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EAST FELICIANA PARISH POLICE JURY  
CLINTON, LOUISIANA

ANNUAL FINANCIAL REPORT  
AS OF DECEMBER 31, 2004  
AND FOR THE YEAR THEN ENDED

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

Release Date 7-13-05

**TABLE OF CONTENTS**

	<b><u>PAGE</u></b>
INDEPENDENT AUDITOR'S REPORT	3
<b><u>BASIC FINANCIAL STATEMENTS</u></b>	
Government-Wide Financial Statements:	
Statement of Net Assets	6
Statement of Activities	7
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet	9
Statement of Revenues, Expenditures, and Changes in Fund Balances	10
Fiduciary Funds:	
Statement of Net Assets	12
Notes to Financial Statements	13
<b><u>SUPPLEMENTARY INFORMATION REQUIRED BY GASB STATEMENT 34</u></b>	
Budgetary Comparisons - General Fund	35
Budgetary Comparisons - Roads and Bridges	36
Budgetary Comparisons - Health Unit	37
Budgetary Comparisons - Solid Waste	38
<b><u>OTHER SUPPLEMENTAL SCHEDULES</u></b>	
Combining Balance Sheet-Nonmajor Governmental Funds	40
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances-Nonmajor Governmental Funds	41
Schedule of Compensation Paid To Elected Officials	42
Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed In Accordance with Government Auditing Standards	43
Schedule of Prior Years Findings	45
Schedule of Current Years Findings	46
Corrective Action Plan	47

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**INDEPENDENT AUDITOR'S REPORT**

May 31, 2005

To the Honorable James F. Hunt, President  
and Members of the East Feliciana Parish Police Jury  
Clinton, Louisiana

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

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

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

As described in Note 1, the East Feliciana Parish Police Jury has implemented a new financial reporting model, as required by the provisions of GASB Statement No. 34, Basic Financial Statements-and Management's Discussion and Analysis-For State and Local Governments, as of December 31, 2004.

The budgetary comparison information on pages 35 to 38 is not a required part of the basis financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. I have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and presentation of the supplementary information. However, I did not audit the information and express no opinion on it.

The East Feliciana Parish Police Jury has not presented Management's Discussion and Analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be part of, the basic financial statements.

In accordance with Government Auditing Standards, I have also issued a report dated May 31, 2005, on our consideration of East Feliciana Parish Police Jury's internal control over financial reporting and our tests of its compliance with laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Governmental Auditing Standards and should be read in conjunction with this report in considering the results of my audit.

*Donald C. Duville*

GOVERNMENT-WIDE FINANCIAL STATEMENTS

**GOVERNMENT-WIDE STATEMENT OF NET ASSETS**

**EAST FELICIANA PARISH POLICE JURY  
CLINTON, LOUISIANA  
December 31, 2004**

	<b>PRIMARY GOVERNMENT</b>		
	<b>GOVERNMENTAL</b>	<b>BUSINESS-TYPE</b>	
	<b>ACTIVITIES</b>	<b>ACTIVITIES</b>	<b>TOTAL</b>
<b>ASSETS:</b>			
Cash	\$5,393,900	\$0	\$5,393,900
Ad Valorem taxes	342,254	0	342,254
Sales Taxes Receivable	57,339	0	57,339
Other Taxes Receivable	18,568	0	18,568
Intergovernmental Receivable	409,649	0	409,649
Accounts Receivable	1,140	0	1,140
Due From Other Funds	49,188	0	49,188
Fixed Assets, net	3,757,251	0	3,757,251
Total Assets	<u>10,029,289</u>	<u>0</u>	<u>10,029,289</u>
<b>LIABILITES</b>			
<b>LIABILITIES:</b>			
Notes and Bonds Payable	269,487	0	269,487
Accounts Payable	83,386	0	83,386
Intergovernmental Payable	66,495	0	66,495
Compensated absences	44,883	0	44,883
	<u>464,251</u>	<u>0</u>	<u>464,251</u>
<b>NET ASSETS</b>			
Invested in Capital Assets, net of debt	3,607,764	0	3,607,764
Unrestricted	5,957,274	0	5,957,274
Total Net Assets	<u>\$9,565,038</u>	<u>\$0</u>	<u>\$9,565,038</u>

See accompanying notes to financial statements.

**GOVERNMENT WIDE STATEMENT OF ACTIVITIES**

**EAST FELICIANA PARISH POLICE JURY  
CLINTON, LOUISIANA  
FOR THE YEAR ENDED DECEMBER 31, 2004**

FUNCTIONS/PROGRAMS	Program Revenues				Net (Expenses) Revenues and Increases (Decreases) in Net Assets
	Expenses	Operating			
Charges for Services		Grants and Contributions	Capital Grants & Contributions		
<b>PRIMARY GOVERNMENT</b>					
Governmental Activities					
General Government	\$811,576	\$148,118	\$439,366	\$40,000	\$184,092
Public Safety	623,100	140,222	275,241	0	207,637
Highways and Streets	874,515	0	0	0	874,515
Health	116,723	9,468	38,124	0	69,131
Sanitation	986,175	0	0	0	986,175
Economic Development	1,639	0	0	0	1,639
Culture and Recreation	3,142	0	0	0	3,142
Capital Outlay	65,147	0	0	0	65,147
Interest on Long Term Debt	5,274	0	0	0	5,274
<b>Total Governmental Activities</b>	<b>3,487,291</b>	<b>297,808</b>	<b>752,731</b>	<b>40,000</b>	<b>2,396,752</b>
General Revenues:					
Property Taxes					361,056
Franchise Taxes					3,513
Other Taxes					2,308,078
Investment earnings					52,010
Other general revenues					98,548
Special-Sale of Fixed Assets					0
<b>Total general revenues and transfers</b>					<b>2,823,205</b>
Change in Net Assets					426,453
Net assets-beginning					9,138,585
Net assets-ending					<u>9,565,038</u>

See accompanying notes to financial statements.

FUND FINANCIAL STATEMENTS

**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**

EAST FELICIANA PARISH POLICE JURY  
 CLINTON, LOUISIANA  
 December 31, 2004

	GENERAL FUND	ROADS & BRIDGES	HEALTH UNIT	CRIMINAL COURT	SOLID WASTE	NONMAJOR FUNDS	TOTAL
<b>ASSETS:</b>							
Cash	\$9,288	\$392,696	\$1,412,730	\$27,027	\$3,486,575	\$65,584	\$5,393,900
Ad Valorem taxes	168,815	0	157,543	0	0	15,896	342,254
Sales Taxes Receivable	0	0	0	0	0	57,339	57,339
Other Taxes Receivable	18,568	0	0	0	0	0	18,568
Intergovernmental Receivable	246,548	33,069	38,124	8,497	80,799	2,612	409,649
Accounts Receivable	1,140	0	0	0	0	0	1,140
Due From Other Funds	31,733	49,187	804	0	0	30,687	112,411
Net Capital Assets	0	0	0	0	0	0	0
	<u>476,092</u>	<u>474,952</u>	<u>1,609,201</u>	<u>35,524</u>	<u>3,567,374</u>	<u>172,118</u>	<u>6,335,261</u>

**LIABILITIES AND FUND BALANCE**

<b>LIABILITIES:</b>							
Accounts Payable	\$0	\$0	\$0	\$2,228	\$81,158	\$0	\$83,386
Employee Withholding	0	0	0	0	0	0	0
Due To Other Funds	22,947	7,081	640	21,850	0	10,705	63,223
Intergovernmental Payable	56,296	0	6,103	1,875	0	2,221	66,495
	<u>79,243</u>	<u>7,081</u>	<u>6,743</u>	<u>25,953</u>	<u>81,158</u>	<u>12,926</u>	<u>213,104</u>

**FUND EQUITY:**

Fund Balance-Unreserved	396,849	467,871	1,602,458	9,571	3,486,216	159,192	6,122,157
	<u>476,092</u>	<u>474,952</u>	<u>1,609,201</u>	<u>35,524</u>	<u>3,567,374</u>	<u>172,118</u>	<u>6,335,261</u>

See accompanying notes to financial statements.

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**GOVERNMENTAL FUNDS**

**EAST FELICIANA PARISH POLICE JURY**  
**CLINTON, LOUISIANA**  
**YEAR ENDED DECEMBER 31, 2004**

	GENERAL FUND	ROAD & BRIDGES	HEALTH UNIT	CRIMINAL COURT	SOLID WASTE	NONMAJOR FUNDS	TOTAL
<b>REVENUES:</b>							
Taxes	\$343,732	\$769,206	\$157,960	\$0	\$1,239,500	\$162,249	\$2,672,647
Intergovernmental	439,366	275,241	38,124	0	0	40,000	792,731
Fines	0	0	0	140,222	0	9,468	149,690
Licenses and Permits	96,525	0	0	0	0	0	96,525
Charges For Services	0	0	0	0	0	27,353	27,353
Rental Income	24,240	0	0	0	0	0	24,240
Interest	771	3,363	13,781	209	33,041	848	52,013
Miscellaneous	79,557	18,296	0	0	0	695	98,548
Total Revenue	984,191	1,066,106	209,865	140,431	1,272,541	240,613	3,913,747
<b>EXPENDITURES:</b>							
Current							
General Government	500,971	0	6,103	0	17,693	33,533	558,300
Public Safety	380,268	0	0	121,704	0	110,242	612,214
Highway and Streets	0	824,120	0	0	0	0	824,120
Health	0	0	105,526	0	0	11,197	116,723
Culture & Recreation	1,639	0	0	0	0	0	1,639
Sanitation	0	0	0	0	985,214	0	985,214
Economic Development	3,142	0	0	0	0	0	3,142
Capital Outlay	9,045	67,147	21,612	0	80,724	107,289	285,817
Debt Service							
Principal	140,005	0	0	0	0	20,513	160,518
Interest Expense	1,407	0	0	0	0	3,867	5,274
Total Expenditures	1,036,477	891,267	133,241	121,704	1,083,631	286,641	3,552,961
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES</b>	(52,286)	174,839	76,624	18,727	188,910	(46,028)	360,786



**STATEMENT OF FIDUCIARY NET ASSETS**  
**AGENCY FUNDS**

**EAST FELICIANA PARISH POLICE JURY**  
**CLINTON, LOUISIANA**  
**December 31, 2004**

	<b>SALES TAX</b>	<b>LIBRARY TAX</b>	<b>TOTAL</b>
<b>ASSETS</b>			
Cash	\$33	\$0	\$33
Receivables:			
Ad Valorem	0	157,543	157,543
Sales Taxes	80,798	0	80,798
Intergovernmental	0	40,761	40,761
<b>Total Assets</b>	<b>80,831</b>	<b>198,304</b>	<b>279,135</b>
<b>LIABILITIES</b>			
Bank Overdraft	\$0	\$13,587	\$13,587
Payables:			
Accounts	0	0	0
Interfund	49,187	0	49,187
Intergovernmental	31,644	184,717	216,361
<b>Total Liabilities</b>	<b>80,831</b>	<b>198,304</b>	<b>279,135</b>
<b>NET ASSETS</b>	<b>0</b>	<b>0</b>	<b>0</b>

See accompanying notes to financial statements.

**EAST FELICIANA PARISH POLICE JURY**  
**CLINTON, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2004**

**Introduction**

The East Feliciana Parish Police Jury (Police Jury) is the governing authority for East Feliciana Parish and is a political subdivision of the State of Louisiana. The Police Jury is governed by nine jurors representing the various districts within the parish.

Louisiana Revised Statute 33:1236 gives the Police Jury various powers in regulating and directing the affairs of the parish and its inhabitants. The more notable of those are the power to make regulations for 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 state and federal grants.

The area of East Feliciana Parish is 455 square miles and the Police Jury maintains 288 miles of roads. The population of East Feliciana Parish is 21,360 persons and the Police Jury employs about 55 persons.

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

The police jury has determined that the following component units are part of the reporting entity:

<u>Component-Units</u>	<u>Year End</u>	<u>Criteria</u>
Audubon Regional Library	December 31	2
Water District No. 1	December 31	1
Gas Utility District No. 1	April 30	1
Gas Utility District No. 2	August 31	1
East Feliciana Council on Aging	June 30	2
East Feliciana Parish Sheriff	December 31	1
East Feliciana Parish Clerk of Court	June 30	1
East Feliciana Tax Assessor	June 30	1

**EAST FELICIANA PARISH POLICE JURY**  
**CLINTON, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2004**

20th Judicial District-District Attorney	December 31	1
Industrial Development Board	December 31	1
Fire Protection District	December 31	1

The police jury has chosen to issue financial statements of the primary government (police jury) only; therefore, none of the previous listed component units are included in the accompanying financial statements. GASB Statement 14 provides for the issuance of primary government financial statements that separate from those of the reporting entity. However, an primary government's financial statements are not a substitute for the reporting entity's financial statements. The accompanying primary government financial statements have been prepared in conformity with generally accepted accounting principles as applied to governmental units.

These financial statements are not intended to and do not report on the reporting entity but rather are intended to reflect only the financial statements of the primary government (police jury).

**Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

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

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

**EAST FELICIANA PARISH POLICE JURY**  
**CLINTON, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2004**

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

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

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

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

Property taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessment receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The police jury reports the following major governmental funds:

**General Fund** is the general operating fund of the Police Jury. It is used to account for all financial resources except those required to be accounted for in another fund.

**EAST FELICIANA PARISH POLICE JURY**  
**CLINTON, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2004**

**Special Revenue Funds** are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

**MAJOR SPECIAL REVENUE FUNDS**

**Roads and Bridge Fund** is used to account for funds used to provide repair and maintenance to the parish's roads and bridges.

**Health Unit Fund** is use to account for funds used to administer parish health unit.

**Criminal Court Fund** is use to account for funds used to administer expenditures associated with the criminal court.

**Solid Waste Fund** is used to account for funds used to provide sanitation services to the parish.

As a general rule the effect of interfund activities has been eliminated from the government-wide financial statements.

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

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

**C. Deposits**

The police jury's cash are considered to be cash on hand, demand deposits, and short term investments with original maturities of three months or less for the date acquisition. State law and the police jury's investment policy allow the police jury to invest in collateralized certificate of deposits, government back securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities.

**EAST FELICIANA PARISH POLICE JURY**  
**CLINTON, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2004**

**D. Receivable and Payables**

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

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

All trade and property taxes receivable are shown net of an allowance for uncollectives.

Accounts receivable are written-off under the direct write-off method whereby bad debts are recorded when a receivable is deemed uncollectible. If they are subsequently collected they are recorded as miscellaneous income.

The direct charge-off method is not a material departure from GAAP as it approximates the valuation method.

Property taxes are levied on a calendar year basis and become due January 1 of each year. The following is a summary of authorized and levied ad valorem taxes:

<b><u>TAXES DUE FOR:</u></b>	<b><u>MILLAGE</u></b>	<b><u>MILLAGE</u></b>
<b>Parish-wide Taxes:</b>		
<b>General Fund</b>		
General Fund	1.38	1.38
General Fund	2.77	2.77
<b>Special Revenue</b>		
Health Unit	2.50	2.50
Emergency 911	.91	.91
<b>Agency Fund</b>		
Library Tax	2.50	2.50

EAST FELICIANA PARISH POLICE JURY  
CLINTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2004

The following are the principal taxpayers for the parish and related ad valorem tax revenue for the policy jury:

<u>TAXPAYER</u>	<u>TYPE OF BUSINESS</u>	<u>ASSESSED VALUATION</u>	<u>% OF TOTAL ASSESSED VALUATION</u>	<u>AD VALOREM TAX REVENUE</u>
Colonial Pipeline	Oil & Gas	\$10,353,310	11.20%	\$471,187
Transcontinental Gas	Oil & Gas	5,328,800	5.76%	242,567

The East Feliciana Parish Police Jury receives the following sales taxes: 1.00% Designated for Roads and Bridges and 1.00% Designated for Solid Waste approved by the voters of the parish. The police jury has entered into an agreement with the East Feliciana Parish School Board whereby the school board will collect the police jury's sales and use tax for a stipulated fee. The school board remits the proceeds of the sales and use tax to the police jury on a monthly basis.

**E. Prepaid Items**

Insurance and similar services which extend over more than one accounting period have been recorded as prepaid.

**F. Capital Assets**

Capital assets, which include property, plant equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type columns in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated asset are recorded as capital assets at their estimated fair market value at the date of donation. The police jury maintains a threshold level of \$2,500 or more for capitalizing capital assets.

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

EAST FELICIANA PARISH POLICE JURY  
CLINTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2004

All capital assets, other than land, are depreciated using the straight line method over the following useful lives:

Buildings	40 Years
Equipment	5-10 Years
Vehicles	5 Years
Computers	10 Years

Salvage values have not been established by management when calculating how much of an asset's cost needs to be depreciated.

Depreciation is not computed or recorded on capital assets for purposes of the Fund Financial Statements.

**G. Compensated Absences**

The police jury has the following policy relating to vacation and sick leave:

Annual Leave - Hourly Employees

1 Week after 1 year of service  
2 Weeks after 3 years of service  
3 Weeks after 6 years of service  
4 Weeks after 12 years of service

Annual Leave - Salaried Employees

1 Week after 1 year of service  
2 Weeks after 2 years of service  
3 Weeks after 5 years of service  
4 Weeks after 10 years of service

Sick Leave - Full Time Employees

5 Days after 1 year of service plus  
1 1/2 days for each year of service.

Sick Leave - Part Time Employees

Prorated on number of days worked per year as follows:  
3 days a week - 156 days yearly = 62% or 7 hours per year  
2 days a week - 104 days yearly = 40% of 10 hours per year  
5 days per month - 60 days yearly = 23% or 3 hours per year

The police jury's recognition and measurement criteria for compensated absences follows:

**EAST FELICIANA PARISH POLICE JURY**  
**CLINTON, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2004**

GASB Statement No. 16 provides that vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if both of the following conditions are met:

1. The employee's rights to receive compensation are attributable to service already rendered.
2. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

The Police Jury's sick leave policy does not provide for the vesting of sick leave thereby requiring the employee to be paid for any unused leave upon termination of employment. Accordingly, no amounts have been accrued as unpaid compensated absence in the Government-Wide Financial Statements relative to sick leave.

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

**H. Long Term Obligations**

In the government-wide financial statements, and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities, in applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance cost are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognized bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financial sources while discounts on debt issuances are reported as other financing uses. Issuance costs whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**EAST FELICIANA PARISH POLICE JURY**  
**CLINTON, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2004**

**I. Fund Equity**

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

**J. ESTIMATES**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures and expenses during the reporting period. Actual results could differ from those estimates.

**K. RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCE TO THE GOVERNMENT-WIDE FINANCIAL STATEMENT OF NET ASSETS**

Amounts reported for governmental activities in the Statement of Net Assets are different because:

Total Governmental Fund Balance	\$6,122,157
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	3,757,251
Long-term liabilities, including loans payable, are not due and payable in the current period and therefore are not reported in the funds.	(269,487)
Some expense reported in the statement of activities such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in government funds.	(44,883)
Net Assets of Governmental Activities	<u><u>9,565,038</u></u>

EAST FELICIANA PARISH POLICE JURY  
CLINTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2004

**L. RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**

Amounts reported for governmental activities in the statement of activities are different because:

Net Change in Fund Balances-Total Governmental Funds	\$480,786
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	(49,965)
Some expense reported in the statement of activities such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	(44,886)
Some Governmental Funds other sources reported as income. However, in the statement of activities, the income is not reported.	(120,000)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of assets.	160,518
Changes in Net Assets of Governmental Activities	<u>426,453</u>

EAST FELICIANA PARISH POLICE JURY  
CLINTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2004

**NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**a. BUDGETS**

The Police Jury uses the following budget practices:

1. A proposed operating budget for the fiscal year is presented by either the finance committee or secretary-treasurer of the Police Jury. The operating budget includes proposed expenditures and the means of financing them.
2. The Police Jury conducts public hearings on the budget, which must be adopted by December 15.
3. Budget amendments involving the transfer of funds from one department, program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the respective Governing Board.
4. All unencumbered budget appropriations, except project budgets, lapse at the end of each fiscal year.
5. Budgets are adopted on the GAAP Basis.

**B. Expenditures Exceeding Appropriations**

The following individual funds have actual expenditures over budgeted expenditures for the year ended December 31, 2004:

<u>FUND</u>	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>UNFAVORABLE VARIANCE</u>
General Fund	\$868,423	\$1,034,900	\$166,477
Clerk of Court Bldg	110 000	133,124	23,124
Emergency 941	137,000	137,476	476
Solid Waste	994,500	1,083,631	89,131
Health Unit	124,000	133,241	9,241

**EAST FELICIANA PARISH POLICE JURY**  
**CLINTON, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2004**

**NOTE 3 - CASH AND CASH EQUIVALENTS**

At December 31, 2004, the Police Jury has cash and cash equivalents (book balances) as follows:

Interest Bearing Demand Deposits	\$1,393,900
Time Deposits	4,000,000
	<u>5,393,900</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At year end, the Police Jury has \$5,509,824 in deposits (collected bank balances). These deposits are insured from risk by \$600,000 of federal deposit insurance and \$5,993,480 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

**EAST FELICIANA PARISH POLICE JURY**  
**CLINTON, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2004**

**NOTE 4 - RECEIVABLES**

A. A Summary of Receivables as of December 31, 2004, Follows:

<u>CLASS OF RECEIVABLE</u>	<u>GOVERNMENTAL FUNDS</u>				<u>TOTAL</u>
	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>SUB- TOTAL</u>	<u>AGENCY</u>	
Taxes:					
Ad Valorem	\$168,815	\$173,439	\$342,254	\$157,543	\$499,797
Sales Taxes	-0-	57,339	57,339	80,798	138,137
Franchise & Other	18,568	-0-	18,568	-0-	18,568
	<u>187,383</u>	<u>230,778</u>	<u>418,161</u>	<u>238,341</u>	<u>656,502</u>
Intergovernmental:					
Federal	-0-	-0-	-0-	-0-	-0-
State	246,548	163,101	409,649	-0-	409,649
Local	-0-	-0-	-0-	40,761	40,761
	<u>246,548</u>	<u>163,101</u>	<u>409,649</u>	<u>40,761</u>	<u>450,410</u>
Accounts Receivable:					
Accounts	1,140	-0-	1,140	-0-	1,140
	<u>1,140</u>	<u>-0-</u>	<u>1,140</u>	<u>-0-</u>	<u>1,140</u>
Total	<u>435,071</u>	<u>393,879</u>	<u>828,950</u>	<u>279,102</u>	<u>1,108,052</u>

Accounts receivable are written-off under the direct write-off method whereby bad debts are recorded when a receivable is deemed uncollectible. If they are subsequently collected they are recorded as miscellaneous income.

The direct charge-off method is not a material departure from GAAP as it approximates the valuation method.

**EAST FELICIANA PARISH POLICE JURY**  
**CLINTON, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2004**

**NOTE 5 - INTERFUND RECEIVABLES/PAYABLES**

Due To/From Other Funds:

<u>RECEIVABLE FUND</u>	<u>PAYABLE FUND</u>	<u>AMOUNT</u>	<u>PURPOSE</u>
General Fund	Health Unit	\$640	Operations
General Fund	Payroll	8,222	Salaries
General Fund	Criminal Court	21,192	Equity Transfer
General Fund	EPA	1,679	Operations
Road & Bridges	Sales Tax	49,187	Operations
Payroll	Road & Bridges	7,081	Salaries
Payroll	Criminal Court	659	Salaries
Health Unit	Payroll Fund	804	Salaries
Clerk of Court	General Fund	22,947	Operations
Total		<u>112,411</u>	

**NOTE 6 - CAPITAL ASSETS**

Capital asset activity for the year ended was as follows:

	<u>BEGINNING BALANCE</u>	<u>INCREASES</u>	<u>DECREASES</u>	<u>ENDING BALANCE</u>
<b><u>Governmental Activities:</u></b>				
Not Being Depreciated				
Land	\$259,230	\$-0-	\$-0-	\$259,230
Other Capital Assets				
Buildings	5,752,873	102,445	\$-0-	5,855,318
Equipment	1,930,371	118,225	-0-	2,048,596
Sub Total	<u>7,942,474</u>	<u>220,670</u>	<u>-0-</u>	<u>8,163,144</u>
Accumulated Depreciation				
Buildings	2,697,705	146,171	-0-	2,843,876
Equipment	1,437,553	124,464	-0-	1,562,017
Sub Total	<u>4,135,258</u>	<u>270,635</u>	<u>-0-</u>	<u>4,405,893</u>
<b>Net Capital Assets</b>	<u>3,807,216</u>	<u>(49,965)</u>	<u>-0-</u>	<u>3,757,251</u>

**EAST FELICIANA PARISH POLICE JURY**  
**CLINTON, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2004**

**NOTE 6 - CAPITAL ASSETS** (Continued)

Depreciation was charged to governmental activities as follows:

General Government	\$230,835
Public Safety	27,953
Maintenance	10,886
Highways and Streets	961
	<hr/>
Total governmental activities depreciation expense	<u>270,635</u>

**NOTE 7 - ACCOUNTS, SALARIES AND OTHER PAYABLES**

The payables of \$83,386 at December 31, 2004, are as follows:

<u>PAYABLE TO</u>	<u>GOVERNMENTAL FUNDS</u>			<u>AGENCY</u>	<u>TOTAL</u>
	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>SUB-TOTAL</u>		
Accounts	\$-0-	\$83,386	\$83,386	\$-0-	<u>\$83,386</u>

The following is a summary of the intergovernmental payable due to other governments at December 31, 2004:

<u>PAYABLE TO</u>	<u>GOVERNMENTAL FUNDS</u>			<u>AGENCY</u>	<u>TOTAL</u>
	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>SUB-TOTAL</u>		
Sheriff	\$42,725	\$9,262	\$51,987	\$6,103	<u>\$58,090</u>
District Attorney	-0-	937	937	-0-	937
E F School Board	-0-	-0-	-0-	1,042	1,042
Audubon Library	-0-	-0-	-0-	178,614	178,614
Town of Slaughter	-0-	-0-	-0-	2,990	2,990
Town of Jackson	-0-	-0-	-0-	11,500	11,500
Village of Norwoo	-0-	-0-	-0-	1,794	1,794
Village of Wilson	-0-	-0-	-0-	3,124	3,124
Town of Clinton	13,571	-0-	13,571	9,712	23,283
State of LA-Elections	-0-	-0-	-0-	1,482	1,283
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total	<u>56,296</u>	<u>10,199</u>	<u>66,495</u>	<u>216,361</u>	<u>282,856</u>

**EAST FELICIANA PARISH POLICE JURY**  
**CLINTON, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2004**

**NOTE 8 - LEASES**

The Police Jury does not record immaterial items under capital leases as assets and obligations in the accompanying financial statements.

The Police Jury is committed under various leases for buildings and office space. These leases are on a month to month basis.

The minimum annual commitments under noncancelable operating leases are as follows:

<u>FISCAL YEAR END</u>	<u>BUILDING &amp; OFFICE FACILITIES</u>	<u>EQUIPMENT</u>	<u>TOTAL</u>
12-31-2005	\$-0-	-0-	\$-0-

**NOTE 9 - LONG-TERM OBLIGATIONS**

On September 25, 2003, the Policy Jury obtained a Certificate of Indebtedness for \$140,000 at 3 3/4% interest which matures March 1, 2004. \$140,000 was outstanding at year end.

On February 5, 2004, the police jury obtained a Revenue Bond for \$170,000 at 4.25% interest which matures February 5, 2014.

	<u>BONDED DEBT</u>	<u>COMPENSATED ABSENCES</u>	<u>CERTIFICATE OF INDEBTEDNESS</u>	<u>TOTAL</u>
Long-term obligations, Beginning Of Year	\$-0-	\$38,545	\$140,000	\$178,545
Additions	170,000	6,338	120,000	296,338
Deductions	(20,513)	-0-	(140,000)	(160,513)
Long-term obligations End of Year	<u>149,487</u>	<u>44,883</u>	<u>120,000</u>	<u>314,370</u>

The following is a summary of the current (due in one year or less) and the long-term (due in more than one year) portions of long-term obligations as of **December 31, 2004**.

CLINTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2004

**NOTE 9 - LONG-TERM OBLIGATIONS** (Continued)

All parish bonds outstanding at December 31, 2004, for \$149,487, are Revenue Bonds with maturities from 2004 to 2014, and interest rate at 4.25%. Bond principle and interest payable in the next fiscal year are \$20,897. The individual issues are as follows:

<u>Bond</u>	<u>Original Issue</u>	<u>Interest Rate</u>	<u>Final Payment Date</u>	<u>Interest to Maturity</u>	<u>Principle Outstanding</u>	<u>Funding Source</u>
Revenue Bond	2-5-2004	4.25%	2-5-2014	\$38,588	\$149,487	Clinton Bank

All principle and interest requirements are funded in accordance with Louisiana law by the charges of the recordation and registration of certain documents filed with the Clerk of Court of East Feliciana Parish. The bonds are due as follows:

<u>Year Ending</u>	<u>Principle Payments</u>	<u>Interest Payments</u>	<u>Total</u>
2005	\$134,443	\$6,454	\$140,897
2006	15,069	5,828	20,897
2007	15,723	5,174	20,897
2008	16,404	4,493	20,897
2009	17,115	3,782	20,897
2010-2014	70,733	12,857	83,590
	<u>269,487</u>	<u>38,588</u>	<u>308,075</u>

**NOTE 10 - RETIREMENT SYSTEM**

**Plan Description.**

All employees working at least 28 hours per week and all elected parish officials are eligible to participate in the Parochial Employees' Retirement System of Louisiana ("System"), a multiple-employer, public employee retirement system (PERS), controlled and administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and separate benefit provisions. All employees of the Police Jury are members of Plan A.

**EAST FELICIANA PARISH POLICE JURY**  
**CLINTON, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2004**

**RETIREMENT BENEFITS:**

<u>Plan</u>	<u>Minimum Age</u>	<u>Years of Service</u>	<u>Factor</u>	<u>Percent of Final Average Salary</u>
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 produce the highest average. The pension plan also provides death and disability benefits. Benefits are established or amended by state statute.

The retirement system issues an annual publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing or calling the retirement system. The following is the mailing address and phone number:

**Parochial Employee's Retirement System**  
 Post Office Box 14619;  
 Baton Rouge, Louisiana 70898-4619  
 (225) 928-1361.

**Funding Policy**

Under Plan A, members are required by state statute to contribute 9.5 percent of their annual covered salary and the Police Jury is required to contribute at an actuarially determined rate. The current rate is 11.75 percent of annual covered payroll. Contributions to the System also include one-fourth of one per cent of the taxes shown to be collectible by the tax rolls of each parish, except Orleans and East Baton Rouge Parishes. These tax dollars are divided between Plan A and Plan B, based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the Police Jury are established and may be amended by state statute.

As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Police Jury's contributions to the System under Plan A for the years ended December 31, 2004, 2003, and 2002, were \$56,936, \$39,968, and \$39,540, respectively, equal to the required contributions for each year.

**EAST FELICIANA PARISH POLICE JURY**  
**CLINTON, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2004**

**NOTE 11 - OTHER POST-EMPLOYMENT BENEFITS**

The Police Jury does not provide continuing health care and life insurance benefits for its retired employees.

**NOTE 12 - CHANGES IN AGENCY FUNDS DUE TO OTHERS**

A summary of changes in assets and liabilities follows:

	<b><u>BALANCE</u></b>			<b><u>BALANCE</u></b>
	<b><u>1-1-04</u></b>	<b><u>ADDITIONS</u></b>	<b><u>REDUCTIONS</u></b>	<b><u>12-31-04</u></b>
<b>ASSETS</b>				
CASH	\$-0-	\$33	\$-0-	\$33
RECEIVABLE-AD VALOREM	145,212	157,543	145,212	157,543
RECEIVABLE-SALES TAX	111,933	80,798	111,933	80,798
INTERGOVERNMENTAL RECEIVABLE	26,074	40,761	26,074	40,761
	<u>283,219</u>	<u>279,135</u>	<u>283,219</u>	<u>279,135</u>
<b>TOTAL ASSETS</b>				
	<u>283,219</u>	<u>279,135</u>	<u>283,219</u>	<u>279,135</u>
<b>LIABILITIES</b>				
BANK OVERDRAFT	\$1,020	\$13,587	\$1,020	\$13,587
ACCOUNTS PAYABLE	21	-0-	21	-0-
DUE TO OTHER FUNDS	69,655	49,187	69,655	49,187
DUE TO OTHER GOVERNMENTS	212,523	216,361	212,523	216,361
	<u>283,219</u>	<u>279,135</u>	<u>283,219</u>	<u>279,135</u>
<b>TOTAL LIABILITIES</b>				
	<u>283,219</u>	<u>279,135</u>	<u>283,219</u>	<u>279,135</u>

**NOTE 13 - CRIMINAL COURT FUND**

Louisiana Revised Statute 15:571.11 requires that one-half of any balance remaining in the criminal court fund at year end be transferred to the parish General Fund. The following details the amount due at December 31, 2004:

Balance due at January 1, 2004	\$1,110
Amount due for 2004	9,571
Total	<u>10,681</u>
Remitted during year	<u>(1,110)</u>
Balance due at December 31, 2004	<u>9,571</u>

**EAST FELICIANA PARISH POLICE JURY**  
**CLINTON, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2004**

**NOTE 13 - CRIMINAL COURT FUND** (Continued)

A residual equity transfer in the amount of \$9,571 was made from the Criminal Court Fund to the General Fund.

**NOTE 14 - E911 SYSTEM ACTIVITY**

The following activity is presented in compliance with Act 1029 of 1999, which amends and reenacts Louisiana Revised Statutes (R.S.) 33:9101 through 9131.

\$104,662 Emergency telephone service charges were collected for 2004.

\$137,476 total expenditure made for the implementation of the E911 system for the current fiscal year.

The Wireless E911 system was activated on August 3, 2001.

**NOTE 15 - FEDERAL COMPLIANCE CONTINGENCIES**

The police jury receives funds from Federal and State grants for specific purposes that are subject to audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grant. Based on past experience, disallowed cost, if any, for grants will be immaterial.

**NOTE 16 - RELATED PARTY TRANSACTIONS**

Some of the more significant related party transactions during the year ended December 31, 2004, were as follows:

Disbursements To:	
Component Units	
Audubon Regional Library	\$166,119

**NOTE 17 - RISK MANAGEMENT**

The police jury is exposed to various risks of loss related to torts theft of, damage to and destruction of assets; errors and omissions and natural disasters for which the Police Jury carries commercial insurance. There have been no significant reductions in coverage from the previous year and settlements have not exceeded coverage in the past three years.

**EAST FELICIANA PARISH POLICE JURY**  
**CLINTON, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2004**

**NOTE 18 - LITIGATION AND CLAIMS**

At December 31, 2004, the Police Jury is defendant in several pending lawsuits filed in the 20th Judicial District Court. Although the suits are still pending, the Police Jury denies any liability and is actively defending its position along with its liability insurance carrier. While the ultimate outcome of the above matters cannot be predicted at this time, it is the opinion of management that the disposition of these matters will not have a material adverse effect on the financial position of the Police Jury.

It is also the opinion of the District Attorney that the Police Jury does not have any reasonable estimated or probable liability using the criteria established under F.A.S.B. Statement 5.

No claims or litigation costs were paid out during the year ended December 31, 2004.

**NOTE 19 - ON-BEHALF PAYMENTS**

There were no on-behalf payments in 2004.

**NOTE 20 - SUBSEQUENT EVENTS**

On April 15, 2005, the police jury entered into an Inter-governmental Agreement with the East Feliciana Parish Sheriff to settle a law suit by the East Feliciana Parish Sheriff. The agreement calls for the police jury to pay \$40,467 to the sheriff in connection with the jail operations of the parish.

SUPPLEMENTARY INFORMATION REQUIRED BY GASB STATEMENT 34

**EAST FELICIANA PARISH POLICE JURY  
CLINTON, LOUISIANA  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
YEAR ENDED DECEMBER 31, 2004**

	<u>BUDGET AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>POSITIVE (NEGATIVE)</u>
<b>REVENUES:</b>				
Taxes	\$152,500	\$153,700	\$343,732	190,032
Intergovernmental	309,000	439,575	439,366	(209)
Fines	0	0	0	0
Licenses and Permits	92,000	115,000	96,525	(18,475)
Charges For Services	3,750	4,730	0	(4,730)
Rental Income	25,000	25,800	24,240	(1,560)
Interest	750	750	771	21
Miscellaneous	24,000	64,000	79,557	15,557
Total Revenue	607,000	803,555	984,191	180,636
<b>EXPENDITURES:</b>				
Current				
General Government	426,100	543,125	500,906	42,219
Public Safety	212,700	310,700	378,756	(68,056)
Highway and Streets	0	0	0	0
Health	0	0	0	0
Culture & Recreation	0	1,598	1,639	(41)
Sanitation	0	0	0	0
Economic Development	0	3,000	3,142	(142)
Capital Outlay	0	10,000	9,045	955
Debt Service				0
Principal	0	0	140,005	(140,005)
Interest Expense	0	0	1,407	(1,407)
Total Expenditures	638,800	868,423	1,034,900	(166,477)
<b>EXCESS (DIFICIENCY) OF REVENUE OVER EXPENDITURES</b>	(31,800)	(64,868)	(50,709)	14,159
<b>OTHER SOURCES</b>				
Proceeds from Revenue Bonds	0	0	120,000	120,000
<b>EXCESS (DIFICIENCY) OF REVENUE &amp; OTHER SOURCES OVER EXPENDITURES</b>	(31,800)	(64,868)	69,291	134,159
<b>FUND BALANCE, BEGINNING OF YEAR</b>	319,564	319,564	319,564	0
<b>RESIDUAL EQUITY TRANSFER</b>	0	0	9,571	9,571
<b>FUND BALANCE, END OF YEAR</b>	287,764	254,696	398,426	143,730

**EAST FELICIANA PARISH POLICE JURY  
CLINTON, LOUISIANA  
BUDGETARY COMPARISON SCHEDULE  
ROADS AND BRIDGES  
YEAR ENDED DECEMBER 31, 2004**

	<u>BUDGET AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>POSITIVE (NEGATIVE)</u>
<b>REVENUES:</b>				
Taxes	\$675,000	\$705,000	\$769,206	64,206
Intergovernmental	175,000	175,000	275,241	100,241
Fines	0	0	0	0
Licenses and Permits	0	0	0	0
Charges For Services	1,500	2,800	0	(2,800)
Rental Income	0	0	0	0
Interest	2,800	2,800	3,363	563
Miscellaneous	2,000	62,600	18,296	(44,304)
<b>Total Revenue</b>	<b>856,300</b>	<b>948,200</b>	<b>1,066,106</b>	<b>117,906</b>
<b>EXPENDITURES:</b>				
Current				
General Government	0	0	0	0
Public Safety	0	0	0	0
Highway and Streets	831,300	946,300	824,120	122,180
Health	0	0	0	0
Culture & Recreation	0	0	0	0
Sanitation	0	0	0	0
Economic Development	0	0	0	0
Capital Outlay	25,000	0	67,147	(67,147)
Debt Service				0
Principal	0	0	0	0
Interest Expense	0	0	0	0
<b>Total Expenditures</b>	<b>856,300</b>	<b>946,300</b>	<b>891,267</b>	<b>55,033</b>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES</b>	<b>0</b>	<b>1,900</b>	<b>174,839</b>	<b>172,939</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<b>293,032</b>	<b>293,032</b>	<b>293,032</b>	<b>0</b>
<b>FUND BALANCE, END OF YEAR</b>	<b>293,032</b>	<b>294,932</b>	<b>467,871</b>	<b>172,939</b>

**EAST FELICIANA PARISH POLICE JURY  
 CLINTON, LOUISIANA  
 BUDGETARY COMPARISON SCHEDULE  
 HEALTH UNIT  
 YEAR ENDED DECEMBER 31, 2004**

	<u>BUDGET AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>POSITIVE (NEGATIVE)</u>
<b>REVENUES:</b>				
Taxes	\$57,500	\$156,500	\$157,960	1,460
Intergovernmental	14,500	14,500	38,124	23,624
Fines	0	0	0	0
Licenses and Permits	0	0	0	0
Charges For Services	0	0	0	0
Rental Income	0	0	0	0
Interest	20,000	10,000	13,780	3,780
Miscellaneous	0	0	0	0
Total Revenue	<u>92,000</u>	<u>181,000</u>	<u>209,864</u>	<u>28,864</u>
<b>EXPENDITURES:</b>				
Current				
General Government	0	0	6,103	(6,103)
Public Safety	0	0	0	0
Highway and Streets	0	0	0	0
Health	87,000	104,000	105,526	(1,526)
Culture & Recreation	0	0	0	0
Sanitation	0	0	0	0
Economic Development	0	0	0	0
Capital Outlay	5,000	20,000	21,612	(1,612)
Debt Service				0
Principal	0	0	0	0
Interest Expense	0	0	0	0
Total Expenditures	<u>92,000</u>	<u>124,000</u>	<u>133,241</u>	<u>(9,241)</u>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES</b>	0	57,000	76,623	19,623
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>1,525,835</u>	<u>1,525,835</u>	<u>1,525,835</u>	<u>0</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>1,525,835</u>	<u>1,582,835</u>	<u>1,602,458</u>	<u>19,623</u>

**EAST FELICIANA PARISH POLICE JURY  
 CLINTON, LOUISIANA  
 BUDGETARY COMPARISON SCHEDULE  
 SOLID WASTE  
 YEAR ENDED DECEMBER 31, 2004**

	<u>BUDGET AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>POSITIVE (NEGATIVE)</u>
<b>REVENUES:</b>				
Taxes	\$950,000	\$950,000	\$1,239,500	289,500
Intergovernmental	0	0	0	0
Fines	0	0	0	0
Licenses and Permits	0	0	0	0
Charges For Services	0	0	0	0
Rental Income	0	0	0	0
Interest	60,000	20,000	33,041	13,041
Miscellaneous	0	0	0	0
<b>Total Revenue</b>	<b>1,010,000</b>	<b>970,000</b>	<b>1,272,541</b>	<b>302,541</b>
<b>EXPENDITURES:</b>				
Current				
General Government	15,500	19,500	17,693	1,807
Public Safety	0	0	0	0
Highway and Streets	0	0	0	0
Health	0	0	0	0
Culture & Recreation	0	0	0	0
Sanitation	975,000	975,000	985,214	(10,214)
Economic Development	0	0	0	0
Capital Outlay	0	0	80,724	(80,724)
Debt Service				
Principal	0	0	0	0
Interest Expense	0	0	0	0
<b>Total Expenditures</b>	<b>990,500</b>	<b>994,500</b>	<b>1,083,631</b>	<b>(89,131)</b>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES</b>	<b>19,500</b>	<b>(24,500)</b>	<b>188,910</b>	<b>213,410</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<b>3,297,306</b>	<b>3,297,306</b>	<b>3,297,306</b>	<b>0</b>
<b>FUND BALANCE, END OF YEAR</b>	<b>3,316,806</b>	<b>3,272,806</b>	<b>3,486,216</b>	<b>213,410</b>

OTHER SUPPLEMENTAL INFORMATION

**EAST FELICIANA PARISH POLICE JURY  
CLINTON, LOUISIANA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
December 31, 2004**

	PAYROLL	CORONER	EPA	E911	CLERK OF COURT	TOTAL
<b>ASSETS:</b>						
Cash	\$1,981	\$30,853	\$5,059	\$21,900	\$5,791	\$65,584
Ad Valorem taxes	0	0	0	15,896	0	15,896
Sales Taxes Receivable	0	0	0	57,339	0	57,339
Other Taxes Receivable	0	0	0	0	0	0
Intergovernmental Receivable	0	408	0	0	2,204	2,612
Accounts Receivable	0	0	0	0	0	0
Due From Other Funds	7,740	0	0	0	22,947	30,687
Net Capital Assets	0	0	0	0	0	0
	<u>9,721</u>	<u>31,261</u>	<u>5,059</u>	<u>95,135</u>	<u>30,942</u>	<u>172,118</u>
<b>LIABILITIES AND FUND BALANCE</b>						
<b>LIABILITIES:</b>						
Accounts Payable	\$0	\$0	\$0	\$0	\$0	\$0
Debt Payable						
Employee Withholding	0	0	0	0	0	0
Due To Other Funds	9,026	0	1,679	0	0	10,705
Compensated Absences						
Intergovernmental Payable	0	0	0	2,221	0	2,221
	<u>9,026</u>	<u>0</u>	<u>1,679</u>	<u>2,221</u>	<u>0</u>	<u>12,926</u>
<b>FUND EQUITY:</b>						
Fund Balance-Unreserved	695	31,261	3,380	92,914	30,942	159,192
	<u>9,721</u>	<u>31,261</u>	<u>5,059</u>	<u>95,135</u>	<u>30,942</u>	<u>172,118</u>

**EAST FELICIANA PARISH POLICE JURY  
 CLINTON, LOUISIANA  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 YEAR ENDED DECEMBER 31, 2004**

	PAYROLL	CORONER	EPA	E911	CLERK OF COURT	TOTAL
<b>REVENUES:</b>						
Taxes	\$0	\$0	\$0	\$162,249	\$0	\$162,249
Intergovernmental	0	0	0	0	40,000	40,000
Fines	0	9,468	0	0	0	9,468
Licenses and Permits	0	0	0	0	0	0
Charges For Services	0	0	0	0	27,353	27,353
Rental Income	0	0	0	0	0	0
Interest	0	328	45	363	111	847
Miscellaneous	695	0	0	0	0	695
Total Revenue	695	9,796	45	162,612	67,464	240,612
<b>EXPENDITURES:</b>						
Current						
General Government	0	0	0	27,234	6,299	33,533
Public Safety	0	0	0	110,242	0	110,242
Highway and Streets	0	0	0	0	0	0
Health	0	11,197	0	0	0	11,197
Culture & Recreation	0	0	0	0	0	0
Sanitation	0	0	0	0	0	0
Economic Development	0	0	0	0	0	0
Capital Outlay	0	4,844	0	0	102,445	107,289
Depreciation	0	0	0	0	0	0
Debt Service						
Principal	0	0	0	0	20,513	20,513
Interest Expense	0	0	0	0	3,867	3,867
Total Expenditures	0	16,041	0	137,476	133,124	286,641
<b>EXCESS (DEFICIENCY) OF</b>						
REVENUE OVER EXPENDITURES	695	(6,245)	45	25,136	(65,660)	(46,029)
<b>FUND BALANCE, BEGINNING OF YEAR</b>						
	0	37,506	3,335	67,778	96,601	205,220
<b>FUND BALANCE, END OF YEAR</b>						
	0	37,506	3,335	67,778	96,601	205,220

EAST FELICIANA PARISH POLICE JURY, LOUISIANA  
SCHEDULE OF COMPENSATION PAID TO ELECTED OFFICIALS  
FOR THE YEAR ENDED DECEMBER 31, 2004

The schedule of compensation paid to Police Jurors is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the Police Jurors is included in the legislative expenditures of the General Fund. In accordance with Louisiana Revised Statute 33:1233, the Police Jury has elected the monthly payment method of compensation. Under this method, the maximum salary allowed is \$1,200 per month. Police Jurors can receive cash in lieu of medical coverages. Compensation paid to the Police Jury is as follows:

James F. Hunt, President	\$7,008
John M. Barnett	6,408
Edward L. Brooks, Sr.	6,408
Richard C. Dudley	6,408
Charles F. Haynes	6,408
James F. Hunt, President	7,008
Ann Reiley Jones	6,408
Louis J. Kent	6,408
Linton J. Manuel	6,408
Buck Richardson	6,408

*Certified Public Accountant*



*Donald C. DeVille*

Member  
American Institute CPAs

Member  
Louisiana Society CPAs

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

May 31, 2005

To the Honorable James F. Hunt, President  
and Members of the East Feliciana Parish Police Jury  
Clinton, Louisiana

I have audited the financial statements of the East Feliciana Parish Police Jury as of and for the year ended December 31, 2004, and have issued my report thereon dated May 31, 2005. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

**COMPLIANCE**

As part of obtaining reasonable assurance about whether Police Jury's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclose instances of non-compliance that are required to be reported under Government Auditing Standards.

**INTERNAL CONTROL OVER FINANCIAL REPORTING**

In planning and performing my audit, I considered East Feliciana Parish Police Jury's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, I noted certain matters involving the internal control over financial reporting and its operations that I consider to be reportable conditions. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in my judgement, could adversely affect its ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of management, board members, and federal awarding agencies, pass-through entities, and state Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties.

Under Louisiana Revised Statutes 24:513, this report is distributed by the Legislative Auditor as a public document.

*W. E. Lewille*

EAST FELICIANA PARISH POLICE JURY  
CLINTON, LOUISIANA  
SCHEDULE OF PRIOR YEARS AUDIT FINDINGS  
YEAR ENDED DECEMBER 31, 2004

<u>REF</u> <u>NO.</u>	<u>FISCAL YEAR</u> <u>FINDING</u> <u>INITIALLY</u> <u>OCCURRED</u>	<u>DESCRIPTION OF FINDING</u>	<u>CORRECTIVE</u> <u>ACTION TAKEN</u> <u>(YES, NO, PARTIALLY)</u>	<u>CORRECTIVE</u> <u>ACTION/PARTIAL</u> <u>CORRECTIVE</u> <u>ACTION TAKEN</u>
1.	12-31-03	Expenditures Exceed Budgets For:  EPA Superfund By \$18,414	Yes	Operated Within Budget

\* \* \* \*

**EAST FELICIANA PARISH POLICE JURY**  
**CLINTON, LOUISIANA**  
**SCHEDULE OF CURRENT YEAR'S FINDINGS**  
**DECEMBER 31, 2004**

**REPORTABLE CONDITION:** The following individual funds have actual expenditures over budgeted expenditures for the year ended December 31, 2004:

	<b><u>REVISED</u></b> <b><u>BUDGET</u></b>	<b><u>ACTUAL</u></b>	<b><u>UNFAVORABLE</u></b> <b><u>VARIANCE</u></b>
<b>GENERAL FUND</b>			
General Fund	\$868,423	\$1,034,900	\$(166,477)
<b><u>SPECIAL REVENUE FUNDS</u></b>			
Clerk of Court-Building	110,000	133,124	(23,124)
Emergency 911	137,000	137,476	(476)
Solid Waste	994,500	1,083,631	(89,131)
Health Unit	124,000	133,241	(9,241)

**CRITERIA:** LSA R.S. 39:1310 states that actual expenditures should not exceed total budgeted expenditures by five percent.

**CAUSE:** The over expenditures occurred due:

- General Fund - Additional principal payments on loans.
- Clerk of Court - Additional principal payments on loan.
- Solid Waste - Purchase of Equipment.
- Health Unit - Sheriff's Commission.

**EFFECT:** Expenditures exceeded appropriations.

**RECOMMENDATION:** I recommend that the Police Jury periodically compare its expenditures and proposed expenditure to the budget for the availability of funds.

**MANAGEMENT RESPONSE:** See corrective action plan.

\* \* \* \*

EAST FELICIANA PARISH POLICE JURY  
CLINTON, LOUISIANA  
CORRECTIVE ACTION PLAN  
DECEMBER 31, 2004

<u>REF NO.</u>	<u>DESCRIPTION OF FINDING</u>	<u>CORRECTIVE ACTION PLANNED</u>	<u>NAME OF CONTACT PERSON</u>	<u>ANTICIPATED COMPLETION DATE</u>
1.	Various Funds Had Expenditures Exceed Budgeted Expenditures	Improved Software Will Improve Control Over Budgeting. Jury Is Also Considering Additional Funding Sources	Phil Graham, CPA	12-31-05

\* \* \* \*