funds are recorded as expenditures at the time purchased or constructed, and the related assets are capitalized (reported) in the General Fixed Assets Account Group. For the discretely presented component units, general fixed assets are reported in the "component units" column on the combined balance sheet. Public domain or infrastructures are not capitalized. These assets are immovable and of value only to the Jury and component units. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or if donated, at their estimated market value on the date donated.

Accumulated Compensated Absences:

Full-time employees of the Jury earn from one to five weeks of annual leave each anniversary year of employment, depending on length of service. Five personal holidays are earned each calendar year by full-time employees. Employees may not accumulate annual leave or personal holidays. Upon resignation or retirement, employees are compensated for annual leave earned but not taken during the current anniversary year of employment at the employee's current rate of pay. Employees are not compensated for nonvesting accumulated personal holidays upon termination of employment.

Full-time employees of the Criminal Court (component unit) earn from six to fifteen days of annual leave each year of service, depending on length of service. Employees are encouraged to utilize annual leave during the year in which the leave is earned. Employees with at least one year of continuous service, who are separated for other than disciplinary reasons, and provided they have submitted notice at least two weeks in advance of the effective date of resignation, may at the discretion of the district attorney, be paid for any accrued annual leave at the time of separation.

Bastrop Fire District Two and Ward Two Cemetery (component units) have no full-time employees and have not established a formal annual leave policy.

For the primary government and component units, the cost of annual leave is recognized as a current year expenditure within the various funds when annual leave is actually taken or when employees are paid for accrued annual leave upon resignation or retirement, while the cost of annual leave privileges not requiring current resources of the primary government is recorded in the General Long-Term Debt Account Group.

Long-Term Obligations:

For the primary government, long-term obligations expected to be financed from governmental funds are reported in the General Long-Term Debt Account Group. For the discretely presented component units, long-term obligations are reported in the "component units" column on the combined balance sheet. Expenditures for principal and interest payments for long-term obligations are recognized in the governmental funds when due.

Fund Balance - Reserved:

Reserves represent those portions of fund equity not appropriate for expenditure or legally segregated for a specific future use.

Interfund Transactions:

Quasi-external transactions are accounted for as revenues or expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

Revenue Recognition - Ad Valorem and Sales Taxes:

Ad valorem taxes attach as an enforceable lien on property as of the date of the tax rolls are filed with the recorder of mortgages which, by law, must be on or before November 15 of each year. Billed taxes become delinquent on January 1 of the following year. Morehouse Parish Sheriff bills and collects the Jury's property taxes using the assessed values determined by Morehouse Parish Tax Assessor. Revenues from ad valorem taxes are recognized when levied.

Sales/use taxes collected and held by other governments at year end on behalf of the Jury and those collected by other governments and remitted to the Jury within 60 days after December 31 for preceding months are recognized as revenue. The sales/use taxes are collected by Morehouse Parish Sales and Use Tax Commission and remitted to the Jury.

Total Columns on Combined Statements - Overview:

Total columns on the combined statements are captioned "memorandum only" 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.

Comparative Data:

Comparative totals for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the Jury's financial position and operations. However, presentation of prior year totals by fund type have not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

Note 2. Revenues - Budget and Actual (Non-GAAP Budgetary Basis)

The following individual funds' actual revenues failed to meet budgeted revenues for the year ended December 31, 2000:

| | Budget | Actual | Unfavorable Variance | Percentage Unfavorable Variance |
|---|---|---|---|---|
| General | $ 1,398,666 | $ 1,290,720 | $ 107,946 | 7.72% |
| Bastrop Fire District 2 | 567,474 | 463,630 | 103,844 | 18.30% |
| Criminal Court | 229,550 | 280,531 | 19,019 | 6.35% |

Note 3. Deposits with Financial Institutions

The following is a summary of cash, cash equivalents, and investments (book balances) at December 31, 2000:

| | Primary Government | Component Units | Totals |
|---|---|---|---|
| Interest-bearing demand deposits | $ 387,949 | $( 15,595) | $ 372,354 |
| Time deposits | 5,950,000 | 235,000 | 6,185,000 |
| | $ 6,337,949 | $ 219,405 | $ 6,557,354 |

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 were held in the name of the pledging fiscal agent bank in a holding or custodial bank that was mutually acceptable to both parties.

At December 31, 2000, the Jury and the discretely presented component units had $6,800,870 in deposits (collected bank balances). These deposits were secured from risk by $500,000 of federal deposit insurance and $6,300,870 of pledged securities held by the custodial bank, the Jury, or the Jury's agent in the Jury's or custodial bank's name (GASB Category 1 and 2).

The deposits of the discretely presented component units are included in this analysis as all of the demand deposits are held in a master bank account and the fiscal agent bank considers the discretely presented component units' deposits to be a part of the Jury for pledging purposes in that the Jury has authority to transact on these accounts.

There were no repurchase or reverse repurchase agreements at December 31, 2000.

Note 4. Receivables

A summary of receivables at December 31, 2000, is as follows:

| | Primary Government | | | | |
|---|---|---|---|---|---|
| | General | Special Revenue | Debt Service | Component Units | Totals |
| Taxes: | | | | | |
| Ad valorem | $ 316,699 | $ 985,620 | $ 155,165 | $ 153,146 | $ 1,610,630 |
| Beer | 1,952 | - | - | - | 1,952 |
| Sales | - | 3,492 | - | - | 3,492 |
| Licenses and permits | 69 | - | - | - | 69 |
| Intergovernmental: | | | | | |
| Severance taxes | 59,785 | - | - | - | 59,785 |
| Parish transportation | - | 51,073 | - | - | 51,073 |
| Structure assessments | - | - | - | 163,213 | 163,213 |
| Other | 2,898 | 14 | - | - | 2,912 |
| Fees, charges, and commissions for services | - | 1,417 | - | - | 1,417 |
| Fines and forfeitures | - | - | - | 6,299 | 6,299 |
| Interest and miscellaneous | 16 | 43,658 | 2,449 | 2,197 | 48,320 |
| | $ 381,419 | $ 1,085,274 | $ 157,614 | $ 324,855 | $ 1,949,162 |

Note 5. Taxes

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

| | Authorized Millage | Levied Millage | Expiration Date |
|---|---|---|---|
| Primary Government | | | |
| General corporate purposes | 6.16 | 6.16 | Perpetual |
| Road maintenance | 4.89 | 4.89 | 2008 |
| Drainage maintenance | 2.23 | 2.23 | 2007 |
| Public buildings | .53 | .53 | 2005 |
| Public buildings and health facility | .89 | .89 | 2007 |
| Health unit | .99 | .99 | 2001 |
| Hospital sinking | 1.50 | 1.50 | 2001 |
| Component Units | | | |
| Ward Two Cemetery | 3.00 | 3.00 | 2001 and 2007 |
| Bastrop Fire District Two | 6.70 | 6.70 | 2008 |

Total ad valorem taxes levied were $1,610,627 for the above mileages. As of December 31, 2000, no amounts were due from prior year tax levies.

The following are the principal ad valorem taxpayers for the parish:

| Taxpayer | Assessed Valuation | Approximate Percentage of Total Assessed Valuation | Ad Valorem Tax Revenue |
|---|---|---|---|
| International Paper Co. | $ 23,567,310 | 22.79% | $ 1,280,691 |
| Texas Gas Transmission Corp. | 4,698,701 | 4.54% | 308,985 |
| Entergy Louisiana, Inc. | 5,192,739 | 5.02% | 277,744 |

For the year ended December 31, 2000, sales taxes were levied as follows:

| Rate | Purpose | Expiration Date |
|---|---|---|
| ½% | (i) constructing, acquiring, maintaining, improving, and operating a solid waste collection and disposal system and maintaining a fund balance of at least $250,000, and (ii) constructing, maintaining, and improving roads and bridges in Morehouse Parish | April 30, 2005 |

Note 6. Due From/To Other Funds

A summary of amounts due from/to other funds at December 31, 2000, is as follows:

| Receivable Fund | Payable Fund | Amounts |
|---|---|---|
| General | Road Maintenance | $ 50,457 |
| Drainage Maintenance | Road Maintenance | 16,264 |
| Solid Waste | Road Maintenance | 300 |
| | | $ 67,021 |

Note 7. Changes in Fixed Assets

A summary of changes in general fixed assets is as follows:

| | Primary Government | | | | | |
|---|---|---|---|---|---|---|
| | Balance December 31, 2000 | Additions | Retire-ments | Reclassi-fications | Transfers | Balance December 31, 2000 |
| Land | $ 492,724 | $ 10,500 | $ - | $ - | $ - | $ 503,224 |
| Buildings | 7,114,684 | 2,041,432 | - | - | - | 9,156,116 |
| Equipment and furniture | 2,170,571 | 351,809 | (24,788) | 210,000 | - | 2,707,592 |
| Construction in progress | 373,776 | 117,472 | - | - | ( 491,248) | - |
| Under capital lease | 210,000 | - | - | ( 210,000) | - | - |
| Totals | $10,361,755 | $ 2,521,213 | $(24,788) | $ - | $( 491,248) | $ 12,366,932 |

| | Component Units | | | | | |
|---|---|---|---|---|---|---|
| | Balance January 1, 2000 | Additions | Retire-ments | Reclassi-fications | Transfers | Balance December 31, 2000 |
| Equipment and furniture | $ 447,888 | $ 7,998 | $ - | $ - | $ - | $ 455,886 |

In 1999, the Jury was awarded two separate Community Development Block Grants from State of Louisiana Division of Administration for the purposes of sewer improvements, acquiring land, constructing fire stations, and acquiring equipment for two of the Jury's component units (not included in the financial statements). Upon completion of the sewer improvement project in 2000, the related fixed assets were transferred to the component unit. Within 2001, acts of donations and transfers will be made by the Jury of the acquired land, constructed fire stations, and acquired equipment to the other component unit.

Note 8. Changes in General Long-Term Debt

The following is a summary of long-term obligation transactions for the year ended December 31, 2000:

| | Primary Government | | | | | |
|---|---|---|---|---|---|---|
| | Capital Lease | General Obligation Bonds | Certificate of Indebtedness | Claims and Judgments | Compensated Absences | Totals |
| Balance - January 1, 2000 | $ 55,950 | $ 880,000 | $ 136,000 | $ 88,147 | $ 23,615 | $1,183,712 |
| Additions | - | - | - | - | 6,662 | 6,662 |
| Retirements | ( 55,950) | ( 430,000) | ( 71,000) | ( 9,139) | ( - ) | ( 566,089) |
| Balance - December 31, 2000 | $ - | $ 450,000 | $ 65,000 | $ 79,008 | $ 30,277 | $ 624,285 |

| | Component Units | | | | | |
|---|---|---|---|---|---|---|
| | Capital Lease | General Obligation Bonds | Certificate of Indebtedness | Claims and Judgments | Compensated Absences | Totals |
| Balance - January 1, 2000 | $ - | $ - | $ - | $ - | $ 3,834 | $ 3,834 |
| Additions | - | - | - | - | - | - |
| Retirements | - | - | - | - | ( 2,326) | ( 2,326) |
| Balance - December 31, 2000 | $ - | $ - | $ - | $ - | $ 1,508 | $ 1,508 |

General obligation bonds, certificate of indebtedness, and claims and judgments payable at December 31, 2000, are comprised of the following individual issues:

$2,100,000 General Obligation Hospital Refunding Bonds, Series 1997 - due in annual installments ranging from $395,000 to $450,000 through March 1, 2001. Interest at 4.73% is payable March 1 and September 1 of each year.

On January 30, 1997, the Jury issued $2,100,000 of general obligation refunding bonds for the purpose of refunding $2,040,000 of then outstanding 1991 general obligation refunding bonds.

The bonds are secured by an annual ad valorem tax levy. In accordance with R.S. 39:562, the Jury is legally restricted from incurring long-term bonded debt in excess of 10% of the assessed value of taxable property in the parish.

At December 31, 2000, the Jury has accumulated $488,702 in the Debt Service Fund for future general obligation debt requirements.

Certificate of Indebtedness Series 1993 - due in annual installments ranging from $34,000 to $54,000 through March 1, 2002. Interest at 5.50% is payable March 1 and September 1 of each year.

The Jury issued a certificate of indebtedness to a local bank for $410,000 to be used for the purpose of constructing and equipping a parish health unit. The certificate of indebtedness will be repaid from a pledge and dedication of a one mill tax to be levied on taxable property within the parish in each of the years 1992 through 2001, inclusive.

Claims and Judgments - the settlement of a lawsuit in February, 1994, by the Jury resulted in a long-term debt in the amount of $139,777. This amount was calculated by discounting the long-term portion of the required monthly payments to present value at 5.50%. The settlement will be paid by monthly installments ranging from $1,000 to $1,250 through February, 2012.

The annual requirements to amortize all bonds, certificate of indebtedness, and claims and judgments outstanding as of December 31, 2000, including interest payments of $92,278 are as follows:

| Year Ending December 31, | General Obligation Bonds | Certificate of Indebtedness | Claims and Judgments | Totals |
|---|---|---|---|---|
| 2001 | $ 460,643 | $ 56,090 | $ 13,200 | $ 529,933 |
| 2002 | - | 11,303 | 13,200 | 24,503 |
| 2003 | - | - | 13,750 | 13,750 |
| 2004 | - | - | 13,800 | 13,800 |
| 2005 | - | - | 13,800 | 13,800 |
| Thereafter | - | - | 90,500 | 90,500 |
| | $ 460,643 | $ 67,393 | $ 158,250 | $ 686,286 |

At December 31, 2000, employees of the Jury and component units had accumulated and vested $30,277 and $1,508, respectively, of employee leave benefits, which were computed in accordance with GASB Codification Section C60. The Jury's obligation is recorded within the General Long-Term Debt Account Group and the component units' obligations are accounted for within the individual funds.

Note 9. Pension Plan and Other Pension Liabilities

Plan Description:

Substantially all employees of Morehouse Parish Police Jury are members of Parochial Employees' Retirement System of Louisiana (the "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 Jury are members of Plan A.

Employee Eligibility Requirements:

All employees working at least 28 hours per week and all elected parish officials are eligible to participate.

Retirement Benefits:

| Plan | Minimum Age | Years of Service | Factor | Percent of Final Average Salary |
|---|---|---|---|---|
| Parochial Plan A | 60 | 10 | 3% | 30% |
| | 55 | 25 | 3% | 75% |
| | Any age | 30 | 3% | 90% |

Final-average salary is the employee's average salary over the 36 consecutive or joined months that produces the highest average. The System provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing Parochial Employees' Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (225)928-1361.

Funding Policy:

State statute requires covered employees to contribute a percentage of their salaries to the System. As provided by R.S. 11:103, the employer contributions are determined by an actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year.

Under Plan A, members are required by state statute to contribute 9.5 percent of their annual covered salary and the Jury is required to contribute at an actuarially determined rate. The current rate is 7.75 percent of annual covered payroll. Contributions to the System also 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 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 Jury's contributions to the System under Plan A for the years ended December 31, 2000, 1999, and 1998 were $54,549, $48,627, and $47,584, respectively, equal to the required contributions for each year.

Other Pension Liabilities:

The Jury pays a portion of the salaries for employees of the registrar of voters and Fourth Judicial District Criminal Court. These employees are also covered by multiple-employer public employees retirement systems. The Jury's contributions to the systems are considered immaterial with respect to the Jury and the benefit systems as a whole.

Note 10. Deferred Compensation Plan

The Jury offers its full-time employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan permits employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency except for a one-time withdrawal which is subject to certain restrictions.

All assets of the plan, including all deferred amounts, property, and rights purchased with deferred amounts, and all income attributable to such deferred amounts, property, or rights, are held in a trust custodial account, or annuity contract for the exclusive benefit of the participants and beneficiaries.

Investments are managed by the plan's trustees which offer a number of funds. The choice of the investment option(s) is made by the individual employee.

Note 11. Fund Balance Reservation

The general obligation bond ordinance requires that the excess assets over liabilities in the Debt Service Fund be restricted for such debt service requirements.

Note 12. Criminal Court Fund Balance

Louisiana Revised Statute 15:571.11 requires that one-half of any balance remaining in the Criminal Court Fund at year end be transferred to the General Fund. However, because of constraints related to funding the Criminal Court Fund, the Jury has elected not to transfer any amounts due from Fourth Judicial District Criminal Court. The remaining balance at each year end in the Criminal Court Fund, since the transfers have ceased being made, have not been material in relation to the financial statements as a whole.

Note 13. On-Behalf Payments for Salaries

For the year ended December 31, 2000, the Jury recognized revenue and expenditures of $13,500 in salary supplements from State of Louisiana paid directly to justices of the peace and constables.

Note 14. Contingencies and Risk Management

The Jury is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Jury carries commercial insurance for all risks of loss, including worker's compensation and employee health and accident insurance. Settlements have not exceeded insurance coverage for the current year or the three prior years. (See claims and judgments discussed in Note 8.)

The Jury has been made named as the defendant in one lawsuit which is pending as of the date of this report. The lawsuit arose principally in the normal course of operations and relates to risk which are commercially insured. The Jury's legal counsel is of the opinion that the outcome of the lawsuit will not have a material adverse effect on the accompanying financial statements. Accordingly, no provision for any losses have been recorded for the pending lawsuit.

The Jury participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the Jury has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at December 31, 2000, may be impaired. In the opinion of the Jury's management, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

# COMBINING FINANCIAL STATEMENTS

## SPECIAL REVENUE FUNDS

Account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes:

Primary Government:

Road Maintenance Fund - constructing, maintaining, and repairing public roads and bridges in the parish

Drainage Maintenance Fund - maintaining drainage canals and ditches in the parish and for acquiring, maintaining, and/or operating drainage machinery and equipment.

Building Maintenance Fund - constructing, repairing, renovating, equipping, maintaining, and operating public buildings in the parish.

Solid Waste Fund - (a) constructing, acquiring, maintaining, improving, and operating a solid waste collection and disposal system for the parish, and (b) constructing, maintaining, and improving roads and bridges in the parish.

Health Unit Fund - constructing, equipping, maintaining, and operating a health unit for the parish.

Witness Fee Fund - payment of witness fees to off-duty officers.

Courthouse and Detention Center Fund - (a) constructing, renovating, equipping, and furnishing the parish courthouse, and (b) acquiring, constructing, equipping, and furnishing a parish detention center, including payment of costs of relocation and temporary quarters for parish offices during such construction and renovation.

Component Units:

Ward Two Cemetery Fund - maintenance and upkeep of public cemeteries in Ward Two of the parish.

Bastrop Fire District Two Fund - (a) constructing, purchasing, and maintaining equipment, and (b) maintaining and operating fire protection facilities, including the hiring of additional manpower for the District.

Criminal Court Fund - general operating costs of the criminal court, to include transcriptions, statements, costs of the petit and grand juries, attendance fees, and certain costs of the district judges and the district attorney.

MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
December 31, 2000

| | Road Maintenance | Drainage Maintenance | Building Maintenance |
|---|---|---|---|
| ASSETS | | | |
| Cash and cash equivalents | $ 519,869 | $ 452,295 | $ 215,845 |
| Investments | - | - | - |
| Receivables | 559,071 | 232,091 | 148,800 |
| Due from other funds | - | 16,264 | - |
| Total assets | $ 1,078,940 | $ 700,650 | $ 364,645 |
| LIABILITIES AND EQUITY | | | |
| Liabilities: | | | |
| Accounts payable | $ 17,017 | $ 7,121 | $ 4,535 |
| Due to other funds | 67,021 | - | - |
| Total liabilities | $ 84,038 | $ 7,121 | $ 4,535 |
| Equity: | | | |
| Fund balances - unreserved and undesignated | $ 994,902 | $ 693,529 | $ 360,110 |
| Total liabilities and equity | $ 1,078,940 | $ 700,650 | $ 364,645 |

| Solid Waste | Health Unit | Witness Fee | Courthouse and Detention Center | Totals |
|---|---|---|---|---|
| $ 489,842 | $ 169,872 | $ 33,814 | $ 508,361 | $ 2,389,898 |
| - | - | 35,000 | 3,425,000 | 3,460,000 |
| 4,579 | 103,569 | 1,962 | 35,202 | 1,085,274 |
| 300 | - | - | - | 16,564 |
| $ 494,721 | $ 273,441 | $ 70,776 | $ 3,968,563 | $ 6,951,736 |
| $ - | $ 3,162 | $ - | $ 306,519 | $ 338,354 |
| - | - | - | - | 67,021 |
| $ - | $ 3,162 | $ - | $ 306,519 | $ 405,375 |
| $ 494,721 | $ 270,279 | $ 70,776 | $ 3,662,044 | $ 6,546,361 |
| $ 494,721 | $ 273,441 | $ 70,776 | $ 3,968,563 | $ 6,951,736 |

MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA

SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
Year Ended December 31, 2000

| | Road Maintenance | Drainage Maintenance | Building Maintenance |
|---|---|---|---|
| Revenues: | | | |
| Taxes | $ 508,140 | $ 231,729 | $ 144,955 |
| Intergovernmental | 437,667 | - | - |
| Fees, charges, and commissions for services | - | - | - |
| Interest and miscellaneous | 52,221 | 28,877 | 56,066 |
| | $ 998,028 | $ 260,606 | $ 201,021 |
| Expenditures: | | | |
| Current: | | | |
| General government: | | | |
| Judicial | $ - | $ - | $ - |
| Other | - | - | 29,945 |
| Public safety | - | - | - |
| Public works | 848,977 | 206,529 | 184,933 |
| Health and welfare | - | - | - |
| Debt service: | | | |
| Principal | 55,950 | - | - |
| Interest | 7336 | - | - |
| Capital outlay | - | - | - |
| | $ 912,263 | $ 206,529 | $ 214,878 |
| Excess (deficiency) of revenues over expenditures | $ 85,765 | $ 54,077 | $( 13,857) |
| Other financing sources (uses): | | | |
| Sale of assets | 1,672 | - | - |
| Operating transfers in (out) | ( 5,182) | ( 2,537) | ( 2,645) |

| Solid Waste | Health Unit | Witness Fee | Courthouse and Detention Center | Totals |
|---|---|---|---|---|
| $ 1,426,832 | $ 105,490 | $ - | $ 301,569 | $ 2,718,715 |
| - | - | - | - | 437,667 |
| - | - | 21,877 | - | 21,877 |
| 65,949 | 10,439 | 3,624 | 262,962 | 480,138 |
| $ 1,492,781 | $ 115,929 | $ 25,501 | $ 564,531 | $ 3,658,397 |
| | | | | |
| $ - | $ - | $ 19,050 | $ - | $ 19,050 |
| - | - | - | - | 29,945 |
| - | - | - | 15,121 | 15,121 |
| 1,684,677 | - | - | - | 2,925,116 |
| - | 26,761 | - | - | 26,761 |
| | | | | |
| - | 51,000 | - | - | 106,950 |
| - | 4,978 | - | - | 12,314 |
| - | - | - | 2,026,432 | 2,026,432 |
| $ 1,684,677 | $ 82,739 | $ 19,050 | $ 2,041,553 | $ 5,161,689 |
| | | | | |
| $( 191,896) | $ 33,190 | $ 6,451 | $( 1,477,022) | $( 1,503,292) |
| | | | | |
| - | - | - | - | 1,672 |
| ( 26,751) | ( 1,016) | - | ( 10,163) | ( 48,294) |

(continued)

MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA

SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (Continued)
Year Ended December 31, 2000

| | Road Maintenance | Drainage Maintenance | Building Maintenance |
|---|---|---|---|
| Excess (deficiency)of revenues and other financing sources over expenditures and other financing uses | $ 82,255 | $ 51,540 | $( 16,502) |
| Fund balances - beginning | 912,647 | 641,989 | 376,612 |
| Fund balances - ending | $ 994,902 | $ 693,529 | $ 360,110 |

| Solid Waste | Health Unit | Witness Fee | Courthouse and Detention Center | Totals |
|---|---|---|---|---|
| $( 218,647) | $ 32,174 | $ 6,451 | $( 1,487,185) | $( 1,549,914) |
| 713,368 | 238,105 | 64,325 | 5,149,229 | 8,096,275 |
| $ 494,721 | $ 270,279 | $ 70,776 | $ 3,662,044 | $ 6,546,361 |

MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA

COMPONENT UNITS - GOVERNMENTAL FUND TYPES - SPECIAL REVENUE
COMBINING BALANCE SHEET
December 31, 2000

| | Ward Two Cemetery | Bastrop Fire District Two | Criminal Court | Totals |
|---|---|---|---|---|
| ASSETS AND OTHER DEBIT | | | | |
| Assets: | | | | |
| Cash and cash equivalents | $ 21,392 | $ 196,498 | $ 1,514 | $ 219,404 |
| Receivables | 20,735 | 297,821 | 6,299 | 324,855 |
| Fixed assets | 13,943 | 437,163 | 4,780 | 455,886 |
| Other debit: | | | | |
| Amount to be provided for retirement of general long-term debt | - | - | 1,508 | 1,508 |
| Total assets and other debit | $ 56,070 | $ 931,482 | $ 14,101 | $ 1,001,653 |
| LIABILITIES, EQUITY, AND OTHER CREDIT | | | | |
| Liabilities: | | | | |
| Accounts payable | $ 212 | $ 4,094 | $ - | $ 4,306 |
| Compensated absences payable | - | - | 1,508 | 1,508 |
| Total liabilities | $ 212 | $ 4,094 | $ 1,508 | $ 5,814 |
| Equity and other credit: | | | | |
| Investment in general fixed assets | $ 13,943 | $ 437,163 | $ 4,780 | $ 455,886 |
| Fund balances - unreserved and undesignated | 41,915 | 490,225 | 7,813 | 539,953 |
| Total equity and other credit | $ 55,858 | $ 927,388 | $ 12,593 | $ 995,839 |
| Total liabilities, equity, and other credit | $ 56,070 | $ 931,482 | $ 14,101 | $ 1,001,653 |

MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA

COMPONENT UNITS - GOVERNMENTAL FUND TYPES - SPECIAL REVENUE
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
Year Ended December 31, 2000

| | Ward Two Cemetery | Bastrop Fire District Two | Criminal Court | Totals |
|---|---|---|---|---|
| Revenues: | | | | |
| Taxes | $ 20,585 | $ 133,582 | $ - | $ 154,167 |
| Intergovernmental | 214 | 276,608 | - | 276,822 |
| Fines and forfeitures | - | - | 229,668 | 229,668 |
| Interest and miscellaneous | 1,357 | 17,030 | 48,530 | 66,917 |
| | $ 22,156 | $ 427,220 | $ 278,198 | $ 727,574 |
| Expenditures: | | | | |
| Current: | | | | |
| General government: | | | | |
| Judicial | $ - | $ - | $ 281,424 | $ 281,424 |
| Public safety | - | 428,065 | - | 428,065 |
| Health and welfare | 14,185 | - | - | 14,185 |
| | $ 14,185 | $ 428,065 | $ 281,424 | $ 723,674 |
| Excess (deficiency) of revenues over expenditures | $ 7,971 | $( 845) | $( 3,226) | $ 3,900 |
| Other financing sources (uses): | | | | |
| Operating transfers in (out) | ( 175) | - | - | ( 175) |
| Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses | $ 7,796 | $( 845) | $( 3,226) | $ 3,725 |
| Fund balances - beginning | 34,119 | 491,070 | 11,039 | 536,228 |
| Fund balances - ending | $ 41,915 | $ 490,225 | $ 7,813 | $ 539,953 |

# SUPPLEMENTARY INFORMATION

MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA

SCHEDULE OF JURORS' COMPENSATION
Year Ended December 31, 2000

The schedule of compensation paid to jurors is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the jurors is included in the legislative expenditures of the General Fund. In accordance with Louisiana Revised Statute 33:1233, the Jury has elected the monthly payment method of compensation. Under this method, the jurors receive $800 to $850 per month each as follows:

| | |
|---|---|
| James W. Brent, III | $ 10,200 |
| Cecil Cain | 258 |
| Stan Neathery | 9,342 |
| Calvin B. Lambert | 9,600 |
| Lee Loche | 9,600 |
| Terry R. Matthews | 10,200 |
| Harry Reese, Sr. | 9,600 |
| D.W. Thomas, Jr. | 9,600 |
| Total jurors' compensation | $ 68,400 |

MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2000

| Federal Grantor/Pass Through Grantor/Program Title | Federal CFDA Number | Pass- Through Entity Identifying Number | Expenditures |
|---|---|---|---|
| Department of Housing and Urban Development: | | | |
| Louisiana Division of Administration: | | | |
| Community Development Block Grant | 14.228 | 107-900358 | $ 55,781 |
| Community Development Block Grant | 14.228 | 107-900360 | 335,492 |
| Section 8 Rental Voucher Program | 14.856 | FW2272V | 273,634 |
| Total - Department of Housing and Urban Development | | | $ 664,907 |
| United States Department of Interior: | | | |
| Fish and Wildlife Service: | | | |
| Refuge Revenue Sharing | None | None | 33,239 |
| Total expenditures of federal awards | | | $ 698,146 |

See notes to schedule of expenditures of federal awards.

MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA

NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
Year Ended December 31, 2000

Note 1. Basis of Presentation

The schedule of expenditures of federal awards includes the federal grant activity of Morehouse Parish Police Jury and is being presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the presentation of, the general-purpose financial statements.

Note 2. Subrecipients

Of the federal expenditures presented in the schedule, the Jury provided $273,634 of the Section 8 Rental Voucher Program to a subrecipient.

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

Police Jurors
Morehouse Parish Police Jury
Bastrop, Louisiana

We have audited the general-purpose financial statements of Morehouse Parish Police Jury as of and for the year ended December 31, 2000, and have issued our report thereon dated May 18, 2001. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Compliance

As part of obtaining reasonable assurance about whether the Jury's general-purpose 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 an instance of noncompliance that is required to be reported under *Government Auditing Standards* which is described in the accompanying schedule of findings and questioned costs as item 2000-2.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Jury's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general-purpose financial statements and not to provide assurance on the internal control over financial reporting. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be 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 judgment, could adversely affect the Jury's ability to record, process, 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 2000-1.



Certified Public Accountants • A Professional Corporation
701 East Madison Avenue • P.O. Box 631 • Bastrop, Louisiana 71221-0631
Telephone 318-281-4492 • Fax 318-281-4087

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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we consider the reportable condition described above to be a material weakness.

This report is intended solely for the information and use of management, others within the organization, Police Jurors, and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

Hill, Myers & Co.

May 18, 2001

## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Police Jurors
Morehouse Parish Police Jury
Bastrop, Louisiana

Compliance

We have audited the compliance of Morehouse Parish Police Jury with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2000. Morehouse Parish Police Jury's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Jury's management. Our responsibility is to express an opinion on the Jury's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Jury's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Jury's compliance with those requirements.

In our opinion, Morehouse Parish Police Jury complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2000.



Certified Public Accountants • A Professional Corporation
701 East Madison Avenue • P.O. Box 631 • Bastrop, Louisiana 71221-0631
Telephone 318-281-4492 • Fax 318-281-4087

Internal Control Over Compliance

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

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with the applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of management, others within the organization, Police Jurors, and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

Hill, Dugas & Co.

May 18, 2001

MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS WITH
MANAGEMENT'S PLANNED CORRECTIVE ACTION
Year Ended December 31, 2000

We have audited the general-purpose financial statements of Morehouse Parish Police Jury as of and for the year ended December 31, 2000, and have issued our report thereon dated May 18, 2001. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; and the provisions of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Our audit of the financial statements as of December 31, 2000, resulted in an unqualified opinion.

Section I - Summary of Auditor's Reports

a. Report on Compliance and Internal Control Material to the Financial Statements

Compliance
Compliance Material to Financial Statements ☒ Yes ☐ No

Internal Control
Material Weaknesses ☒ Yes ☐ No Reportable Conditions ☒ Yes ☐ No

b. Federal Awards

Internal Control
Material Weaknesses ☐ Yes ☒ No Reportable Conditions ☐ Yes ☒ No

Type of Opinion On Compliance For Major Programs — Unqualified ☒ Qualified ☐ Disclaimer ☐ Adverse ☐

Are there findings required to be reported in accordance with Circular A-133, Section .510(a)?

☐ Yes ☒ No

c. Identification of Major Programs:

| | |
|---|---|
| CFDA Number 14.228 | Community Development Block Grant |
| CFDA Number 14.856 | Section 8 Rental Voucher Program |

1. Dollar threshold used to distinguish between Type A and Type B Programs $300,000
2. Is the auditee a 'low-risk' auditee, as defined by OMB Circular A-133? ☐ Yes ☒ No

## Section II - Financial Statement Findings

2000-1 Inadequate Segregation of Duties (finding was first cited in audit conducted by our firm as of and for the two years ended December 31, 1993)

Criteria: Adequate segregation of duties is essential to a proper internal control structure

Condition: The segregation of duties is inadequate to provide effective internal control.

Effect: Not determined.

Cause: The condition is due to economic and space limitations.

Recommendation: No action is recommended.

Management's response and planned corrective action: We concur in the finding, but it is not economically feasible nor does space allow for corrective action to be taken.

2000-2 Budgeting (initial citing)

Criteria: The Local Government Budget Act requires that the governing authority amend its budget when notified that actual receipts plus projected revenue collections for year end will fail to meet budgeted revenues by 5% or more.

Condition: Revenues of the General Fund, Bastrop Fire District Two (component unit), and Criminal Court (component unit) for the year ended December 31, 2000, failed to meet budgeted revenues by 7.72%, 18.30%, and 6.35%, respectively.

Effect: The individual funds were in violation of the Local Government Budget Act.

Cause: The chief executive officer, or equivalent, did not periodically monitor the budgets and/or notify the governing authority that actual revenues were failing to meet budgeted revenues.

| | |
|---|---|
| Recommendation: | Future budgets should be periodically monitored and amended under the provisions of the Local Government Budget Act. |
| Management's response and planned corrective action: | The chief executive officer, or equivalent, will periodically monitor the budgets and notify the Jury in writing during the year when actual receipts plus projected revenue collections to year end will fail to meet budgeted revenues by 5% or more, or when actual expenditures plus projected expenditures to year end will exceed budgeted expenditures by 5% or more. |

## Section III - Federal Awards Findings

No findings.

MOREHOUSE PARISH POLICE JURY
BASTROP, LOUISIANA

SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
Year Ended December 31, 2000

Section I - Compliance and Internal Control Material to Financial Statements

1999-1 Inadequate Segregation of Duties

| | |
|---|---|
| Adequate segregation of duties is essential to proper internal control. | Unresolved - 2000-1. |

1999-2 Unsecured Deposit

| | |
|---|---|
| The market value of pledged securities plus the federal deposit insurance was less than the amount on deposit with a local fiscal agent. | Resolved. |

Section II - Compliance and Internal Control Material to Federal Awards

No findings.

Section III - Management Letter

None issued.

OMB No. 0348-0057

FORM **SF-SAC**
(8-97)

U.S. DEPARTMENT OF COMMERCE - BUREAU OF THE CENSUS
ACTING AS COLLECTING AGENT FOR
OFFICE OF MANAGEMENT AND BUDGET

# Data Collection Form for Reporting on
# AUDITS OF STATES, LOCAL GOVERNMENTS, AND NON-PROFIT ORGANIZATIONS

▶ Complete this form, as required by OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations."

**RETURN TO** **Single Audit Clearinghouse**
**1201 E. 10th Street**
**Jeffersonville, IN 47132**

## PART I GENERAL INFORMATION *(To be completed by auditee, except for Item 7)*

**1.** Fiscal year ending date for this submission
Month / Day / Year: 12 / 31 / 00

**2.** Type of Circular A-133 audit
1 [X] Single audit 2 [ ] Program-specific audit

**3.** Audit period covered
1 [X] Annual 3 [ ] Other – Months
2 [ ] Biennial

**FEDERAL GOVERNMENT USE ONLY**

**4.** Date received by Federal clearinghouse

**5.** Employer Identification Number (EIN)
**a.** Auditee EIN: 7 2 6 0 0 0 9 1 3
**b.** Are multiple EINs covered in this report? 1 [ ] Yes 2 [X] No

## 6. AUDITEE INFORMATION

**a.** Auditee name
MOREHOUSE PARISH POLICE JURY

**b.** Auditee address *(Number and street)*
125 EAST MADISON

City
BASTROP

State: LA ZIP Code: 71220

**c.** Auditee contact
Name
ELVA GREER

Title
SECRETARY

**d.** Auditee contact telephone
( 318) 281 – 4132

**e.** Auditee contact FAX *(Optional)*
( 318) 283 – 1243

**f.** Auditee contact E-mail *(Optional)*

**g. AUDITEE CERTIFICATION STATEMENT** – This is to certify that, to the best of my knowledge and belief, the auditee has: (1) Engaged an auditor to perform an audit in accordance with the provisions of OMB Circular A-133 for the period described in Part I, Items 1 and 3; (2) the auditor has completed such audit and presented a signed audit report which states that the audit was conducted in accordance with the provisions of the Circular; and, (3) the information included in **Parts I, II,** and **III** of this data collection form is accurate and complete. I declare that the foregoing is true and correct.

Signature of certifying official: Elva Greer
Date: Month 6 Day 12 Year 01

Name/Title of certifying official
ELVA GREER, SECRETARY

## 7. AUDITOR INFORMATION *(To be completed by auditor)*

**a.** Auditor name
HILL, INZINA & CO., CPA's

**b.** Auditor address *(Number and street)*
701 EAST MADISON

City
BASTROP

State: LA ZIP Code: 71220

**c.** Auditor contact
Name
CINDY I. HAYNES

Title
CPA

**d.** Auditor contact telephone
( 318 ) 281 – 4492

**e.** Auditor contact FAX *(Optional)*
( 318 ) 281 – 4087

**f.** Auditor contact E-mail *(Optional)*

**g. AUDITOR STATEMENT** – The data elements and information included in this form are limited to those prescribed by OMB Circular A-133. The information included in Parts II and III of the form, except for Part III, Items 5 and 6, was transferred from the auditor's report(s) for the period described in Part I, Items 1 and 3, and is **not a substitute** for such reports. The auditor has not performed any auditing procedures since the date of the auditor's report(s). A copy of the reporting package required by OMB Circular A-133, which includes the complete auditor's report(s), is available in its entirety from the auditee at the address provided in Part I of this form. As required by OMB Circular A-133, the information in **Parts II** and **III** of this form was entered in this form by the auditor based on information included in the reporting package. The auditor has not performed any additional auditing procedures in connection with the completion of this form.

Signature of auditor: Cindy I. Haynes, CPA
Date: Month 6 Day 12 Year 01

EIN: 7 2 6 0 0 0 9 1 3

## PART I GENERAL INFORMATION – Continued

**8.** Indicate whether the auditee has either a Federal cognizant or oversight agency for audit. *(Mark (X) one box)*

1 ☐ Cognizant agency 2 ☒ Oversight agency

**9.** Name of Federal cognizant or oversight agency for audit *(Mark (X) one box)*

01 ☐ African Development Foundation
02 ☐ Agency for International Development
10 ☐ Agriculture
11 ☐ Commerce
94 ☐ Corporation for National and Community Service
12 ☐ Defense
84 ☐ Education
81 ☐ Energy
66 ☐ Environmental Protection Agency
83 ☐ Federal Emergency Management Agency
34 ☐ Federal Mediation and Conciliation Service
39 ☐ General Services Administration
93 ☐ Health and Human Services
14 ☒ Housing and Urban Development
03 ☐ Institute for Museum Services
04 ☐ Inter-American Foundation
15 ☐ Interior
16 ☐ Justice
17 ☐ Labor
43 ☐ National Aeronautics and Space Administration
89 ☐ National Archives and Records Administraton
05 ☐ National Endowment for the Arts
06 ☐ National Endowment for the Humanities
47 ☐ National Science Foundation
07 ☐ Office of National Drug Control Policy
08 ☐ Peace Corps
59 ☐ Small Business Administration
96 ☐ Social Security Administration
19 ☐ State
20 ☐ Transportation
21 ☐ Treasury
82 ☐ United States Information Agency
64 ☐ Veterans Affairs
☐ Other – *Specify:*

## PART II FINANCIAL STATEMENTS *(To be completed by auditor)*

**1.** Type of audit report *(Mark (X) one box)*

1 ☒ Unqualified opinion 2 ☐ Qualified opinion 3 ☐ Adverse opinion 4 ☐ Disclaimer of opinion

**2.** Is a "going concern" explanatory paragraph included in the audit report? 1 ☐ Yes 2 ☒ No

**3.** Is a reportable condition disclosed? 1 ☒ Yes 2 ☐ No – *SKIP to Item 5*

**4.** Is any reportable condition reported as a material weakness? 1 ☒ Yes 2 ☐ No

**5.** Is a material noncompliance disclosed? 1 ☒ Yes 2 ☐ No

## PART III FEDERAL PROGRAMS *(To be completed by auditor)*

**1.** Type of audit report on major program compliance

1 ☒ Unqualified opinion 2 ☐ Qualified opinion 3 ☐ Adverse opinion 4 ☐ Disclaimer of opinion

**2.** What is the dollar threshold to distinguish Type A and Type B programs §___ .520(b)?

$ 300,000

**3.** Did the auditee qualify as a low-risk auditee (§___ .530)?

1 ☐ Yes 2 ☒ No

**4.** Are there any audit findings required to be reported under §___ .510(a)?

1 ☐ Yes 2 ☒ No

**5.** Which Federal Agencies are required to receive the reporting package? *(Mark (X) all that apply)*

01 ☐ African Development Foundation
02 ☐ Agency for International Development
10 ☐ Agriculture
11 ☐ Commerce
94 ☐ Corporation for National and Community Service
12 ☐ Defense
84 ☐ Education
81 ☐ Energy
66 ☐ Environmental Protection Agency
83 ☐ Federal Emergency Management Agency
34 ☐ Federal Mediation and Conciliation Service
39 ☐ General Services Administration
93 ☐ Health and Human Services
14 ☐ Housing and Urban Development
03 ☐ Institute for Museum Services
04 ☐ Inter-American Foundation
15 ☐ Interior
16 ☐ Justice
17 ☐ Labor
43 ☐ National Aeronautics and Space Administration
89 ☐ National Archives and Records Administraton
05 ☐ National Endowment for the Arts
06 ☐ National Endowment for the Humanities
47 ☐ National Science Foundation
07 ☐ Office of National Drug Control Policy
08 ☐ Peace Corps
59 ☐ Small Business Administration
96 ☐ Social Security Administration
19 ☐ State
20 ☐ Transportation
21 ☐ Treasury
82 ☐ United States Information Agency
64 ☐ Veterans Affairs
00 ☐ None
☐ Other – *Specify:*

EIN: 7 2 6 0 0 0 9 1 3

## PART III FEDERAL PROGRAMS – Continued

| 6. FEDERAL AWARDS EXPENDED DURING FISCAL YEAR | | | 7. AUDIT FINDINGS AND QUESTIONED COSTS | | | | |
|---|---|---|---|---|---|---|---|
| CFDA number [1] (a) | Name of Federal program (b) | Amount expended (c) | Major program (a) | Type of compliance requirement [2] (b) | Amount of questioned costs (c) | Internal control findings [3] (d) | Audit finding reference number(s) (e) |
| 14.856 | SECTION 8 RENTAL VOUCHER PROGRAM | $ 273,634 | 1 [X] Yes 2 [ ] No | 0 | $ N/A | 1 [ ] A 3 [X] C 2 [ ] B | |
| 14.228 | COMMUNITY DEVELOPMENT BLOCK GRANTS | $ 391,273 | 1 [X] Yes 2 [ ] No | 0 | $ N/A | 1 [ ] A 3 [X] C 2 [ ] B | |
| NONE | REFUGE REVENUE SHARING | $ 33,239 | 1 [ ] Yes 2 [X] No | 0 | $ N/A | 1 [ ] A 3 [X] C 2 [ ] B | |
| | | $ | 1 [ ] Yes 2 [ ] No | | $ | 1 [ ] A 3 [ ] C 2 [ ] B | |
| | | $ | 1 [ ] Yes 2 [ ] No | | $ | 1 [ ] A 3 [ ] C 2 [ ] B | |
| | | $ | 1 [ ] Yes 2 [ ] No | | $ | 1 [ ] A 3 [ ] C 2 [ ] B | |
| | | $ | 1 [ ] Yes 2 [ ] No | | $ | 1 [ ] A 3 [ ] C 2 [ ] B | |
| | | $ | 1 [ ] Yes 2 [ ] No | | $ | 1 [ ] A 3 [ ] C 2 [ ] B | |
| | | $ | 1 [ ] Yes 2 [ ] No | | $ | 1 [ ] A 3 [ ] C 2 [ ] B | |
| | | $ | 1 [ ] Yes 2 [ ] No | | $ | 1 [ ] A 3 [ ] C 2 [ ] B | |
| **TOTAL FEDERAL AWARDS EXPENDED →** | | $ 698,146 | *IF ADDITIONAL LINES ARE NEEDED, PLEASE PHOTOCOPY THIS PAGE, ATTACH ADDITIONAL PAGES TO THE FORM, AND SEE INSTRUCTIONS* | | | | |

[1] Or other identifying number when the Catalog of Federal Domestic Assistance (CFDA) number is not available.

[2] Type of compliance requirement *(Enter the letter(s) of all that apply to audit findings and questioned costs reported for each Federal program.)*

A. Activities allowed or unallowed
B. Allowable costs/cost principles
C. Cash management
D. Davis - Bacon Act
E. Eligibility
F. Equipment and real property management
G. Matching, level of effort, earmarking
H. Period of availability of funds
I. Procurement
J. Program income
K. Real property acquisition and relocation assistance
L. Reporting
M. Subrecipient monitoring
N. Special tests and provisions
O. None

[3] Type of internal control findings *(Mark (X) all that apply)*

A. Material weaknesses B. Reportable conditions C. None reported