

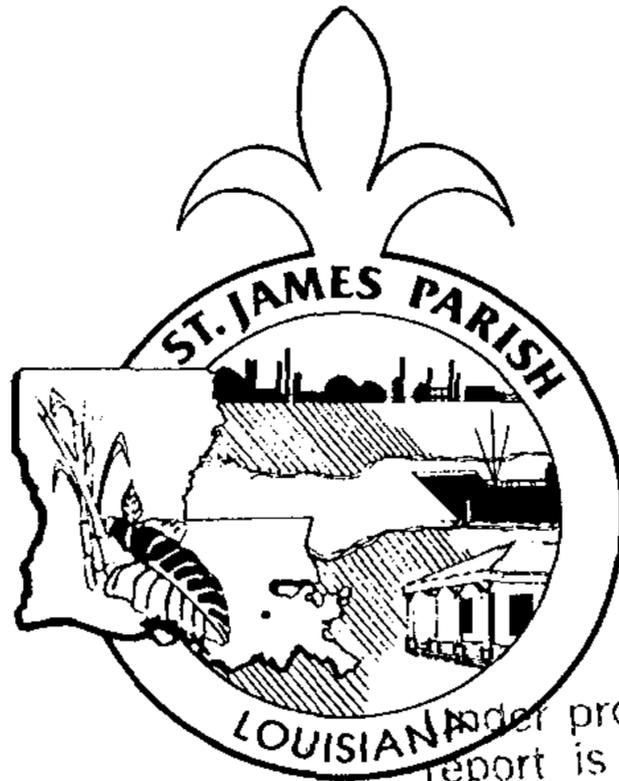
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ST. JAMES PARISH COUNCIL

State of Louisiana

General Purpose Financial Statements
As of and for the Year
Ended December 31, 1998



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

Release Date 8-11-99

Prepared by:
Department of Finance

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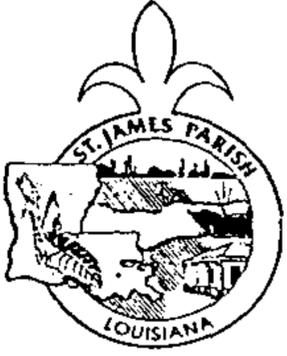
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INTRODUCTORY SECTION



Office of the President

St. James Parish

P. O. Box 106

Convent, Louisiana 70723-0106

562-2300 265-3915 265-3156

T.D.D. 562-2200

Dale J. Hymel, Jr.
President

May 14, 1999

Office of the Legislative Auditor
Attn: Ms. Carmen Walker
1600 Riverside North
P. O. Box 94397
Baton Rouge, LA 70804-9397

Dear Ms. Walker:

In accordance with Louisiana Revised Statute 24:514, enclosed are the annual financial statements for the St. James Parish Council as of and for the fiscal year ended December 31, 1998. The report includes all funds under the control and oversight of the Parish Council. The following component units within the parish have been included within the accompanying report:

St. James Youth Center
Gas & Water Distribution System

St. James Parish Clerk of Court
St. James Parish Hospital

The accompanying financial statements have been prepared in accordance with generally accepted accounting principles.

Sincerely yours,

A. J. Laiche
Director of Finance

AJL:rmf
Enclosures

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT



Postlethwaite & Netterville
A Professional Accounting Corporation

2324 Severn Avenue, Suite A - Metairie, Louisiana 70001 1977
Telephone (504) 837-5990 • FAX (504) 834-3609
www.pncpa.com

To the President and Members
St. James Parish Council
Convent, Louisiana

Independent Auditors' Report

We have audited the accompanying general purpose financial statements of the St. James Parish Council, State of Louisiana, as of and for the year December 31, 1998 as listed in the table of contents. These general purpose financial statements are the responsibility of the management of St. James Parish Council, State of Louisiana. Our responsibility is to express an opinion on these general purpose financial statements based on our audit. We did not audit the financial statements of the discretely presented component units, St. James Parish Hospital and St. James Parish Clerk of Court. The financial statements of St. James Parish Hospital reflect total assets of \$7,128,085 as of March 31, 1998 and total revenues of \$7,011,831 for the year ended March 31, 1998. The financial statements of St. James Parish Clerk of Court reflect total assets of \$776,777 as of June 30, 1998 and total revenues of \$502,757 for the year ended June 30, 1998. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinion on the general purpose financial statements, insofar as it relates to the amounts included for the discretely presented components units, is based solely on the reports of the other auditors.

We conducted our 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. 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.

In our opinion based on our audit and the reports of other auditors, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the St. James Parish Council, State of Louisiana, at December 31, 1998 and the results of its operations and the cash flows of its proprietary fund types and discretely presented component unit for the year ended December 31, 1998 in conformity with generally accepted accounting principles.



The year 2000 supplementary information on page 116 is not a required part of the general purpose financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and do not express an opinion on it. In addition, we do not provide assurance that St. James Parish Council is or will become year 2000 compliant, that St. James Parish Council's year 2000 remediation efforts will be successful in whole or in part, or that parties with which St. James Parish Council does business are or will become year 2000 compliant.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 14, 1999 on our consideration of St. James Parish Council, State of Louisiana's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual fund financial statements and schedules listed 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 St. James Parish Council, State of Louisiana. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U. S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the general purpose financial statements of St. James Parish Council, State of Louisiana. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

Postlethwaite & Netterville

Metairie, Louisiana
May 14, 1999



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON
INTERNAL CONTROL OVER FINANCIAL REPORTING**

DECEMBER 31, 1998



Postlethwaite & Netterville

A Professional Accounting Corporation

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

To the President and Members
St. James Parish Council
Convent, Louisiana

We have audited the general purpose financial statements of the St. James Parish Council, State of Louisiana, for the year ended December 31, 1998 as listed in the table of contents, and have issued our report thereon dated May 14, 1999. We conducted our 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 St. James Parish Council, State of Louisiana'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 no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered St. James Parish Council, State of Louisiana's 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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and



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

This report is intended solely for the information and use of management, others within the organization, St. James Parish Council and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Postlethwaite & Netterville

Metairie, Louisiana
May 14, 1999



GENERAL PURPOSE FINANCIAL STATEMENTS

ST. JAMES PARISH COUNCIL
 Convent, Louisiana
 All Fund Types, Account Groups and Discretely Presented Component Units
 Combined Balance Sheet, December 31, 1998
 With Comparative Totals for December 31, 1997

	Governmental Fund Types			Proprietary Fund Types		
	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Enterprise Funds	Internal Service Funds
Assets and Other Debits						
Cash and cash equivalents	\$ 1,518,786	\$ 3,626,508	\$ 138,778	\$ 279,300	\$ 545,993	\$ 984,189
Time certificates of deposit	-	500,000	3,500	-	-	-
Investment securities	715,255	2,848,613	566,871	191,362	1,078,272	231,747
Investment in deferred compensation	-	-	-	-	-	-
Receivables (net of allowances for uncollectibles)	1,821,961	5,570,225	1,592,217	12,100	843,777	14,780
Interfund loans receivable	1,300	-	-	144,500	-	-
Due from other funds	26	365,529	-	-	-	-
Inventory	27,718	-	-	-	169,530	-
Prepaid items	-	-	-	-	82,269	-
Restricted assets	-	-	-	-	1,007,670	-
Other assets	-	-	-	-	19,054	-
Land, buildings, and equipment (net)	-	-	-	-	15,275,046	-
Amount available in debt service funds	-	-	-	-	-	-
Amount to be provided for retirement of general long-term obligations	-	-	-	-	-	-
Total Assets and Other Debits	\$ 4,085,046	\$ 12,910,875	\$ 2,301,366	\$ 627,262	\$ 19,021,611	\$ 1,230,716
Liabilities and Fund Equity						
Liabilities						
Accounts payable	\$ 244,953	\$ 488,942	\$ 50,909	\$ -	\$ 242,328	\$ 958
Liability for claims	-	-	-	-	-	220,000
Payroll deductions and withholdings payable	57,104	112,997	-	-	66,826	-
Payable from restricted assets:						
Deposits	-	-	-	-	164,290	-
Bond interest payable	-	-	-	-	53,085	-
Bonded debt payable within one year	-	-	-	-	225,144	-
Current portion of capital lease payable	-	-	-	-	3,629	-
Current maturities of long-term debt	-	-	-	-	-	-
Due to other funds	60,957	26	-	-	212,146	-
Other liabilities	3,602	-	-	-	80,820	-
Deposits and escrow accounts	-	-	-	-	-	-
Deferred revenues	-	16,795	-	-	-	-
Capital lease obligation	-	-	-	-	3,280	-
Compensated absences	-	-	-	-	260,812	-
Notes payable	-	-	-	-	-	-
Bonds or certificates of indebtedness payable	-	-	-	-	2,107,155	-
Interfund loans payable	-	1,300	144,500	-	-	-
Total Liabilities	366,616	620,060	195,409	-	3,419,515	220,958
Fund Equity:						
Contributed capital	-	-	-	-	12,789,233	-
Investment in general fixed assets	-	-	-	-	-	-
Retained earnings:						
Reserved	-	-	-	-	565,151	-
Unreserved-undesignated	-	-	-	-	2,247,712	1,009,758
Total retained earnings	-	-	-	-	2,812,863	1,009,758
Fund Balances:						
Reserved for debt service	-	-	2,105,957	-	-	-
Unreserved-undesignated	3,718,430	12,290,815	-	627,262	-	-
Total Fund Balance	3,718,430	12,290,815	2,105,957	627,262	-	-
Total Fund Equity	3,718,430	12,290,815	2,105,957	627,262	15,602,096	1,009,758
Total Liabilities and Fund Equity	\$ 4,085,046	\$ 12,910,875	\$ 2,301,366	\$ 627,262	\$ 19,021,611	\$ 1,230,716

The accompanying notes are an integral part of this statement

Fiduciary Fund Types	Account Groups		Totals	Component Units		Totals	
	General	General	Primary	St. James	St. James	Reporting Entity	
	Fixed	Long-term	Government	Parish	Parish	(Memorandum Only)	
Agency Fund	Assets	Obligations	(Memorandum Only)	Hospital	Clerk of Court	1998	1997
\$ -	\$ -	\$ -	\$ 7,093,554	\$ 1,004,728	\$ 151,964	\$ 8,250,246	\$ 7,522,969
-	-	-	503,500	-	535,112	1,038,612	970,150
-	-	-	5,632,120	-	-	5,632,120	3,911,480
1,606,440	-	-	1,606,440	-	-	1,606,440	1,413,811
-	-	-	9,855,060	1,504,452	26,393	11,385,905	11,575,801
-	-	-	145,800	-	-	145,800	689,500
-	-	-	365,555	-	150	365,705	317,761
-	-	-	197,248	97,372	-	294,620	284,024
-	-	-	82,269	117,157	3,780	203,206	224,878
-	-	-	1,007,670	1,570,084	-	2,577,754	2,792,277
-	-	-	19,054	345	-	19,399	40,617
-	22,698,279	-	37,973,325	2,833,947	59,378	40,866,650	39,516,680
-	-	2,105,957	2,105,957	-	-	2,105,957	2,021,636
-	-	11,196,914	11,196,914	-	-	11,196,914	11,957,997
<u>\$ 1,606,440</u>	<u>\$ 22,698,279</u>	<u>\$ 13,302,871</u>	<u>\$ 77,784,466</u>	<u>\$ 7,128,085</u>	<u>\$ 776,777</u>	<u>\$ 85,689,328</u>	<u>\$ 83,239,581</u>
\$ -	\$ -	\$ -	\$ 1,028,090	\$ 330,803	\$ 3,037	\$ 1,361,930	\$ 1,276,445
-	-	-	220,000	-	-	220,000	220,000
-	-	-	236,927	-	-	236,927	220,407
-	-	-	164,290	-	-	164,290	134,660
-	-	-	53,085	-	-	53,085	15,053
-	-	-	225,144	-	-	225,144	199,949
-	-	-	3,629	-	-	3,629	3,322
-	-	-	-	38,742	-	38,742	3,900
-	-	-	273,129	-	5,150	278,279	268,955
-	-	-	84,422	133,946	464,803	683,171	1,382,006
1,606,440	-	-	1,606,440	-	-	1,606,440	1,413,811
-	-	-	16,795	178,000	-	194,795	45,180
-	-	496,087	499,367	-	-	499,367	243,824
-	-	382,224	643,036	148,101	-	791,137	746,910
-	-	118,560	118,560	146,262	-	264,822	201,513
-	-	12,306,000	14,413,155	-	-	14,413,155	15,635,407
-	-	-	145,800	-	-	145,800	689,500
<u>1,606,440</u>	<u>-</u>	<u>13,302,871</u>	<u>19,731,869</u>	<u>975,854</u>	<u>472,990</u>	<u>21,180,713</u>	<u>22,700,842</u>
-	-	-	12,789,233	-	-	12,789,233	12,550,001
-	22,698,279	-	22,698,279	-	59,378	22,757,657	21,333,888
-	-	-	565,151	-	-	565,151	1,304,576
-	-	-	3,257,470	6,152,231	-	9,409,701	8,223,400
-	-	-	3,822,621	6,152,231	-	9,974,852	9,527,976
-	-	-	2,105,957	-	3,780	2,109,737	2,025,416
-	-	-	16,636,507	-	240,629	16,877,136	15,101,458
-	-	-	18,742,464	-	244,409	18,986,873	17,126,874
-	22,698,279	-	58,052,597	6,152,231	303,787	64,508,615	60,538,739
<u>\$ 1,606,440</u>	<u>\$ 22,698,279</u>	<u>\$ 13,302,871</u>	<u>\$ 77,784,466</u>	<u>\$ 7,128,085</u>	<u>\$ 776,777</u>	<u>\$ 85,689,328</u>	<u>\$ 83,239,581</u>

ST. JAMES PARISH COUNCIL
 Convent, Louisiana
 All Governmental Fund Types and Discretely Presented Component Units
 Combined Statement of Revenues, Expenditures
 and Changes in Fund Balances
 For the year ended December 31, 1998
 With Comparative Totals for the year ended December 31, 1997

	Governmental Fund Types				Totals Primary Government (Memorandum Only)
	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	
Revenues:					
Taxes	\$3,337,138	\$ 7,256,972	\$1,619,225	\$ -	\$12,213,335
Licenses and permits	332,410	-	-	-	332,410
Intergovernmental revenues	689,282	2,412,068	-	-	3,101,350
Fines and forfeits	-	137,203	-	-	137,203
Charges for services	-	552,548	-	-	552,548
Interest earned	141,198	385,217	57,497	21,580	605,492
In-kind contributions	2,500	232,107	-	-	234,607
Other revenues	105,832	241,289	81,860	-	428,981
Total revenues	<u>4,608,360</u>	<u>11,217,404</u>	<u>1,758,582</u>	<u>21,580</u>	<u>17,605,926</u>
Expenditures:					
Current:					
General government	2,402,196	1,504,915	56,481	-	3,963,592
Public safety	423,972	1,267,224	-	-	1,691,196
Highways and streets	-	1,064,107	-	-	1,064,107
Sanitation	-	1,073,275	-	-	1,073,275
Public transportation	-	425,109	-	-	425,109
Health and welfare	194,089	1,276,974	-	-	1,471,063
Public housing	1,840	644	-	-	2,484
Culture and recreation	-	1,242,434	-	-	1,242,434
Economic development and assistance	476,458	1,112,546	-	-	1,589,004
Capital outlay	246,612	1,451,938	-	161,746	1,860,296
In-kind expenses	2,500	232,107	-	-	234,607
Debt service:					
Principal	-	-	1,050,717	-	1,050,717
Interest and bank charges	-	-	589,078	-	589,078
Cost of issuance	-	-	44,738	-	44,738
Total expenditures	<u>3,747,667</u>	<u>10,651,273</u>	<u>1,741,014</u>	<u>161,746</u>	<u>16,301,700</u>
Excess (deficiency) of revenues over expenditures	860,693	566,131	17,568	(140,166)	1,304,226
Other financing sources (uses)					
Operating transfers in	3,395	568,441	91,037	243,645	906,518
Proceeds of refunding bonds	-	-	2,136,000	-	2,136,000
Proceeds from capital lease	94,856	386,779	-	-	481,635
Proceeds from credit sales	-	21,499	-	-	21,499
Proceeds from loans	-	-	-	-	-
Donation of property	-	85,500	-	-	85,500
Operating transfers out	(497,951)	(420,107)	(750)	(59,420)	(978,228)
Transfer to escrow agent	-	-	(2,159,534)	-	(2,159,534)
Interest on lease purchase	-	(9,793)	-	-	(9,793)
Total other financing sources (uses)	<u>(399,700)</u>	<u>632,319</u>	<u>66,753</u>	<u>184,225</u>	<u>483,597</u>
Excess (deficiency) of revenues and other sources over expenditures and other (uses)	460,993	1,198,450	84,321	44,059	1,787,823
Fund balance, beginning of year	3,257,437	11,092,365	2,021,636	583,203	16,954,641
Fund balance, end of year	<u><u>\$3,718,430</u></u>	<u><u>\$12,290,815</u></u>	<u><u>\$2,105,957</u></u>	<u><u>\$ 627,262</u></u>	<u><u>\$18,742,464</u></u>

The accompanying notes are an integral part of this statement

Component Unit St. James Parish Clerk of Court	Totals Reporting Entity (Memorandum Only)	
	1998	1997
	\$ -	\$12,213,335
3,600	336,010	355,019
-	3,101,350	3,764,489
-	137,203	185,799
486,497	1,039,045	855,411
12,660	618,152	539,909
-	234,607	226,353
-	428,981	690,984
<u>502,757</u>	<u>18,108,683</u>	<u>18,979,048</u>
418,197	4,381,789	4,281,200
-	1,691,196	1,417,182
-	1,064,107	988,959
-	1,073,275	1,053,240
-	425,109	351,427
-	1,471,063	1,373,961
-	2,484	1,800
-	1,242,434	1,239,978
-	1,589,004	1,552,538
12,384	1,872,680	2,182,185
-	234,607	226,353
-	1,050,717	978,869
-	589,078	733,133
-	44,738	-
<u>430,581</u>	<u>16,732,281</u>	<u>16,380,825</u>
72,176	1,376,402	2,598,223
-	906,518	1,224,978
-	2,136,000	-
-	481,635	7,288
-	21,499	-
-	-	184,157
-	85,500	-
-	(978,228)	(1,224,979)
-	(2,159,534)	-
-	(9,793)	-
-	<u>483,597</u>	<u>191,444</u>
72,176	1,859,999	2,789,667
172,233	17,126,874	14,337,207
<u>\$244,409</u>	<u>\$18,986,873</u>	<u>\$17,126,874</u>

ST. JAMES PARISH COUNCIL
 Convent, Louisiana
 Governmental Fund Type - General and Special Revenue Funds
 Combined Statement of Revenues, Expenditures
 and Changes in Fund Balances
 Budget (GAAP Basis) and Actual
 For the year ended December 31, 1998
 With Comparative Actual Totals for the year ended December 31, 1997

	General Fund		Variance Favorable (Unfavorable)	1997 Actual
	Budget	Actual		
Revenues:				
Taxes	\$3,373,300	\$3,337,138	\$ (36,162)	\$3,318,189
Licenses and permits	322,500	332,410	9,910	351,559
Intergovernmental revenues	690,500	689,282	(1,218)	941,001
Fines and forfeits	-	-	-	-
Charges for services	-	-	-	-
Interest	146,100	141,198	(4,902)	115,915
In-kind contributions	2,600	2,500	(100)	2,568
Other	108,100	105,832	(2,268)	374,010
Total revenues	<u>4,643,100</u>	<u>4,608,360</u>	<u>(34,740)</u>	<u>5,103,242</u>
Expenditures:				
Current:				
General government	2,406,900	2,402,196	4,704	2,368,765
Public safety	311,300	423,972	(112,672)	328,578
Highways and streets	-	-	-	-
Sanitation	-	-	-	-
Public transportation	-	-	-	-
Health and welfare	195,900	194,089	1,811	197,619
Public housing	2,400	1,840	560	1,800
Culture and recreation	-	-	-	-
Economic development and assistance	464,700	476,458	(11,758)	520,153
Capital outlay	307,900	246,612	61,288	57,375
In-kind expenses	2,500	2,500	-	2,568
Total expenditures	<u>3,691,600</u>	<u>3,747,667</u>	<u>(56,067)</u>	<u>3,476,858</u>
Excess (deficiency) of revenues over expenditures	951,500	860,693	(90,807)	1,626,384
Other financing sources (uses)				
Operating transfers in	12,500	3,395	(9,105)	70,300
Proceeds from capital lease	44,900	94,856	49,956	-
Proceeds from credit sales	-	-	-	-
Proceeds from loans	-	-	-	-
Donation of property	-	-	-	-
Operating transfers out	(563,300)	(497,951)	65,349	(445,483)
Interest on lease purchase	-	-	-	-
Total other financing sources (uses)	<u>(505,900)</u>	<u>(399,700)</u>	<u>106,200</u>	<u>(375,183)</u>
Excess (deficiency) of revenues and other sources over expenditures and other (uses)	445,600	460,993	15,393	1,251,201
Fund balance, beginning of year	3,257,437	3,257,437	-	2,006,236
Fund balance, end of year	<u>\$3,703,037</u>	<u>\$3,718,430</u>	<u>\$ 15,393</u>	<u>\$3,257,437</u>

The accompanying notes are an integral part of this statement

Statement C

Special Revenue Funds			
Budget	Actual	Variance Favorable (Unfavorable)	1997 Actual
\$ 7,278,400	\$ 7,256,972	\$ (21,428)	\$ 7,225,593
-	-	-	-
2,464,508	2,412,068	(52,440)	2,372,876
134,500	137,203	2,703	185,799
545,600	552,548	6,948	489,710
355,170	385,217	30,047	339,837
211,400	232,107	20,707	223,785
211,400	241,289	29,889	197,261
<u>11,200,978</u>	<u>11,217,404</u>	<u>16,426</u>	<u>11,034,861</u>
650,817	645,099	5,718	1,500,313
848,500	859,816	(11,316)	1,088,604
1,299,370	1,267,224	32,146	988,959
1,027,750	1,064,107	(36,357)	1,053,240
1,079,500	1,073,275	6,225	351,427
421,600	425,109	(3,509)	1,176,342
1,275,805	1,276,974	(1,169)	-
603	644	(41)	1,239,978
1,289,950	1,242,434	47,516	1,032,385
1,085,100	1,112,546	(27,446)	1,017,011
1,084,500	1,451,938	(367,438)	223,785
<u>10,063,495</u>	<u>10,419,166</u>	<u>(355,671)</u>	<u>9,672,044</u>
1,137,483	798,238	(339,245)	1,362,817
-	-	-	413,183
773,831	568,441	(205,390)	7,288
-	386,779	386,779	-
21,500	21,499	(1)	184,157
-	-	-	-
-	85,500	85,500	(728,774)
(604,700)	(420,107)	184,593	-
<u>190,631</u>	<u>642,112</u>	<u>451,481</u>	<u>(124,146)</u>
1,328,114	1,440,350	112,236	1,238,671
-	-	-	9,853,694
<u>\$ 1,328,114</u>	<u>\$ 1,440,350</u>	<u>\$ 112,236</u>	<u>\$11,092,365</u>

ST. JAMES PARISH COUNCIL
 Convent, Louisiana
 Governmental Fund Type - Debt Service and Capital Projects Funds
 Combined Statement of Revenues, Expenditures
 and Changes in Fund Balances
 Budget (GAAP Basis) and Actual
 For the year ended December 31, 1998
 With Comparative Actual Totals for the year ended December 31, 1997

	Debt Service Funds			1997 Actual
	Budget	Actual	Variance Favorable (Unfavorable)	
Revenues:				
Taxes	\$1,621,100	\$1,619,225	\$ (1,875)	\$1,817,302
Intergovernmental	-	-	-	-
Interest	55,700	57,497	1,797	52,311
Other	81,900	81,860	(40)	119,713
Total revenues	<u>1,758,700</u>	<u>1,758,582</u>	<u>(118)</u>	<u>1,989,326</u>
Expenditures:				
Current:				
General government	59,400	56,481	2,919	62,086
Capital outlay	-	-	-	-
Debt Service:				
Principal	1,050,717	1,050,717	-	978,869
Interest and bank charges	590,468	589,078	1,390	733,133
Cost of issuance	44,700	44,738	(38)	-
Total expenditures	<u>1,745,285</u>	<u>1,741,014</u>	<u>4,271</u>	<u>1,774,088</u>
Excess (deficiency) of revenues over expenditures	13,415	17,568	4,153	215,238
Other financing sources (uses)				
Operating transfers in	50,000	91,037	41,037	-
Proceeds of refunding bonds	2,136,000	2,136,000	-	-
Operating transfers out	(731)	(750)	(19)	63,700
Transfer to escrow agent	(2,160,100)	(2,159,534)	566	-
Total other financing sources (uses)	<u>25,169</u>	<u>66,753</u>	<u>41,584</u>	<u>63,700</u>
Excess (deficiency) of revenues and other sources over expenditures and other (uses)	38,584	84,321	45,737	278,938
Fund balance, beginning of year	2,021,636	2,021,636	-	1,742,698
Fund balance, end of year	<u>\$ 2,060,220</u>	<u>\$ 2,105,957</u>	<u>\$ 45,737</u>	<u>\$ 2,021,636</u>

The accompanying notes are an integral part of this statement

Statement D

Capital Projects Funds

<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>1997 Actual</u>
\$ -	\$ -	\$ -	\$ -
-	-	-	450,612
20,200	21,580	1,380	20,407
-	-	-	-
<u>20,200</u>	<u>21,580</u>	<u>1,380</u>	<u>471,019</u>
-	-	-	-
178,300	161,746	16,554	1,091,531
-	-	-	-
-	-	-	-
<u>178,300</u>	<u>161,746</u>	<u>16,554</u>	<u>1,091,531</u>
(158,100)	(140,166)	17,934	(620,512)
250,600	243,645	(6,955)	677,795
-	-	-	-
(52,300)	(59,420)	(7,120)	(50,722)
-	-	-	-
<u>198,300</u>	<u>184,225</u>	<u>(14,075)</u>	<u>627,073</u>
40,200	44,059	3,859	6,561
583,203	583,203	-	576,642
<u>\$ 623,403</u>	<u>\$ 627,262</u>	<u>\$ 3,859</u>	<u>\$ 583,203</u>

ST. JAMES PARISH COUNCIL
 Convent, Louisiana
 All Proprietary Fund Types and Discretely Presented Component Units
 Combined Statement of Revenues, Expenses and
 Changes in Retained Earnings
 For the year ended December 31, 1998
 With Comparative Totals for the year ended December 31, 1997

	Proprietary Fund Types		Totals Primary Government (Memorandum Only)
	Enterprise Funds	Internal Service Fund	
Operating revenues:			
Charges for sales and services	\$5,073,169	\$1,047,575	\$6,120,744
Ad valorem tax and other taxes	214,407	-	214,407
Other	135,983	-	135,983
Total operating revenues	<u>5,423,559</u>	<u>1,047,575</u>	<u>6,471,134</u>
Operating expenses:			
Cost of sales and services	1,201,330	724,623	1,925,953
Payrolls	2,181,615	-	2,181,615
General and administrative	1,220,448	169,432	1,389,880
Depreciation and amortization	666,277	-	666,277
Total operating expenses	<u>5,269,670</u>	<u>894,055</u>	<u>6,163,725</u>
Operating income (loss)	153,889	153,520	307,409
Nonoperating revenues (expenses):			
Interest income	102,134	50,628	152,762
Interest expense	(153,358)	-	(153,358)
Grants	164,177	-	164,177
Other	225	-	225
Total nonoperating revenues (expenses)	<u>113,178</u>	<u>50,628</u>	<u>163,806</u>
Income (loss) from continuing operations before operating transfers	267,067	204,148	471,215
Other financing sources (uses)			
Operating transfers in	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net income (loss) from continuing operations	267,067	204,148	471,215
Discontinued operations	-	-	-
Net income (loss)	267,067	204,148	471,215
Retained earnings, beginning of year	2,545,796	805,610	3,351,406
Retained earnings, end of year	<u>\$2,812,863</u>	<u>\$1,009,758</u>	<u>\$3,822,621</u>

The accompanying notes are an integral part of this statement.

Statement E

Component Unit	Totals	
	Reporting Entity	
	(Memorandum Only)	
	1998	1997
St. James Parish Hospital		
\$5,773,942	\$11,894,686	\$10,081,751
1,035,384	1,249,791	1,261,705
43,955	179,938	169,297
<u>6,853,281</u>	<u>13,324,415</u>	<u>11,512,753</u>
2,679,869	4,605,822	4,634,430
2,680,130	4,861,745	4,756,654
953,317	2,343,197	2,463,273
366,294	1,032,571	993,074
<u>6,679,610</u>	<u>12,843,335</u>	<u>12,847,431</u>
173,671	481,080	(1,334,678)
125,300	278,062	234,553
(9,273)	(162,631)	(214,278)
33,250	197,427	172,229
(3,583)	(3,358)	(800)
<u>145,694</u>	<u>309,500</u>	<u>191,704</u>
319,365	790,580	(1,142,974)
-	-	85,053
-	-	<u>85,053</u>
319,365	790,580	(1,057,921)
(343,704)	(343,704)	(1,915,219)
(24,339)	446,876	(2,973,140)
<u>6,176,570</u>	<u>9,527,976</u>	<u>12,501,116</u>
<u>\$6,152,231</u>	<u>\$ 9,974,852</u>	<u>\$ 9,527,976</u>

ST. JAMES PARISH COUNCIL
 Convent, Louisiana
 All Proprietary Fund Types and Discretely Presented Component Units
 Combined Statement of Cash Flows
 For the year ended December 31, 1998
 With Comparative Totals for the year ended December 31, 1997

	Proprietary Fund Types		Totals
	Enterprise Funds	Internal Service Fund	Primary Government (Memorandum Only)
Cash flows from operating activities:			
Operating income (loss)	\$ 153,889	\$153,520	\$ 307,409
Adjustments to reconcile operating income to net cash provided by operating activities			
Depreciation and amortization	666,277	-	666,277
Provision for uncollectible accounts	10,605	-	10,605
Write off of uncollectible accounts	(3,786)	-	(3,786)
Loss on disposal of capital assets	-	-	-
Changes in assets and liabilities:			
Accounts receivables	(34,670)	(1,475)	(36,145)
Inventory	(5,192)	-	(5,192)
Prepaid expenses	12,296	-	12,296
Accounts payable	93,800	958	94,758
Payroll deductions and withholdings payable	7,590	-	7,590
Liability for claims	-	-	-
Due to (from) other funds	35,047	-	35,047
Accrued expenses	-	-	-
Other liabilities	(4,926)	-	(4,926)
Compensated absences	17,651	-	17,651
Deferred revenue	(35,000)	-	(35,000)
Customers' deposits	29,630	-	29,630
Net cash provided by (used in) operating activities	<u>943,211</u>	<u>153,003</u>	<u>1,096,214</u>
Cash flows from noncapital financing activities:			
Operating transfers in	-	-	-
Donations/grants received	164,677	-	164,677
Net cash provided by noncapital financing activities	<u>164,677</u>	<u>-</u>	<u>164,677</u>
Cash flows from capital and related financing activities:			
Principal repayment of debt	(269,949)	-	(269,949)
Interest paid on debt	(106,788)	-	(106,788)
Additional borrowings of long-term debt	-	-	-
Repayment of long-term debt	-	-	-
Acquisitions and construction of capital assets	(427,288)	-	(427,288)
Contributed capital	35,908	-	35,908
Repayment of capital lease borrowings	(3,322)	-	(3,322)
Transfer to escrow agent	(72,055)	-	(72,055)
Grant from state government	100,000	-	100,000
Miscellaneous payments	(275)	-	(275)
Net cash used for capital and related financing activities	<u>(743,769)</u>	<u>-</u>	<u>(743,769)</u>

The accompanying notes are an integral part of this statement.

Statement F (continued)

Component Unit	Totals	
	Reporting Entity	
	(Memorandum Only)	
	1998	1997
\$ (170,033)	\$ 137,376	\$ (3,249,897)
445,060	1,111,337	1,020,371
538,547	549,152	745,185
-	(3,786)	(83,848)
-	-	897
(944,168)	(980,313)	2,104,259
(8,879)	(14,071)	25,153
9,376	21,672	78,960
105,257	200,015	(473,385)
-	7,590	2,065
-	-	(25,000)
-	35,047	69,365
(576,884)	(576,884)	317,454
-	(4,926)	3,767
7,972	25,623	(19,054)
-	(35,000)	(60,000)
-	29,630	23,822
<u>(593,752)</u>	<u>502,462</u>	<u>480,114</u>
-	-	85,053
33,250	197,927	172,729
<u>33,250</u>	<u>197,927</u>	<u>257,782</u>
-	(269,949)	(245,315)
(9,273)	(116,061)	(216,750)
189,400	189,400	18,347
(20,711)	(20,711)	(2,032)
(309,497)	(736,785)	(195,659)
-	35,908	38,746
-	(3,322)	(3,040)
-	(72,055)	-
-	100,000	-
(3,583)	(3,858)	(1,300)
<u>(153,664)</u>	<u>(897,433)</u>	<u>(607,003)</u>

ST. JAMES PARISH COUNCIL
 Convent, Louisiana
 All Proprietary Fund Types and Discretely Presented Component Units
 Combined Statement of Cash Flows
 For the year ended December 31, 1998
 With Comparative Totals for the year ended December 31, 1997

	Proprietary Fund Types		Totals Primary Government (Memorandum Only)
	Enterprise Funds	Internal Service Fund	
Cash flows from investing activities:			
Cash returned for security deposits	-	-	-
Interest received on investments	102,073	50,628	152,701
Cash invested in assets whose use is limited	-	-	-
Maturation of certificates of deposits	120,000	-	120,000
Purchase of certificates of deposits	(150,000)	-	(150,000)
Proceeds from sale of investments	28,400	-	28,400
Purchase of investments	(480,637)	(11,895)	(492,532)
Net cash provided by (used for) investing activities	<u>(380,164)</u>	<u>38,733</u>	<u>(341,431)</u>
Net increase (decrease) in cash and cash equivalents	(16,045)	191,736	175,691
Cash and cash equivalents, beginning of year	<u>1,040,642</u>	<u>792,453</u>	<u>1,833,095</u>
Cash and cash equivalents, end of year	<u><u>\$1,024,597</u></u>	<u><u>\$984,189</u></u>	<u><u>\$ 2,008,786</u></u>
Supplemental disclosures of cash flow information:			
Noncash capital and related activities:			
Utility plant, property and equipment contributed by subdividers	\$ 103,324	\$ -	\$ 103,324
Bond issuance costs paid	\$ (18,816)	\$ -	\$ (18,816)
Proceeds from bonds issued to refund capital debt	\$ 900,000	\$ -	\$ 900,000

The accompanying notes are an integral part of this statement.

Statement F (concluded)

Component Unit	Totals	
	Reporting Entity	
	(Memorandum Only)	
St. James Parish Hospital	1998	1997
20,605	20,605	4,905
125,300	278,001	241,454
373,564	373,564	(100,441)
-	120,000	105,000
-	(150,000)	(120,000)
-	28,400	88,628
-	(492,532)	(252,411)
<u>519,469</u>	<u>178,038</u>	<u>(32,865)</u>
(194,697)	(19,006)	98,028
<u>1,199,425</u>	<u>3,032,520</u>	<u>2,934,492</u>
<u>\$ 1,004,728</u>	<u>\$ 3,013,514</u>	<u>\$ 3,032,520</u>
<u>\$ -</u>	<u>\$ 103,324</u>	<u>\$ 50,223</u>
<u>\$ -</u>	<u>\$ (18,816)</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ 900,000</u>	<u>\$ -</u>

ST. JAMES PARISH COUNCIL
Convent, Louisiana

Notes to the Financial Statements

INTRODUCTION

The St. James Parish Council is the governing authority for St. James Parish and is a political subdivision of the State of Louisiana. The Parish Council is governed by seven councilmen representing the various districts within the parish. The councilmen serve four-year terms which expire on January 8, 2000.

Louisiana Revised Statute 33:1236 gives the Parish Council 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 their 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, service charges, beer and alcoholic beverage permits, state revenue sharing, and various other state and federal grants.

To fulfill its responsibilities to the poor, disadvantaged, and unemployed in the Parish, the Parish Council may provide for specialized health service programs, emergency food and medical assistance, family planning assistance, recreation and service centers for the elderly, consumer education, agricultural assistance, and economic development activities. To provide funding for these activities, the Parish Council, in addition to local funding sources, performs the functions of a community action agency under the terms and provisions of the United States Economic Opportunity Act of 1964.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying financial statements of the St. James Parish Council have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

B. REPORTING ENTITY

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

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the St. James Parish Council 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. The criteria includes:

St. James Parish Council
Convent, Louisiana
Notes to the Financial Statements (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1. Appointing a voting majority of an organization's governing body and,
 - a. The ability of the Parish Council 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 Parish Council.
2. Organizations for which the Parish Council does not appoint a voting majority but which are fiscally dependent on the Parish Council.
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 Parish Council has determined that the following component units are part of the reporting entity:

Component Unit	Fiscal Year End	Criteria Used	Type of Presentation
St. James Parish Gas & Water Distribution System	June 30	1,3	Blended
St. James Youth Center	December 31	1,3	Blended
St. James Parish Clerk of Court	June 30	2,3	Discrete
St. James Parish Hospital	March 31	1,3	Discrete

Complete financial statements for each of the individual component units may be obtained at the entity's administrative offices, except for the St. James Youth Center, which does not issue separate financial statements.

The St. James Parish Council reporting entity's financial statements do not include the component units that are multi-parish component units. The multi-parish component units include:

Multi-Parish Component Unit	Fiscal Year End	Component Unit of
Ascension-St. James Airport & Transportation Authority	June 30	Ascension Parish
District Attorney of the Twenty-third Judicial District	December 31	Ascension Parish
Twenty-third Judicial District Indigent Defender Board	December 31	Ascension Parish

St. James Parish Council
Convent, Louisiana
Notes to the Financial Statements (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Considered in the determinations of component units of the reporting entity were the St. James Parish School Board, St. James Parish Assessor, St. James Parish Sheriff, and the various municipalities in the Parish. It was determined that these governmental entities are not component units of the St. James Parish Council reporting entity. All are governed by independently elected officials. The Parish Council oversight unit neither appoints governing Boards nor designates management. Furthermore, the Parish Council has no ability to significantly influence operations, nor does it have any accountability for fiscal matters of the entities. They are considered by the Parish Council to be separate autonomous governments and issue financial statements separate from those of the St. James Parish Council reporting entity.

The St. James Parish Council is responsible for appointing the members of the board of the St. James Housing Authority. The Council's accountability for the Housing Authority does not extend beyond making the appointments. It was determined that the St. James Housing Authority is a related organization to the St. James Parish Council.

C. FUND ACCOUNTING

The Parish Council 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 Parish Council are classified into three categories: governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate fund types. The fund classifications and a description of each existing fund type follow:

Governmental Funds

Governmental funds are used to account for all or most of the Parish Council'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:

1. General Fund - the general operating fund of the Parish Council which accounts for all financial resources, except those required to be accounted for in other funds.
2. Special revenue funds - account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

St. James Parish Council
Convent, Louisiana
Notes to the Financial Statements (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Debt service funds - account for transactions relating to resources retained and used for the payment of interest and principal on those long-term obligations recorded in the general long-term obligations account group.
4. Capital projects funds - account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not being financed by proprietary funds.

Proprietary Funds

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds differ from governmental funds in that their focus is on income measurement, which, together with the maintenance of equity, is an important financial indicator. Proprietary funds include:

1. Enterprise funds - account for operations (1) where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or (2) where the governing body has decided that periodic determination of revenue earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.
2. Internal service funds - account for the financing of goods or services provided by one department to other departments or governments on a cost-reimbursement basis. The Parish Council has one internal service fund for health insurance.

Fiduciary Funds

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the Parish Council. Fiduciary funds include:

1. Agency funds - account for assets that the Parish Council holds on behalf of others as their agent. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Account Groups

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the general fixed assets account group, rather than in governmental funds. Public domain or infrastructures are not capitalized. Interest costs incurred during construction are not capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost.

St. James Parish Council
Convent, Louisiana
Notes to the Financial Statements (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Long-term obligations expected to be financed from governmental funds are accounted for in the general long-term obligations account group, not in the governmental funds.

The two account groups are not funds. They are concerned only with the measurement of financial position, not with measurement of results of operations.

D. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities 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 governmental funds use the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes and the related state revenue sharing (which is based on population and homesteads in the parish) are recorded in the year assessed. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year and become delinquent on December 31. The taxes are generally collected in December of the current year and January and February of the ensuing year.

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

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

Sales and use tax revenues are recorded when collected by the Council's collection agent, the St. James Parish School Board.

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

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for principal and interest on general long-term obligations, which are recognized when due, and compensated absences, which are recognized when leave is actually taken or when employees (or their heirs) are paid for accrued leave upon retirement or death.

St. James Parish Council
Convent, Louisiana
Notes to the Financial Statements (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Other Financing Sources (Uses)

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

All proprietary funds are accounted for on a flow of economic resources measurement focus and a determination of net income and capital maintenance. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. The proprietary funds use the accrual basis of accounting. Revenues are recognized when earned, and expenses are recognized at the time liabilities are incurred. The proprietary funds apply all applicable GASB pronouncements as well as any of the pronouncements issued on or before November 30, 1989, by Financial Accounting Standard Board (FASB), Accounting Principles Board (APB), and the Committee on Accounting Procedure unless those pronouncements conflict with or contradict GASB pronouncements.

E. BUDGET PRACTICES

The proposed budget for the year ended December 31, 1998, was completed and made available for public inspection at the Council Office on November 5, 1997. A public hearing was held on December 3, 1997, for suggestions and comments from taxpayers. The proposed budget was formally adopted by the Council on December 17, 1997. The 1998 budget, which included proposed expenditures and the means of financing them for the general, special revenue, debt service and capital project funds, was published in the official journal twenty-one (21) days prior to the public hearing.

All appropriations lapse at year end, and any encumbrances outstanding at year end are included in the next year's budget with funds appropriated in that year to finance them. The budget is prepared on a modified accrual basis. Formal budgetary accounts are integrated into the accounting system during the year as a management control device.

The Council exercises budgetary control at the functional level. Within functions, the Director of Finance has the authority to make amendments as necessary. When actual revenues within a fund are failing to meet estimated annual budgeted revenues by five percent or more, a budget amendment to reflect such changes is adopted by the Council in an open meeting. Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts and all subsequent amendments.

F. ENCUMBRANCES

The Parish Council does not utilize encumbrances for presentation of these financial statements.

St. James Parish Council
Convent, Louisiana
Notes to the Financial Statements (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. CASH AND CASH EQUIVALENTS

For reporting purposes, cash and cash equivalents include interest bearing demand deposits and certificates of deposit with a maturity of three months or less from the date of acquisition. Under state law, the St. James Parish Council may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. Further, the Council may invest in time deposits or certificates of deposit of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

H. INVESTMENTS

State statutes authorize St. James Parish Council to invest in United States bonds, treasury notes and bills, or certificates or time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool Inc. (LAMP), a non-profit corporation formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool. Investments are stated at cost. Market value is not materially different from its cost.

I. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classified as interfund loans receivable/payable.

J. INVENTORY

Inventory in the general fund consists of expendable supplies held for consumption. The inventory is valued at cost (first-in, first-out method), and the cost is recorded as an expenditure at the time individual inventory items are requisitioned by the different departments.

Inventories in the St. James Parish Gas and Water Distribution System are stated at the lower of cost (weighted moving average) or market. Gas purchased in the system's lines, and the water produced by the system are expensed when purchased or purified.

Inventories of the St. James Youth Center consist of clothing and food supplies which are stated at the lower of cost (first-in, first-out method) or market and are recorded as expenses when consumed.

St. James Parish Council
Convent, Louisiana
Notes to the Financial Statements (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Inventories of the St. James Parish Hospital consist of medical supplies and are stated at the lower of cost (first-in, first-out method) or market and are recorded as expenses when consumed.

K. RESTRICTED ASSETS

The St. James Parish Gas and Water Distribution System Enterprise Fund has restricted assets for debt retirement. The 1973 Series, 1989 Refunding Series and 1997 Refunding Series Bond Resolutions established the following restricted funds:

Sinking Fund (SF)

This fund was established to provide for the payments of bond principal and interest. Deposits to the fund of 1/6th of the next interest payment and 1/12th of the next principal payment are required monthly.

Reserve Fund (RF)

This fund was established for the payments of bond principal and interest if the Sinking Fund is not capable of meeting the payments. The bond ordinances require monthly deposits to the fund in an amount that will increase the total amount on deposit, within a period not exceeding five years, to a sum equal to the highest principal and interest requirements in any succeeding fiscal year on the 1973 Series, 1989 Refunding Series and the 1997 Refunding Series revenue bonds. The highest principal and interest amount that will fall due is \$362,975 occurring in the fiscal year ending June 30, 2000.

Capital Additions and Contingencies Fund (CACF)

This fund was established to provide for extensions, additions, improvements, renewals and replacement of the gas and water distribution system. It may also be used for bond maturity payments and interest payments if the Sinking Fund and Reserve Fund are not capable of meeting the payments. The 1973 Series, the 1989 Refunding Series and the 1997 Refunding Series revenue bonds require 5% of the gross revenue of the Distribution System collected be deposited to the fund after the required deposits to the Sinking Fund and Reserve Fund have been made.

L. FIXED ASSETS

Fixed assets of governmental funds of the government are recorded as expenditures at the time purchased or constructed and the related assets are capitalized in the general fixed assets account group. All fixed assets are valued at cost or estimated historical cost if purchased or constructed. Donated fixed assets are recorded at their estimated fair value at the date of donation. Assets in the general fixed assets account group are not depreciated. Interest incurred during construction is not capitalized on general fixed assets.

St. James Parish Council
Convent, Louisiana
Notes to the Financial Statements (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Public domain (infrastructure) general fixed assets (e.g., roads, bridges, sidewalks and other assets that are immovable and of value only to the government) are not capitalized.

The fixed assets used in the proprietary fund type operations are included on the balance sheet of the funds net of accumulated depreciation. Depreciation of all exhaustible fixed assets used by proprietary fund type operations are charged as an expense against operations.

The St. James Parish Gas and Water Distribution System's plant, property, and equipment are stated at cost and are depreciated using the straight-line method over the following estimated useful lives:

Utility plant, distribution system and components	5 - 50 years
Transportation equipment	5 - 8 years
Office furniture, fixtures and equipment	3 - 15 years

The St. James Youth Center's property, plant and equipment are stated at cost. Depreciation is computed using the straight-line method over the following estimated useful lives:

Office furniture, fixtures, and equipment	5 - 7 years
Buildings	31 years
Transportation equipment	5 years

The St. James Parish Hospital's property, plant and equipment are stated at cost. Depreciation is computed using the straight-line method over the following estimated useful lives:

Office furniture, fixtures, and equipment	3 - 20 years
Buildings and improvements	10 - 40 years

M. ANNUAL AND SICK LEAVE

Council employees earn from 12 to 18 days of both annual and sick leave each year, depending upon length of service. Sick leave may be accumulated without limitation; however, annual leave may not be carried forward from one year to the next unless approved by the Parish President. Upon retirement, unused accumulated sick leave from 15 to 60 days depending on length of service, shall be paid to the employee at the employee's current rate of pay. Any unused annual leave is paid to the employee upon retirement or termination.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The cost of leave privileges, computed in accordance with the codification, is recognized as a current year expenditure in the general fund when leave is actually taken or when employees (or their heirs) are paid for accrued leave upon retirement or death, while the cost of leave privileges not requiring current resources is recorded in the general long-term obligations account group. The enterprise funds reflect the current cost of leave privileges in the operating expenses on Statement E.

N. FUND EQUITY

Contributed Capital

Contributed capital is recorded in proprietary funds that have received capital grants or contributions from developers, customers, or other funds when such resources are restricted for the acquisition or construction of capital assets. Contributed capital is not amortized based on the depreciation recognized on that portion of the assets acquired or constructed from such resources.

Reserves

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

O. SALES AND USE TAX

On April 4, 1981, the voters of St. James Parish approved a one percent sales and use tax, which is collected by the St. James Parish School Board, and then remitted to the Parish Council. The proceeds of the tax, after paying reasonable and necessary costs and expenses of collecting and administering the tax, are dedicated as follows:

1. One-fourth is to provide care and assistance to the elderly of the parish and provide health services to parish residents, including the acquisition, operation, and maintenance of necessary vehicles;
2. One-fourth is to provide solid waste management and disposal including the acquisition of land, plants, buildings, machinery, and necessary equipment;
3. One-fourth is to pay the cost of providing recreational facilities, including the acquisition of land, buildings, machinery, and equipment; and

St. James Parish Council
Convent, Louisiana
Notes to the Financial Statements (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. One-fourth is to pay the general operation and maintenance costs of the parish, to acquire capital improvements for the parish, and to service bonds from time to time for the purpose of making capital improvements for the purposes listed above.

P. MEMORANDUM TOTALS

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, results of operations, or cash flows 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.

Q. COMPARATIVE DATA/RECLASSIFICATIONS

Comparative total data for the prior year have been presented in selected sections of the accompanying financial statements in order to provide an understanding of the changes in the government's financial position and operations. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

2. DEPOSITS AND INVESTMENTS

At December 31, 1998, the St. James Parish Council has deposits and certificates of deposit (book balances) as follows:

	<u>Primary Government</u>	<u>St. James Parish Hospital</u>	<u>St. James Parish Clerk of Court</u>
Cash	\$1,838,594	\$1,004,728	\$151,964
Certificates of deposits less than 90 days	<u>5,254,960</u>	-	<u>535,112</u>
	7,093,554	1,004,728	687,076
Restricted Assets			
Cash	478,604	-	-
Certificates of deposit greater than 90 days	150,000	-	-
Certificates of deposit greater than 90 days	<u>503,500</u>	-	-
	<u>\$8,225,658</u>	<u>\$1,004,728</u>	<u>\$687,076</u>

St. James Parish Council
Convent, Louisiana
Notes to the Financial Statements (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

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 December 31, 1998, the primary government has \$7,760,737 in deposits (collected bank balances). These deposits are secured from risk by \$400,000 of federal deposit insurance and \$7,360,737 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3). At June 30, 1998, the St. James Clerk of Court has \$688,083 in deposits (collected bank balances). These deposits are secured from risk by \$400,000 of federal deposit insurance and \$1,606,763 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Parish Council that the fiscal agent has failed to pay deposited funds upon demand.

St. James Parish Council has investment securities in the Louisiana Asset Management Pool, Inc. (LAMP), a local government investment pool. In accordance with GASB Codification Section 150.165, the investment in LAMP as of December 31, 1998, is not categorized in the three risk categories provided by GASB Codification Section 150.164 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form. LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana, which was formed by an initiative of the State Treasurer in 1993. The corporation is governed by a board of directors consisting of the State Treasurer, representatives from various organizations of local government, the Government Finance Officers Association of Louisiana, and the Society of Louisiana Certified Public Accountants. Only local governments having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances.

Investments in LAMP at December 31, 1998, are as follows:

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Funds</u>	<u>Capital Project Funds</u>	<u>Enterprise Funds</u>	<u>Internal Service Funds</u>	<u>Total Primary Government</u>
Investment securities	\$715,255	\$2,848,613	\$566,871	\$191,362	\$1,078,272	\$231,747	\$5,632,120
Restricted assets	-	-	-	-	379,066	-	379,066
	<u>\$715,255</u>	<u>\$2,848,613</u>	<u>\$566,871</u>	<u>\$191,362</u>	<u>\$1,457,338</u>	<u>\$231,747</u>	<u>\$6,011,186</u>

St. James Parish Council
Convent, Louisiana
Notes to the Financial Statements (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

St. James Parish Hospital has investments in marketable equity securities whose use is limited under agreements with third party payors for funded depreciation. The summary of these investments as of March 31, 1998, are as follows:

Certificate of deposit maturing 04-09-98, interest rate 5.95%	\$1,000,000
Certificates of deposit maturing 04-16-98, interest rates of 5.00% to 5.50%	503,150
Bond premiums and accrued interest	66,934
	<u>\$1,570,084</u>

Certificates of deposit in excess of insured deposit limits were collateralized by U.S. Government securities and other Agency obligations

3. EXPENDITURES - ACTUAL AND BUDGET

The following individual funds had actual expenditures over budgeted expenditures for the year ended December 31, 1998:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
Special revenue funds:			
Road and Bridge	\$1,196,700	\$1,264,719	\$ 68,019
Courthouse, Jail and Public Buildings	940,100	1,079,853	139,753
Public Safety	915,092	1,210,309	295,217
Area Agency on Aging – Helping Hands	2,200	2,836	636
Head Start Program	1,057,100	1,144,523	87,423
Senior Citizens Activities	30,000	37,434	7,434
Total	<u>4,141,192</u>	<u>4,739,674</u>	<u>598,482</u>
Capital Projects Funds:			
CDBG Road Improvement	52,300	59,387	7,087
Internal Service Funds:			
Group Hospitalization Claims Clearing Fund	831,800	894,055	62,255
Total	<u>\$5,025,292</u>	<u>\$5,693,116</u>	<u>\$667,824</u>

In the future, the individual fund budgets will be amended whenever actual expenditures plus projected expenditures for the remainder of the year exceed budgeted amounts.

St. James Parish Council
Convent, Louisiana
Notes to the Financial Statements (Continued)

4. RECEIVABLES

The following is a summary of receivables as of December 31, 1998:

	General Fund	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Enterprise Funds	Internal Service Funds	Component Units	
							Hospital	Clerk of Court
Taxes	\$ 30,863	\$ 99,908	\$ 32,778	\$ -	\$ 4,316	\$ -	\$ 237,501	\$ -
Other government agencies								
Federal	16,371	254,567	-	-	-	-	-	-
State	32,960	34,339	-	-	-	-	-	-
School Board	206,684	352,752	-	-	-	-	-	-
Sheriff	1,477,010	4,693,297	1,559,439	-	206,575	-	-	-
Other	-	-	-	-	-	-	-	5,500
Accounts	-	67,685	-	12,100	658,980	-	1,962,021	16,736
Less allowance for doubtful accounts	-	-	-	-	(34,026)	-	(695,070)	-
Accrued interest	-	-	-	-	505	-	-	4,157
Other	58,073	67,677	-	-	7,427	14,780	-	-
Total	<u>\$1,821,961</u>	<u>\$5,570,225</u>	<u>\$1,592,217</u>	<u>\$12,100</u>	<u>\$843,777</u>	<u>\$14,780</u>	<u>\$1,504,452</u>	<u>\$26,393</u>

5. LEVIED TAXES

The following is a summary of levied ad valorem taxes for the year 1998:

Parishwide taxes:	<u>Millage Rate</u>
General Fund	3.23
Library	3.00
Department of Human Resources	3.92
Courthouse Jail and Public Buildings Maintenance	5.00
Road and Bridge	5.00
Parishwide Drainage	1.96
Public Safety	4.00
Enhanced 911 System Maintenance	1.25
Consolidated General Obligation Bonds	7.50
St. James Youth Center	1.00
District taxes:	
Consolidated Road Lighting District #3A	1.25
Gramercy Recreation District	5.43
Fire Protection District #2	.74
District V Recreation	1.00
Discrete Component Unit:	
St. James Parish Hospital	4.75

St. James Parish Council
Convent, Louisiana
Notes to the Financial Statements (Continued)

5. LEVIED TAXES (Continued)

The following are the principal taxpayers of the Parish:

<u>Taxpayer</u>	<u>Type of Business</u>	<u>1998 Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Star Enterprise (Texaco, Inc.)	Petrochemical	\$71,474,677	30.1%
Occidental Chemical Corporation	Chemical	11,514,738	4.8%
IMC-Agrico Company (Agrico)	Chemical	10,837,060	4.6%
Chevron U.S.A. Inc.	Chemical	9,584,148	4.0%
IMC-Agrico Company (Freeport-McMoran)	Chemical	8,300,040	3.5%
Kaiser Aluminum & Chemical Corporation	Chemical	8,013,480	3.4%
Capline System	Public Service	7,507,620	3.2%
Zen-Noh Grain Corporation	Grain	7,466,102	3.1%
Entergy Louisiana, Inc.	Public Service	7,340,750	3.1%
LOCAP, Inc.	Public Service	5,486,360	2.3%
Total		<u>\$147,524,975</u>	<u>62.1%</u>

6. RESTRICTED ASSETS

Restricted assets for debt retirement of the St. James Parish Gas and Water Distribution System Enterprise fund as of June 30, 1998 (the component unit's fiscal year end) consist of the following:

Money market accounts	\$ 478,604
Certificates of deposits	150,000
LAMP	379,066
Total	<u>\$1,007,670</u>

7. FIXED ASSETS

The changes in general fixed assets for the Parish Council follow:

	<u>Balance January 1, 1998</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance December 31, 1998</u>
Land	\$ 1,100,371	\$ 251,704	\$ -	\$ 1,352,075
Buildings	8,683,078	113,017	-	8,796,095
Improvements other than buildings	2,836,211	98,086	10,376	2,923,921
Machinery & equipment	7,537,646	1,159,598	212,974	8,484,270
Library collection	1,129,588	90,918	78,588	1,141,918
Total	<u>\$21,286,894</u>	<u>\$1,713,323</u>	<u>\$301,938</u>	<u>\$22,698,279</u>

St. James Parish Council
Convent, Louisiana
Notes to the Financial Statements (Continued)

7. FIXED ASSETS (Continued)

Activity in the general fixed assets account group for the Clerk of Court for the year ended June 30, 1998, is as follows:

	<u>Furniture, Fixtures, and Equipment</u>	<u>Automobile</u>	<u>Total</u>
Balance June 30, 1997	\$31,057	\$15,937	\$46,994
Additions	12,384	-	12,384
Deletions	-	-	-
Balance June 30, 1998	<u>\$43,441</u>	<u>\$15,937</u>	<u>\$59,378</u>

A summary of the proprietary property, plant and equipment for the Parish Council for the year ending in 1998 follows:

Buildings	\$ 8,590,961
Gas distribution system	1,923,413
Water distribution system	12,432,881
Office furniture, fixtures and equipment	536,467
Transportation equipment	204,699
Construction in progress	5,542
Subtotal	<u>23,693,963</u>
Less accumulated depreciation	<u>8,418,917</u>
Total	<u>\$15,275,046</u>

The following is a summary of the enterprise fund type fixed assets for the St. James Parish Hospital at March 31, 1998:

Land	\$ 52,159
Building and improvements	3,466,199
Equipment	<u>3,522,359</u>
Subtotal	7,040,717
Less accumulated depreciation	<u>4,206,770</u>
Total	<u>\$2,833,947</u>

8. EMPLOYEE RETIREMENT SYSTEMS AND PLANS

Parochial Employees' Retirement System of Louisiana

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

St. James Parish Council
Convent, Louisiana
Notes to the Financial Statements (Continued)

8. EMPLOYEE RETIREMENT SYSTEMS AND PLANS (Continued)

All full-time, permanent employees working at least 28 hours per week who are paid wholly or in part from parish funds and most elected parish officials are eligible to participate in the System. Per Louisiana Revised Statute 11:164, parish councilmen elected on or after January 1, 1997, are not eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3% of their final-average salary for each year of creditable service. However, for those employees who were members of the supplemental plan only prior to January 1, 1980, the benefit is equal to one percent of final average salary plus \$24 for each year of supplemental-plan-only service earned prior to January 1, 1980. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above and do not withdraw their employee contributions may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employees' Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (504) 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 Parish Council 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 contribution requirements of plan members and the Parish Council 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 Parish Council's contributions to the System under Plan A for the years ending December 31, 1998, 1997, and 1996, were \$456,287, \$433,950, and \$397,050, respectively, equal to the required contributions for each year.

Parochial Employees' Retirement System of Louisiana - Discretely Presented Component Unit (St. James Parish Hospital)

The Hospital is a member of the Parochial Employees' Retirement System of Louisiana. All employees are members of Plan B. Under Plan B, employees who retire at or after age 62 with at least 10 years of creditable service or at or after age 55 with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 2 percent of their final-average salary in excess of \$100 for each year of creditable service. Furthermore, employees with at least 10 years of creditable service, but less than 30 years, may take early retirement benefits commencing at or after age 60, with the basic benefit reduced 3 percent for each year retirement precedes age 62. In any case, monthly retirement benefits paid under Plan B cannot exceed the lesser of 100 percent of final-average salary or \$70 multiplied by total years or creditable service.

St. James Parish Council
Convent, Louisiana
Notes to the Financial Statements (Continued)

8. EMPLOYEE RETIREMENT SYSTEMS AND PLANS (Continued)

Funding Policy. Under Plan B, members are required by state statute to contribute 2.0 percent of their annual covered salary in excess of \$1,200 and the Hospital is required to contribute at an actuarially determined rate. The current rate is 2.5 percent of annual covered payroll. The Hospital's contributions to the System under Plan B for the years ended March 31, 1998, 1997, and 1996, were \$62,676, \$39,134, and \$26,090, respectively. All amounts expensed have been funded in the contributory plan.

Clerk of Court Retirement and Relief Fund - Discretely Presented Component Unit (Clerk of Court)

The St. James Parish Clerk of Court contributes to the Clerk of Court Retirement and Relief Fund (Retirement System), a cost-sharing multiple employer defined benefit pension plan administered by the Clerk of Court Retirement and Relief Fund, a public corporation created in accordance with the provisions of Louisiana Revised Statute 11:1501 - 1540 to provide retirement, disability and survivor benefits to members throughout the State of Louisiana. The Clerk of Court Retirement and Relief Fund issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Clerk of Court Retirement and Relief Fund, 11745 Bricksome Ave., Suite B-1, Baton Rouge, Louisiana 70816.

Funding Policy. Plan members are required to contribute 8.25% of their annual covered salary and the St. James Parish Clerk of Court is required to contribute at an actuarially determined rate. The current rate is 11.5% of annual covered payroll. The contribution requirements of plan members and the St. James Parish Clerk of Court are established and may be amended by the Clerk of Court Retirement and Relief Fund. The St. James Parish Clerk of Court's contributions to the Retirement System for the years ended June 30, 1998, 1997, and 1996, were \$27,163, \$24,861, and \$23,961, respectively.

9. COMPENSATED ABSENCES

At December 31, 1998, the employees of the St. James Parish Council have accumulated and vested \$382,224 of employee leave benefits, which was computed in accordance with GASB Codification Section C60. This amount has been recorded as a long-term obligation (compensated absences payable) in the general long-term obligations account group. The leave liability for employees of the St. James Parish Gas and Water Distribution System as of June 30, 1998, was \$165,260. The leave liability for employees of the St. James Youth Center as of December 31, 1998, was \$95,552. The leave liability for the employees of the St. James Parish Hospital as of March 31, 1998, was \$148,101.

St. James Parish Council
Convent, Louisiana
Notes to the Financial Statements (Continued)

10. POSTRETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

The St. James Parish Council does not provide health care or life insurance benefits to employees who retired prior to July 1, 1982. Employees who retired after July 1, 1982, but prior to July 1, 1991, and their dependents are eligible for health care benefits. Employees who retire on or after July 1, 1991, and their dependents shall be eligible for health care benefits provided the following conditions are met:

1. a. The Employee and his eligible dependents must have been continuously covered under this Plan for at least twelve (12) months prior to retirement, and
- b. The Employee has ten (10) years of creditable service and is eligible and receiving benefits under the Parochial Employees Retirement System of Louisiana (see note 8).
2. Elected officials and their eligible dependents are eligible for benefits, provided the elected official has twelve (12) years continuous service and is at least age fifty (50).

The Parish Council requires the retired employees to fund fifty percent of the cost of the premiums. Premium payments are required to be paid monthly by the retirees. For the year December 31, 1998, the Parish Council and the retired employees each contributed \$21,635 toward the premium. However, the Plan reserves the right to amend or reduce coverage. There are 36 employees currently eligible to receive healthcare benefits or life insurance benefits.

11. DEFERRED COMPENSATION PLAN

The St. James Parish Council offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all Parish employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the Parish (without being restricted to the provisions of benefits under the plan), subject only to the claims of the Parish's general creditors. Participants' rights under the plan are equal to those of general creditors of the Parish in an amount equal to the fair market value of the deferred account for each participant.

The Parish's legal counsel believes that the Parish has no liability for losses under the plan, but does have the duty of due care that would be required of an ordinary prudent investor. The Parish believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

Investments are managed by PEBSCO Securities Corp. The choice of the investments option(s) is made by the participant. At December 31, 1998, the assets in the plan were valued at \$1,606,440.

St. James Parish Council
Convent, Louisiana
Notes to the Financial Statements (Continued)

12. FUND DEFICITS

The following fund had a deficit in unreserved fund balance at December 31, 1998:

<u>Fund</u>	<u>Deficit Amount</u>
St. James Transit System	\$1,134

The Council will attempt to eliminate this deficit in the future by reducing expenditures.

13. OPERATING LEASES

The St. James Parish Council has several operating leases as of December 31, 1998. The minimum annual commitments under noncancelable operating leases and/or agreements are as follows:

<u>Year</u>	<u>Land</u>
1999	\$ 13,675
2000	13,675
2001	13,675
2002	13,675
2003	13,675
Thereafter	<u>18,820</u>
Total	<u>\$87,195</u>

The St. James Parish Hospital has entered into an operating lease for land and buildings it occupies in LaPlace, Louisiana, that expired July 1998. Rental expense reflected in Loss on Psychiatric Hospital Operations amounted to \$240,000, for the year ended March 31, 1998. There are no future minimum annual rentals associated with this lease.

The St. James Parish Clerk of Court entered into an annual rental agreement with Xerox for two copiers for the fiscal year ended June 30, 1998. Rental payments totaling \$15,168 are included in the General Fund's material and supplies expenditures.

14. CAPITAL LEASES

The Parish Council has entered into certain capital leases for various equipment. Capitalized leased equipment included in machinery and equipment in the General Fixed Assets Account Group in the accompanying balance sheet at December 31, 1998, amounted to \$1,636,200.

The St. James Youth Center entered into a capital lease for camera and video equipment. Capitalized leased camera and video equipment included in equipment in the fixed assets for the enterprise fund in the accompanying balance sheet at December 31, 1998, amounted to \$16,495 with depreciation expense of \$2,356 for the year ended December 31, 1998.

The following is a schedule of future minimum lease payments under the above described capital leases and the present value of the minimum lease payments as of December 31, 1998:

St. James Parish Council
Convent, Louisiana
Notes to the Financial Statements (Continued)

14. CAPITAL LEASES (Continued)

<u>Fiscal Year Ending</u>	<u>General Long-Term Debt</u>	<u>Enterprise Fund St. James Youth Center</u>
1999	\$106,218	\$4,097
2000	104,443	3,415
2001	64,404	-
2002	51,215	-
2003	51,215	-
Thereafter	<u>256,073</u>	<u>-</u>
Total minimum lease payments	633,568	7,512
Less: amount representing interest	<u>137,481</u>	<u>603</u>
Present value of minimum lease payments	<u>\$496,087</u>	<u>\$6,909</u>

15. DEFERRED REVENUES

During the year ended June 30, 1995, the St. James Parish Gas & Water Distribution System negotiated with Eagle Asphalt Products, to construct a 6-inch high pressure gas line from the IMC-Agrico metering station to Eagle Asphalt Products, located on the westbank along Highway 18. In order to finance the construction of the gas line, Eagle Asphalt Products advanced the System \$150,000 to begin construction. Starting August, 1995, Eagle Asphalt began using the gas line and receives a monthly credit of \$5,000 on its gas utility bill for a period of thirty months. If the credit is not utilized in the current month, it is not carried forward. As of June 30, 1998, the deferred revenue credit has been fully utilized.

16. LONG-TERM OBLIGATIONS

The following is a summary of liabilities reported in the general long-term obligations account group for the Parish Council for the year ended December 31, 1998:

	<u>Capital Leases</u>	<u>Compensated Absences</u>	<u>Notes</u>	<u>General Obligation Bonds</u>	<u>Total</u>
Long-term obligations payable at January 1, 1998	\$236,915	\$363,620	\$189,098	\$13,190,000	\$13,979,633
Additions	481,635	18,604	21,499	2,136,000	2,657,738
Reductions	<u>(222,463)</u>	<u>-</u>	<u>(92,037)</u>	<u>(3,020,000)</u>	<u>(3,334,500)</u>
Long-term obligations payable at December 31, 1998	<u>\$496,087</u>	<u>\$382,224</u>	<u>\$118,560</u>	<u>\$12,306,000</u>	<u>\$13,302,871</u>

Since the liability for compensated absences is inventoried at the end of each fiscal year, the amount of additions and deductions cannot be determined. Therefore, the net increase/decrease is reflected in the previous summary.

St. James Parish Council
Convent, Louisiana
Notes to the Financial Statements (Continued)

16. LONG-TERM OBLIGATIONS (Continued)

General obligation bonds (continued):

General obligation bonds, revenue bonds and certificates of indebtedness are comprised of the following individual issues:

<p>\$125,000 – 1976 Public Improvement Bonds for the purpose of constructing recreational facilities. The remaining principal is due in annual installments of \$10,000 to \$11,000 through June 1, 2001, with interest at 5 percent. Debt retirement payments are made from the Gramercy Recreation District Debt Service Fund.</p>	<p>\$ 31,000</p>
<p>\$1,800,000 - 1988 General Obligation Bonds for the purpose of constructing and improving public roads. On January 5, 1994, \$1,220,000 of remaining principal was defeased. \$410,000 of the principal was not defeased. The remaining principal of \$85,000 is due March 1, 1999, with interest at 7.0 percent. Debt retirement payments are made from the Consolidated General Obligation Bonds Debt Service Fund.</p>	<p>85,000</p>
<p>\$500,000 - 1988 Public Improvement Bonds, Series ST-1988 for the purpose of constructing recreational facilities. On May 19, 1998, \$335,000 of remaining principal was defeased. \$45,000 of the principal was not defeased. The remaining principal of \$25,000 is due November 1, 1999, with interest at 7.2 percent. Debt retirement payments are made from the Public Improvement Bonds, Series ST-1988 Debt Service Fund.</p>	<p>25,000</p>
<p>\$1,775,000 - 1998 General Obligation Refunding Bonds were used to defease a 1990 General Obligation Refunding Bond issue. The original purpose of the bonds was for constructing and improving public roads. The remaining principal is due in annual installments of \$400,000 to \$490,000 through April 1, 2002, with interest from 4.0 to 4.3 percent. Debt retirement payments are made from the Consolidated General Obligation Bonds Debt Service Fund.</p>	<p>1,775,000</p>
<p>\$9,455,000 - 1993 General Obligation Bonds for the purpose of retiring a capital lease agreement with St. James Correctional Facilities Corp. and to purchase/improve the St. James Juvenile Detention Facility. The principal is due in annual installments of \$375,000 to \$775,000 through April 1, 2013, with interest from 3.7 to 5.00 percent. Debt retirement payments are made from the Consolidated General Obligation Bonds Debt Service Fund.</p>	<p>8,170,000</p>
<p>\$2,400,000 - 1994 General Obligation Refunding Bonds for the purpose of refunding a 1981 General Obligation Bond issue; a 1985, Series A, General Obligation Bond issue; a 1985, Series B, General Obligation Bond issue; and a 1988 General Obligation Bond issue. The original purpose of the bonds was for constructing and improving public roads; for constructing, acquiring, and improving libraries; and for constructing acquiring, extending, and improving parish jail facilities. The principal is due in annual</p>	

St. James Parish Council
Convent, Louisiana
Notes to the Financial Statements (Continued)

16. LONG-TERM OBLIGATIONS (Continued)

General obligation bonds (continued):

installments of \$90,000 to \$285,000 through March 1, 2008, with interest from 4.1 to 5.2 percent. Debt retirement payments are made from the Consolidated General Obligation Bonds Debt Service Fund. 1,860,000

\$361,000 – 1998 Public Improvement Bonds, Series ST-1998 were used to defease a 1988 Public Improvement Bond issue. The original purpose of the bonds was for the purpose of constructing recreational facilities. The remaining principal is due in annual installments of \$5,000 to \$48,000 through November 1, 2008, with interest at 4.95 percent. Debt retirement payments are made from the Public Improvement Bonds, Series ST-1988 Debt Service Fund. 360,000

Total general obligation bonds 12,306,000

Revenue Bonds

Gas and Water Distribution System

\$3,000,000 - 1973 Serial bonds due in annual installments of \$165,000 to \$220,000 through December 2003, at 6 percent interest. 1,150,000

\$1,091,838 - 1989 Refunding Serial bonds in annual installment of \$50,144 at December 1998, at 11 percent interest. 50,144

\$900,000 – 1997 Refunding Serial Bonds due in annual installments of \$10,000 to \$140,000 through December, 2007, at 7.5 percent interest. 900,000
2,100,144

Less deferred amount on refunding 107,845

Total revenue bonds 1,992,299

Certificates of Indebtedness

St. James Youth Center

\$700,000 - Series 1992, for the purpose of acquiring, constructing, equipping, operating, and maintaining, and managing a juvenile detention center. The remaining principal is due in annual installments of \$75,000 to \$95,000 through March 1, 2002, with interest at 6.5 percent. Debt retirement payments are made from the levy and collection of a special tax of 1 mill. 340,000

Total bonded debt \$14,638,299

St. James Parish Council
Convent, Louisiana
Notes to the Financial Statements (Continued)

16. LONG-TERM OBLIGATIONS (Continued)

The annual requirements to amortize all bonded debt outstanding at December 31, 1998, including interest of \$4,750,798 and a deferred amount on refunding of \$107,845 are as follows:

Fiscal year:	
1999	\$ 2,054,202
2000	2,023,368
2001	2,046,482
2002	2,053,187
2003	1,459,377
Thereafter	<u>9,860,326</u>
Total	<u>\$19,496,942</u>

At December 31, 1998, general obligation bonds in the amount of \$12,306,000 are secured by an annual ad valorem tax levy and irrevocable dedication of pledged sales tax revenues. In accordance with Louisiana Revised Statute 39:562, the Council is legally restricted from incurring long-term bonded debt in excess of 19 per cent of the assessed value of taxable property in the parish. At December 31, 1998, the statutory limit is \$45,121,453.

On January 22, 1998, St. James Parish Council issued \$1,775,000 in General Obligation Bonds with an interest rate of 4.0% to 4.3% to advance refund \$1,760,000 of outstanding 1990 Series General Obligation Refunding Bonds with an interest rate of 6.9% to 7.1%. The net proceeds of \$1,739,972 (after payment of \$35,028 in underwriting fees and other issuance costs) plus an additional \$64,524 of 1990 Series General Obligation Refunding sinking fund monies were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 1990 Series General Obligation Refunding Bonds. As a result, \$1,760,000 of the 1990 Series General Obligation Refunding Bonds are considered to be defeased and the liability for these bonds has been removed from the general long-term debt account group. \$350,000 of the 1990 Series General Obligation Refunding Bonds was not refunded and was paid during the year ended December 31, 1998.

On May 19, 1998, St. James Parish Council issued \$361,000 in Public Improvement Bonds with an interest rate of 4.95% to advance refund \$335,000 of outstanding Public Improvement Bonds, Series ST-1988 with an interest rate of 7.3% to 7.8%. The net proceeds of \$351,290 (after payment of \$9,710 in issuance costs) plus an additional \$3,748 of Public Improvement Bonds, Series ST-1988 sinking fund and reserve fund monies were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the Public Improvement Bonds, Series ST-1988. As a result, \$335,000 of the Public Improvement Bonds, Series ST-1988 are considered to be defeased and the liability for these bonds has been removed from the general long-term debt account group. \$45,000 of the Public Improvement Bonds, Series ST-1988 was not refunded and \$25,000 remains outstanding as of December 31, 1998.

The St. James Parish Council advance refunded the 1990 Series General Obligation Refunding Bonds and the Public Improvement Bonds, Series ST-1988 to reduce its total debt service payments over the next 11 years by \$125,825 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$107,192.

St. James Parish Council
Convent, Louisiana
Notes to the Financial Statements (Continued)

16. LONG-TERM OBLIGATIONS (Continued)

On October 31, 1997, the Parish of St. James, State of Louisiana, issued \$900,000 in Revenue Refunding Bonds with an interest rate of 7.5 percent to advance refund \$835,263 of outstanding Water and Gas Utility Revenue Refunding Bonds, dated April 6, 1989, with an interest rate of 11 percent. The net proceeds of \$881,184 (after payment of \$18,816 in issuance costs) plus an additional \$38,283 of 1989 Refunding Series sinking fund monies, \$32,512 of 1989 Refunding Series reserve fund monies, and \$1,260 of the System's funds were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for future debt service payments which mature December 1, 1999, through December 1, 2007, inclusive of the 1989 Series Refunding Bonds. As a result, the 1989 Series Revenue Refunding bonds consisting of the principal installments which mature December 1, 1999, through December 1, 2007, inclusive are considered to be defeased and the liability for those bonds has been removed from long-term debt on the balance sheet.

The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$117,976. The difference, reported in the accompanying financial statements as a deduction from bonds payable, is being charged to operations through the year 2007 using the effective-interest method. The Distribution System completed the advance refunding to reduce its total debt service payments over the next ten years by \$87,858 and to obtain an economic gain (difference between the present values of the old and new debt service payments) of \$50,302.

In prior years, the Council defeased certain other general obligation bonds by placing the proceeds of new bonds with an escrow agent to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Council's financial statements. On December 31, 1998, \$1,220,000 of bonds outstanding are considered defeased, in addition to the \$1,760,000 of general obligation bonds, \$335,000 of public improvement bonds, and \$835,263 revenue refunding bonds defeased in the current year ending December 31, 1998.

Conduit Debt

The general long-term obligations account group does not include any of the Pollution Control Revenue Bonds or Industrial Revenue Bonds issued by the Industrial District of St. James Parish. Obligations of the industrial districts are payable solely from the income and revenues derived from the industrial districts. These bonds do not constitute a debt or pledge of the faith and credit of the parish, and accordingly have not been reported in the accompanying financial statements.

As of December 31, 1998, there were seven series of Pollution Control Revenue Bonds or Industrial Revenue Bonds outstanding. The aggregate principal amount payable for the two series issued after January 1, 1996 was \$27.5 million. The aggregate principal amount payable for the five series issued prior to January 1, 1996, could not be determined; however, the original issue amounts totaled \$299.4 million.

St. James Parish Council
Convent, Louisiana
Notes to the Financial Statements (Continued)

16. LONG-TERM OBLIGATIONS (Continued)

The St. James Parish Hospital has long-term debt that consists of the following:

Installment obligation incurred to purchase EEG equipment requiring monthly payments including interest of \$520 through September 2000	\$ 12,703
Installment obligation incurred to purchase nuclear equipment requiring monthly payments including interest of \$2,565 through September 2002	119,734
Installment obligation incurred to purchase mammogram equipment requiring monthly payments including interest of \$1,152 through August 2002	<u>52,567</u>
	185,004
Less current maturities	<u>38,742</u>
	<u>\$146,262</u>

The following table reflects the maturity schedule of these obligations.

<u>Fiscal Year Ending</u>	
1999	\$ 38,742
2000	41,802
2001	41,980
2002	41,717
2003	<u>20,763</u>
	<u>\$185,004</u>

17. 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, 1998:

Balance due to general fund at December 31, 1997	\$ 274
Amount needed from general fund to eliminate deficit balance for 1998	(6,888)
Remitted during 1998	<u>(274)</u>
Balance due from general fund at December 31, 1998	<u>\$ (6,888)</u>

St. James Parish Council
Convent, Louisiana
Notes to the Financial Statements (Continued)

18. INTERFUND LOANS RECEIVABLE/PAYABLE

Interfund loans receivable/payable, for the year ended December 31, 1998, are as follows:

	<u>Interfund Loans Receivable</u>	<u>Interfund Loans Payable</u>
General fund	\$ 1,300	\$ -
Special revenue funds:		
Summer Child Care Program	-	1,300
Debt service funds:		
Consolidated General Obligation Bonds	-	144,500
Capital projects funds:		
Sewer Construction	<u>144,500</u>	<u>-</u>
Total	<u>\$145,800</u>	<u>\$145,800</u>

19. DUE FROM/TO OTHER FUNDS

For the year ended December 31, 1998, the individual due from/to other funds balances are as follows:

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
General Fund	\$. 26	\$ 60,957
Special Revenue Funds:		
Criminal Court	6,888	-
Solid Waste Disposal	322,346	-
Parks & Recreation	17,774	-
Elderly & Emergency Medical Services	17,774	26
AAA Discretionary	<u>747</u>	<u>-</u>
	365,555	60,983
Add: St. James Parish Gas & Water Distribution System (different year end - 6-30-98)	-	212,146
St. James Parish Clerk of Court (different year end - 6-30-98)	<u>150</u>	<u>5,150</u>
Balance per financial statement	<u>\$365,705</u>	<u>\$278,279</u>

20. SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The Parish maintains two enterprise funds which provide gas and water services, and juvenile rehabilitation services. The St. James Parish Gas and Water Distribution System is reported for the year ended June 30, 1998. The St. James Youth Center is reported for the year ended December 31, 1998. In accordance with GASB Codification Section 2500, segment information for the enterprise funds follows:

St. James Parish Council
Convent, Louisiana
Notes to the Financial Statements (Continued)

20. SEGMENT INFORMATION FOR ENTERPRISE FUNDS (Continued)

<u>For the Applicable Year Ended in 1998</u>	<u>St. James Parish Gas & Water Distribution System</u>	<u>St. James Youth Center</u>
Operating revenues, exclusive of ad valorem taxes	\$ 2,655,320	\$ 2,553,832
Ad valorem taxes	-	214,407
Operating expenses, exclusive of depreciation	(2,235,945)	(2,367,448)
Depreciation and amortization	<u>(384,778)</u>	<u>(281,499)</u>
Operating income	34,597	119,292
Nonoperating (expenses) revenues	<u>(87,891)</u>	<u>201,069</u>
Net income (loss)	<u>\$ (53,294)</u>	<u>\$ 320,361</u>
Total assets	<u>\$10,503,565</u>	<u>\$8,518,046</u>
Total equity	<u>\$ 7,665,646</u>	<u>\$7,936,450</u>
Outstanding revenue bonds or certificates of indebtedness	<u>\$ 1,992,299</u>	<u>\$ 340,000</u>
Net working capital	<u>\$ 52,922</u>	<u>\$1,800,358</u>
Capital asset additions	<u>\$ 294,542</u>	<u>\$ 236,070</u>
Capital asset deletions	<u>\$ 3,971</u>	<u>\$ -</u>

21. CONTRIBUTED CAPITAL

Contributed capital of the St. James Parish Gas and Water Distribution System Enterprise Fund totaling \$4,866,345 at June 30, 1998, represents contributions from the St. James Parish Council and contractors and customers for the construction of gas and water mains. The contributed capital is not being amortized based on the amount of depreciation recognized on the assets acquired or constructed with the contributed capital. The following contributions were received during 1998:

Balance, July 1, 1997	\$4,627,113
Contributions from contractors and customers	123,364
St. James Parish Council	15,868
State of Louisiana Office of Rural Development	<u>100,000</u>
Balance, June 30, 1998	<u>\$4,866,345</u>

Contributed capital of the St. James Parish Youth Center totaling \$7,922,888 at December 31, 1998, represents contributions from the St. James Parish Council and St. James Correctional Facilities Corporation for the purchase of the juvenile detention center. The contributed capital is not being amortized based on the amount of depreciation recognized on the assets acquired with the contributed capital.

St. James Parish Council
Convent, Louisiana
Notes to the Financial Statements (Continued)

22. LITIGATION AND CLAIMS

The St. James Parish Council has been sued for approximately \$21,000,000 for breach of contract for the potential sale of certain land. The Parish's insurance may not cover this suit. The suit is still in the discovery stages, and the Parish and its legal counsel have been unable to determine the amount of liability, if any. The Parish Council is also a defendant in various other lawsuits. In the opinion of legal counsel, these other claims should not involve a substantial liability to the Council.

23. FEDERALLY ASSISTED PROGRAMS

The Council participates in a number of federally assisted programs. These programs are audited in accordance with the Government Auditing Standards. Audits of prior years have not resulted in any disallowed costs; however, grantor agencies may provide for further examinations. Based on prior experience, the council's management believes that further examinations would not result in any material disallowed costs.

24. RISK MANAGEMENT

The Council is exposed to various risks of loss related to employee health and medical claims for the employees of the St. James Parish Council. The Council established a Group Hospitalization Claims Clearing Fund (an internal service fund) to account for and finance its uninsured risks of loss. Under the program, the Group Hospitalization Claims Clearing Fund provides coverage for up to a maximum of \$45,000 for each employee's health claims. The Council purchases insurance for claims in excess of coverage provided by the Fund.

All funds of the Council participate in the program and make payments to the Group Hospitalization Claims Clearing Fund based on estimates of the amounts needed to pay prior-and current-year claims and to establish a reserve for catastrophic losses. That reserve was \$1,009,758 at December 31, 1998, and is reported as a designation in the fund balance of the Group Hospitalization Claims Clearing Fund. The claims liability of \$220,000 reported in the Fund at December 31, 1998, is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the Fund's claims liability amount during 1998 were:

<u>Beginning-of-Year Liability</u>	<u>Current-Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Balance at Year-End</u>
\$220,000	\$724,623	\$724,623	\$220,000

The St. James Parish Hospital 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 Hospital is a member of two separate trust funds established by the Louisiana Hospital Association that encompasses self insurance of (1) Hospital professional liability and comprehensive general liability, and (2) Statutory workers' compensation. The Hospital carries commercial insurance for all other risk of loss. The trust funds for professional liability/comprehensive general liability and statutory workers compensation are pooling arrangements whereby there is a sharing of risks among the participants of the trust funds. The Hospital

St. James Parish Council
Convent, Louisiana
Notes to the Financial Statements (Concluded)

24. RISK MANAGEMENT (continued)

reports its premiums as insurance expenditures and expenses these premiums over the pro rata periods involved.

25. DISCONTINUED OPERATIONS

The St. James Parish Hospital ceased operating its offsite psychiatric units in February 1998. The financial statements for 1997 were restated to disclose the results of operations of the disposed segment as a separate component of income. The estimated loss from this disposal incurred after March 31, 1998, is provided in the financial statements for the year ended March 31, 1998. The Hospital disposed of its North Louisiana psychiatric units and home office in 1996.

GENERAL FUND

The general fund is the principle fund of the Parish and is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund.

St. James Parish Council
 Convent, Louisiana
 General Fund
 Comparative Balance Sheet
 December 31, 1998 and 1997

	Totals	
	1998	1997
Assets		
Cash and cash equivalents	\$1,518,786	\$ 936,081
Investments	715,255	869,573
Receivables (net of allowances for uncollectibles)	1,821,961	2,509,747
Due from other funds	26	295
Interfund loan receivable	1,300	-
Inventory	27,718	31,193
Total assets	<u>\$4,085,046</u>	<u>\$4,346,889</u>
Liabilities and fund balance		
Liabilities:		
Accounts payable	\$ 244,953	\$ 371,288
Payroll deductions and withholdings payable	57,104	57,067
Due to other funds	60,957	11,498
Interfund payables	-	530,000
Other liabilities	3,602	119,599
Total liabilities	<u>366,616</u>	<u>1,089,452</u>
Fund balance:		
Unreserved	<u>3,718,430</u>	<u>3,257,437</u>
Total liabilities and fund balance	<u>\$4,085,046</u>	<u>\$4,346,889</u>

St. James Parish Council
 Convent, Louisiana
 General Fund
 Statement of Revenues, Expenditures and Changes in Fund Balance
 Budget (GAAP Basis) and Actual
 For the year ended December 31, 1998
 With Comparative Actual Totals for the year ended December 31, 1997

	1998		Variance Favorable (Unfavorable)	1997
	Budget	Actual		Actual
Revenues:				
Taxes:				
Ad Valorem	\$1,535,500	\$1,533,020	\$ (2,480)	\$1,530,192
Voluntary payments in lieu of taxes	585,900	562,582	(23,318)	585,913
Sales and use	1,233,900	1,222,428	(11,472)	1,184,068
Alcoholic beverages (beer)	18,000	19,108	1,108	18,016
Licenses and permits	322,500	332,410	9,910	351,559
Intergovernmental:				
Federal	151,700	152,550	850	169,647
State	434,400	434,370	(30)	671,497
Local	104,400	102,362	(2,038)	99,857
Interest	146,100	141,198	(4,902)	115,915
In-kind contributions	2,600	2,500	(100)	2,568
Miscellaneous	108,100	105,832	(2,268)	374,010
Total revenues	<u>4,643,100</u>	<u>4,608,360</u>	<u>(34,740)</u>	<u>5,103,242</u>
Expenditures:				
Current:				
General government:				
Financial administration	1,643,800	1,643,879	(79)	1,625,705
Legislative	222,100	216,840	5,260	224,607
Judicial	143,700	153,902	(10,202)	150,276
Executive	256,100	255,629	471	221,937
Elections	32,800	30,967	1,833	33,125
Other-unclassified	108,400	100,979	7,421	113,115
Public safety	311,300	423,972	(112,672)	328,578
Public housing	2,400	1,840	560	1,800
Health and welfare	195,900	194,089	1,811	197,619
Economic development and assistance	464,700	476,458	(11,758)	520,153
Capital outlay	307,900	246,612	61,288	57,375
In-kind expenses	2,500	2,500	-	2,568
Total expenditures	<u>3,691,600</u>	<u>3,747,667</u>	<u>(56,067)</u>	<u>3,476,858</u>
Excess (deficiency) of revenues over (under) expenditures	951,500	860,693	(90,807)	1,626,384
Other financing sources (uses):				
Operating transfers in	12,500	3,395	(9,105)	70,300
Proceeds from capital leases	44,900	94,856	49,956	-
Operating transfers out	(563,300)	(497,951)	65,349	(445,483)
Total other financing sources (uses)	<u>(505,900)</u>	<u>(399,700)</u>	<u>106,200</u>	<u>(375,183)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	445,600	460,993	15,393	1,251,201
Fund balance, beginning of year	3,257,437	3,257,437	-	2,006,236
Fund balance, end of year	<u>\$3,703,037</u>	<u>\$3,718,430</u>	<u>\$ 15,393</u>	<u>\$3,257,437</u>

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues derived from taxes or other dedicated revenue sources. They are usually required by statute, charter provision, or local ordinance to finance particular functions or activities of government. The parish maintains the following special revenue funds:

ROAD AND BRIDGE MAINTENANCE FUND

The Road and Bridge Maintenance Fund accounts for the construction of new roads and bridges and the maintenance of existing roads and roadside areas. Major means of financing is provided by ad valorem taxes, state revenue sharing, the State of Louisiana Parish Transportation Fund, and the Parish Royalty Fund. Use of these funds is restricted by Louisiana Revised Statute 43:753.

COURTHOUSE, JAIL AND PUBLIC BUILDINGS MAINTENANCE FUND

The Courthouse, Jail and Public Buildings Maintenance Fund accounts for the operation and maintenance of the public buildings in the parish. Financing is provided by ad valorem taxes, and state revenue sharing.

PARISHWIDE DRAINAGE MAINTENANCE FUND

The Parishwide Drainage Maintenance Fund accounts for the operations and maintenance of all parish drainage projects. Major means of financing is provided by ad valorem taxes and state revenue sharing.

FIRE PROTECTION DISTRICT NO. 2 MAINTENANCE FUND

The Fire Protection District No. 2 Maintenance Fund accounts for the operation, maintenance and/or construction of the water distribution system within the district. Financing is provided by ad valorem taxes.

SOLID WASTE DISPOSAL FUND

The Solid Waste Disposal Fund accounts for the operation of solid waste management and disposal. Financing is provided by one quarter of one per cent sales tax imposed parishwide and user fees charged to the parish residents.

ELDERLY AND EMERGENCY MEDICAL SERVICES FUND

The Elderly and Emergency Medical Services Fund accounts for the cost of providing care and assistance to the elderly persons of the parish and the cost of providing health services to the residents of the parish. Financing is provided by one quarter of one per cent sales tax imposed parishwide and transfers from other funds.

PARKS AND RECREATION FUND

The Parks and Recreation Fund accounts for the cost of providing recreational facilities throughout the parish. Financing is provided by one quarter of one per cent sales tax imposed parishwide and ad valorem taxes.

GRAMERCY RECREATION DISTRICT FUND

The Gramercy Recreation District Fund accounts for the costs incurred by the district for providing recreational facilities within the corporate limits of the Town of Gramercy. Financing is provided by ad valorem taxes, state revenue sharing and self-generated revenues.

PARISH LIBRARY FUND

The Parish Library Fund accounts for the operation and maintenance of the St. James Parish Library. Financing is provided by ad valorem taxes, federal grants and state revenue sharing funds.

CONSOLIDATED ROAD LIGHTING DISTRICT NO. 3A

The Consolidated Road Lighting District No. 3A Fund accounts for the operations and maintenance of street lights. Financing is provided by ad valorem taxes, voluntary payments in lieu of taxes and state revenue sharing funds.

ST. JAMES TRANSIT SYSTEM FUND

The St. James Transit System Fund accounts for the operation and maintenance of the parishwide transportation program. Financing is provided by federal grants, state grants, bus fares, and transfers from other funds.

PUBLIC SAFETY FUND

The Public Safety Fund accounts for the payment of expenditures and capital outlays for the six volunteer fire departments and the cost of providing health services to the residents of the parish. Financing is provided by ad valorem taxes.

CRIMINAL COURT FUND

The Criminal Court Fund accounts for the expenditures attributable to the Twenty-Third Judicial District Court. Financing is provided by fines and forfeitures imposed by the district courts. The district is comprised of the parishes of St. James, Ascension, and Assumption. St. James Parish only is reported in these statements.

ENHANCED 911 SYSTEM MAINTENANCE FUND

The Enhanced 911 System Maintenance Fund accounts for the operation and maintenance of an enhanced 911 emergency telephone system. Financing is provided by ad valorem taxes, and emergency telephone service charges.

HOUSING DEVELOPMENT FUND

The Housing Development Fund is funded by the United States Department of Housing and Urban Development. It accounts for improvement and development of parish homes.

TITLE III-C-2 HOME DELIVERED MEALS FUND

The Title III-C-2 Home Delivered Meals Fund accounts for the expenditures in delivering the meals to those citizens who are unable to attend any one of the senior citizens' centers. Funding is provided by the United States Department of Health and Human Services and is passed through the Governor's Office of Elderly Affairs and from contributions received on the meals.

TITLE III-C-1 CONGREGATE MEALS FUND

The Title III-C-1 Congregate Meals Fund represents cost associated with feeding the elderly citizens at the four senior citizens' centers located throughout the parish. Funding is provided by the United States Department of Health and Human Services and is passed through the Governor's Office of Elderly Affairs and from contributions received on the meals.

TITLE III-B SOCIAL SERVICES FUND

The Title III-B Social Services Fund is used to pay for the administration of programs for the elderly. Funding is provided by the United States Department of Health and Human Resources and is passed through the Governor's Office of Elderly Affairs.

AREA AGENCY ON AGING - HELPING HANDS FUND

The Helping Hands Fund originates through donations in the form of over-payment of utility bills. Expenditures include those associated with paying for utility and weatherization bills for the elderly. Funding is provided by the Louisiana Association of Councils on Aging.

AREA AGENCY ON AGING - LOCAL SUPPORT FUND

The Area Agency on Aging - Local Support Fund is used to pay for any expenses not covered by any other elderly program.

AREA AGENCY ON AGING - DISCRETIONARY FUND

The Area Agency on Aging - Discretionary Fund accounts for any expenditures associated with the feeding program for the elderly. Funding is provided by the Governor's Office of Elderly Affairs.

AREA AGENCY ON AGING - CASH IN LIEU OF COMMODITIES FUND

The Cash in Lieu of Commodities Fund is used to account for the administration of the Food Distribution Program funds provided by the United States Department of Agriculture through the Louisiana Governor's Office of Elderly Affairs. This program reimburses the service provider on a per unit basis for each congregate and home-delivered meal served to an eligible participant so that United States food and commodities may be purchased to supplement these programs.

COMMODITIES DISTRIBUTION FUND

The Commodities Distribution Fund accounts for the costs of receiving and delivering food commodities to the low income families within the Parish. Funds are passed through the Louisiana Department of Agriculture from the United States Department of Agriculture.

WEATHERIZATION AND ENERGY ASSISTANCE FUNDS

The Weatherization and Energy Assistance programs are funded by the United States Department of Energy and passed through the Louisiana Department of Urban and Community Affairs. These funds account for the labor and materials to weatherize homes.

SENIOR CITIZENS ACTIVITIES FUND

The Senior Citizens Activities Fund accounts for the operation of the elderly handicrafts projects. Funds are generated from the sales of handicrafts.

SENIOR CENTER FUNDS

The Senior Center Funds are used to help subsidize the cost for meals at the senior citizens' centers. Funding is provided by the Governor's Office of Elderly Affairs.

HEAD START PROGRAM FUND

The Head Start Program Fund accounts for the operations and maintenance of five educational centers. Funding is provided by the United States Department of Health and Human Services.

SUMMER CHILDCARE PROGRAM FUND

The Summer Childcare Program Fund is funded by the United States Department of Health and Human Services to provide summer day care facilities for children from low income families who are enrolled in the welfare to work program.

HEAD START ACTIVITY FUND

The Head Start Activity Fund accounts for monies raised by the families of the Head Start children for the purpose of providing additional activities for the children such as field trips and graduation parties.

COMMUNITY SERVICES BLOCK GRANT FUND

The Community Services Block Grant (CSBG) Fund accounts for the outreach and housing programs administered by the Parish Department of Human Resources. Funding is provided by the United States Department of Health and Human Services and is passed through the Louisiana Department of Labor.

EMERGENCY FOOD AND SHELTER FUND

The Emergency Food and Shelter Fund is used to provide emergency food vouchers to the needy families in the parish. United Way provides the funding.

LOCAL LAW ENFORCEMENT BLOCK GRANT FUND

The Local Law Enforcement Block Grant Fund is funded by the United States Department of Justice for the purpose of reducing crime and improving public safety. The funds are used to supplement special programs of the St. James Parish Sheriff's Department and purchase law enforcement equipment.

St. James Parish Council
 Convent, Louisiana
 Special Revenue Funds
 Combining Balance Sheets, December 31, 1998
 With Comparative Totals as of December 31, 1997

	1998			
	Maintenance Funds			
	Road and Bridge	Courthouse Jail and Public Buildings	Parishwide Drainage	Fire Protection District No. 2
Assets				
Cash and cash equivalents	\$ 1,408,669	\$ 17,313	\$ 357,008	\$ 139,223
Time certificates of deposit	-	-	-	-
Investments	1,468	353,507	82,380	15,422
Receivables	1,130,305	1,057,695	562,428	138,219
Due from other funds	-	-	-	-
Interfund loans receivable	-	-	-	-
Total assets	<u>\$ 2,540,442</u>	<u>\$ 1,428,515</u>	<u>\$ 1,001,816</u>	<u>\$ 292,864</u>
Liabilities and fund balance				
Liabilities:				
Accounts payable	\$ 48,770	\$ 52,621	\$ 26,559	\$ 13,096
Payroll deductions and withholdings payable	14,864	18,904	9,416	3,204
Deferred revenues	-	-	-	-
Due to other funds	-	-	-	-
Interfund loans payable	-	-	-	-
Total liabilities	<u>63,634</u>	<u>71,525</u>	<u>35,975</u>	<u>16,300</u>
Fund balance				
Unreserved - undesignated	2,476,808	1,356,990	965,841	276,564
Total liabilities and fund balance	<u>\$ 2,540,442</u>	<u>\$ 1,428,515</u>	<u>\$ 1,001,816</u>	<u>\$ 292,864</u>

1998

Sales Tax Funds					
Solid Waste Disposal	Elderly & Emergency Medical Services	Parks and Recreation	Gramercy Recreation District	Parish Library	Consolidated Road Lighting District No. 3A
\$ 499,701	\$ 8,929	\$157,527	\$ 14,951	\$ 32,506	\$ 454,338
-	-	-	-	500,000	-
179,584	-	104,064	-	640,081	333,789
171,978	117,584	176,505	103,858	633,424	232,188
322,346	17,774	17,774	-	-	-
-	-	-	-	-	-
<u>\$ 1,173,609</u>	<u>\$144,287</u>	<u>\$455,870</u>	<u>\$118,809</u>	<u>\$ 1,806,011</u>	<u>\$1,020,315</u>
\$ 93,503	\$ 18,811	\$ 14,661	\$ 3,644	\$ 48,999	\$ 7,404
3,292	13,991	12,580	-	12,440	-
-	-	-	-	-	-
-	26	-	-	-	-
-	-	-	-	-	-
<u>96,795</u>	<u>32,828</u>	<u>27,241</u>	<u>3,644</u>	<u>61,439</u>	<u>7,404</u>
1,076,814	111,459	428,629	115,165	1,744,572	1,012,911
<u>\$ 1,173,609</u>	<u>\$144,287</u>	<u>\$455,870</u>	<u>\$118,809</u>	<u>\$ 1,806,011</u>	<u>\$1,020,315</u>

St. James Parish Council
 Convent, Louisiana
 Special Revenue Funds
 Combining Balance Sheets, December 31, 1998
 With Comparative Totals as of December 31, 1997

	1998				
	St. James Transit System	Public Safety	Criminal Court	Enhanced 911 System Maintenance	Housing Development
Assets					
Cash and cash equivalents	\$ 4,089	\$ 391,588	\$ 5,520	\$ 28,585	\$ -
Time certificates of deposit	-	-	-	-	-
Investments	1,901	918,843	-	217,574	-
Receivables	11,238	843,565	9,316	316,716	-
Due from other funds	-	-	6,888	-	-
Interfund loans receivable	-	-	-	-	-
Total assets	<u>\$17,228</u>	<u>\$2,153,996</u>	<u>\$21,724</u>	<u>\$562,875</u>	<u>\$ -</u>
Liabilities and fund balance					
Liabilities:					
Accounts payable	\$10,420	\$ 32,560	\$11,403	\$ 41,500	\$ -
Payroll deductions and withholdings payable	7,942	-	4,000	5,934	-
Deferred revenues	-	-	-	-	-
Due to other funds	-	-	-	-	-
Interfund loans payable	-	-	-	-	-
Total liabilities	<u>18,362</u>	<u>32,560</u>	<u>15,403</u>	<u>47,434</u>	<u>-</u>
Fund balance					
Unreserved - undesignated and fund balance	<u>(1,134)</u>	<u>2,121,436</u>	<u>6,321</u>	<u>515,441</u>	<u>-</u>
	<u>\$17,228</u>	<u>\$2,153,996</u>	<u>\$21,724</u>	<u>\$562,875</u>	<u>\$ -</u>

1998

Title III			Area Agency On Aging			
C-2 Home Delivered Meals	C-1 Congregate Meals	B Social Services	Helping Hands	Local Support	Discretionary	Cash In Lieu Of Commodities
\$1,591	\$2,901	\$3,493	\$ 245	\$ -	\$3,418	\$3,541
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	5,634
-	-	-	-	-	747	-
-	-	-	-	-	-	-
<u>\$1,591</u>	<u>\$2,901</u>	<u>\$3,493</u>	<u>\$ 245</u>	<u>\$ -</u>	<u>\$4,165</u>	<u>\$9,175</u>
\$ 835	\$2,158	\$ 269	\$ 70	\$ -	\$2,145	\$5,319
-	-	-	-	-	-	-
756	743	3,224	-	-	2,020	3,856
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>1,591</u>	<u>2,901</u>	<u>3,493</u>	<u>70</u>	<u>-</u>	<u>4,165</u>	<u>9,175</u>
-	-	-	175	-	-	-
<u>\$1,591</u>	<u>\$2,901</u>	<u>\$3,493</u>	<u>\$ 245</u>	<u>\$ -</u>	<u>\$4,165</u>	<u>\$9,175</u>

St. James Parish Council
 Convent, Louisiana
 Special Revenue Funds
 Combining Balance Sheets, December 31, 1998
 With Comparative Totals as of December 31, 1997

	1998			
	<u>Commodities Distribution</u>	<u>Weatherization</u>	<u>Energy Assistance</u>	<u>Senior Citizens Activities</u>
Assets				
Cash and cash equivalents	\$4,857	\$ 885	\$ 3,580	\$32,032
Time certificates of deposit	-	-	-	-
Investments	-	-	-	-
Receivables	986	-	7,470	-
Due from other funds	-	-	-	-
Interfund loans receivable	-	-	-	-
Total assets	<u>\$5,843</u>	<u>\$ 885</u>	<u>\$11,050</u>	<u>\$32,032</u>
Liabilities and fund balance				
Liabilities:				
Accounts payable	\$1,416	\$ -	\$ 5,786	\$ 113
Payroll deductions and withholdings payable	-	-	-	-
Deferred revenues	-	885	5,154	-
Due to other funds	-	-	-	-
Interfund loans payable	-	-	-	-
Total liabilities	<u>1,416</u>	<u>885</u>	<u>10,940</u>	<u>113</u>
Fund balance				
Unreserved - undesignated and fund balance	<u>4,427</u>	<u>-</u>	<u>110</u>	<u>31,919</u>
	<u>\$5,843</u>	<u>\$ 885</u>	<u>\$11,050</u>	<u>\$32,032</u>

1998

Senior Center Funds	Head Start Program	Summer Childcare Program	Head Start Activity	Community Services Block Grant	Emergency Food and Shelter	Local Law Enforcement Block Grant
\$2,201	\$ 37	\$43,439	\$4,228	\$6	\$107	\$-
-	-	-	-	-	-	-
-	51,116	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$2,201</u>	<u>\$51,153</u>	<u>\$43,439</u>	<u>\$4,228</u>	<u>\$6</u>	<u>\$107</u>	<u>\$-</u>
\$2,087	\$44,686	\$ -	\$ -	\$ -	\$107	\$-
-	6,430	-	-	-	-	-
114	37	-	-	6	-	-
-	-	-	-	-	-	-
-	-	1,300	-	-	-	-
<u>2,201</u>	<u>51,153</u>	<u>1,300</u>	<u>-</u>	<u>6</u>	<u>107</u>	<u>-</u>
-	-	42,139	4,228	-	-	-
<u>\$2,201</u>	<u>\$51,153</u>	<u>\$43,439</u>	<u>\$4,228</u>	<u>\$6</u>	<u>\$107</u>	<u>\$-</u>

St. James Parish Council
 Convent, Louisiana
 Special Revenue Funds
 Combining Balance Sheets, December 31, 1998
 With Comparative Totals as of December 31, 1997

	Totals	
	1998	1997
Assets		
Cash and cash equivalents	\$ 3,626,508	\$ 3,373,769
Time certificates of deposit	500,000	500,000
Investments	2,848,613	1,646,233
Receivables	5,570,225	5,361,750
Due from other funds	365,529	313,173
Interfund loans receivable	-	545,000
Total assets	\$12,910,875	\$11,739,925
Liabilities and fund balance		
Liabilities:		
Accounts payable	\$ 488,942	\$ 443,068
Payroll deductions and withholdings payable	112,997	104,104
Deferred revenues	16,795	10,180
Due to other funds	26	75,208
Interfund loans payable	1,300	15,000
Total liabilities	620,060	647,560
Fund balance		
Unreserved - undesignated	12,290,815	11,092,365
Total liabilities and fund balance	\$12,910,875	\$11,739,925

St. James Parish Council
 Convent, Louisiana
 Special Revenue Funds
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 For the year ended December 31, 1998
 With 1998 Total Budget (GAAP Basis)
 And Comparative Actual Totals for the year ended December 31, 1997

	1998			
	Maintenance Funds			
	Road and Bridge	Courthouse Jail and Public Buildings	Parishwide Drainage	Fire Protection District No. 2
Revenues:				
Taxes:				
Ad valorem	\$ 1,072,036	\$ 1,072,042	\$ 420,238	\$ 139,451
Sales and use	-	-	-	-
Intergovernmental:				
Federal	34,593	3,238	205,631	766
State	371,508	16,784	48,297	-
Local	-	-	-	-
Fines and forfeits	-	-	-	-
Charges for services	-	-	-	-
Interest	80,587	36,765	23,771	8,611
In-kind contributions	-	-	-	-
Other revenues:				
Commissions	-	1,401	-	-
Rents and royalties	-	-	-	-
Sales	-	-	-	-
Telephone service charge	-	-	-	-
Miscellaneous	2,224	144	1,824	324
Total revenues	<u>1,560,948</u>	<u>1,130,374</u>	<u>699,761</u>	<u>149,152</u>

1998

Sales Tax Funds						
Solid Waste Disposal	Elderly & Emergency Medical Services	Parks and Recreation	Gramercy Recreation District	Parish Library	Consolidated Road Lighting District No. 3A	St. James Transit System
\$ -	\$ -	\$ 58,099	\$ 107,287	\$ 643,250	\$ 235,562	\$ -
794,461	794,461	794,461	-	-	-	-
566	-	365	-	750	-	47,187
-	338	-	6,729	37,033	5,338	-
-	-	-	-	-	-	62,425
-	-	-	-	-	-	-
522,967	-	26,724	1,716	-	-	1,141
27,843	2,004	12,977	1,568	69,351	27,188	307
-	-	-	-	-	-	-
-	-	47	-	-	-	-
-	-	13,185	3,570	-	-	-
-	-	-	-	3,062	-	386
-	-	-	-	-	-	-
7,551	1	11,034	51	33,981	-	5,000
<u>1,353,388</u>	<u>796,804</u>	<u>916,892</u>	<u>120,921</u>	<u>787,427</u>	<u>268,088</u>	<u>116,446</u>

Schedule 4 (continued)

St. James Parish Council
 Convent, Louisiana
 Special Revenue Funds
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 For the year ended December 31, 1998
 With 1998 Total Budget (GAAP Basis)
 And Comparative Actual Totals for the year ended December 31, 1997

	1998			
	Maintenance Funds			
	Road and Bridge	Courthouse Jail and Public Buildings	Parishwide Drainage	Fire Protection District No. 2
Expenditures:				
Current:				
General government:				
Financial administration	44,506	44,506	14,496	4,800
Judicial	-	-	-	-
Other-unclassified	-	859,816	-	-
Public safety	-	-	484,886	90,959
Highways and streets	876,932	-	-	-
Sanitation	-	-	-	-
Public transportation	-	-	-	-
Health and welfare	-	-	-	-
Public housing	-	-	-	-
Culture and recreation	-	-	-	-
Economic development and assistance	-	-	-	-
Capital outlay	204,498	161,432	37,988	-
In-kind expenses	-	-	-	-
Total expenditures	<u>1,125,936</u>	<u>1,065,754</u>	<u>537,370</u>	<u>95,759</u>
Excess (deficiency) of revenues over (under) expenditures	435,012	64,620	162,391	53,393
Other financing sources (uses):				
Operating transfers in	-	-	21,608	24,798
Proceeds from capital lease	-	-	-	-
Proceeds from credit sales	-	-	-	-
Proceeds from loans	-	-	-	-
Donation of property	-	85,500	-	-
Operating transfers out	(138,783)	(14,099)	(52,464)	(55,842)
Interest on lease purchase	-	-	-	-
Total other financing sources (uses)	<u>(138,783)</u>	<u>71,401</u>	<u>(30,856)</u>	<u>(31,044)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	296,229	136,021	131,535	22,349
Fund balance, beginning of year	2,180,579	1,220,969	834,306	254,215
Fund balance, end of year	<u>\$ 2,476,808</u>	<u>\$ 1,356,990</u>	<u>\$ 965,841</u>	<u>\$ 276,564</u>

Schedule 4 (continued)

1998

Sales Tax Funds						
Solid Waste Disposal	Elderly & Emergency Medical Services	Parks and Recreation	Gramercy Recreation District	Parish Library	Consolidated Road Lighting District No. 3A	St. James Transit System
43,680	29,924	31,740	3,338	22,188	8,108	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	187,175	-
1,073,275	-	-	-	-	-	-
-	813,933	-	-	-	-	425,109
-	-	-	-	-	-	-
-	-	675,665	105,489	461,280	-	-
59,988	41,799	87,967	-	134,691	-	3,525
-	-	-	-	-	-	-
<u>1,176,943</u>	<u>885,656</u>	<u>795,372</u>	<u>108,827</u>	<u>618,159</u>	<u>195,283</u>	<u>428,634</u>
176,445	(88,852)	121,520	12,094	169,268	72,805	(312,188)
-	67,919	-	-	-	-	271,300
-	-	-	-	-	-	-
-	-	21,499	-	-	-	-
-	-	-	-	-	-	-
(20,152)	(22,932)	(80,930)	(10,107)	-	-	-
-	-	-	-	-	-	-
<u>(20,152)</u>	<u>44,987</u>	<u>(59,431)</u>	<u>(10,107)</u>	<u>-</u>	<u>-</u>	<u>271,300</u>
156,293	(43,865)	62,089	1,987	169,268	72,805	(40,888)
920,521	155,324	366,540	113,178	1,575,304	940,106	39,754
<u>\$ 1,076,814</u>	<u>\$ 111,459</u>	<u>\$ 428,629</u>	<u>\$ 115,165</u>	<u>\$ 1,744,572</u>	<u>\$ 1,012,911</u>	<u>\$ (1,134)</u>

Schedule 4 (continued)

St. James Parish Council
Convent, Louisiana
Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the year ended December 31, 1998
With 1998 Total Budget (GAAP Basis)
And Comparative Actual Totals for the year ended December 31, 1997

	1998			
	Public Safety	Criminal Court	Enhanced 911 System Maintenance	Housing Development
Revenues:				
Taxes:				
Ad valorem	\$ 857,628	\$ -	\$ 267,996	\$ -
Sales and use	-	-	-	-
Intergovernmental:				
Federal	-	-	-	2,500
State	-	11,005	-	-
Local	-	13,895	-	-
Fines and forfeits	-	137,203	-	-
Charges for services	-	-	-	-
Interest	79,280	221	13,983	-
In-kind contributions	-	-	-	-
Other revenues:				
Commissions	-	-	-	-
Rents and royalties	-	-	8,440	-
Sales	-	-	-	-
Telephone service charge	-	-	75,757	-
Miscellaneous	-	-	1,150	-
Total revenues	<u>936,908</u>	<u>162,324</u>	<u>367,326</u>	<u>2,500</u>

1998

Title III			Area Agency On Aging			
C-2 Home Delivered Meals	C-1 Congregate Meals	B Social Services	Helping Hands	Local Support	Discretionary	Cash In Lieu Of Commodities
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
30,101	25,703	39,843	-	-	-	37,587
-	-	4,500	2,096	-	14,676	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
8,411	9,492	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>38,512</u>	<u>35,195</u>	<u>44,343</u>	<u>2,096</u>	<u>-</u>	<u>14,676</u>	<u>37,587</u>

Schedule 4 (continued)

St. James Parish Council
 Convent, Louisiana
 Special Revenue Funds
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 For the year ended December 31, 1998
 With 1998 Total Budget (GAAP Basis)
 And Comparative Actual Totals for the year ended December 31, 1997

	1998			
	Public Safety	Criminal Court	Enhanced 911 System Maintenance	Housing Development
Expenditures:				
Current:				
General government:				
Financial administration	81,083	-	9,244	-
Judicial	-	307,486	-	-
Other-unclassified	-	-	-	-
Public safety	468,095	-	220,989	-
Highways and streets	-	-	-	-
Sanitation	-	-	-	-
Public transportation	-	-	-	-
Health and welfare	-	-	-	-
Public housing	-	-	-	644
Culture and recreation	-	-	-	-
Economic development and assistance	-	-	-	-
Capital outlay	636,333	-	13,999	1,859
In-kind expenses	-	-	-	-
Total expenditures	<u>1,185,511</u>	<u>307,486</u>	<u>244,232</u>	<u>2,503</u>
Excess (deficiency) of revenues over (under) expenditures	(248,603)	(145,162)	123,094	(3)
Other financing sources (uses):				
Operating transfers in	-	145,162	750	-
Proceeds from capital lease	386,779	-	-	-
Proceeds from credit sales	-	-	-	-
Proceeds from loans	-	-	-	-
Donation of property	-	-	-	-
Operating transfers out	(24,798)	-	-	-
Interest on lease purchase	-	-	(9,793)	-
Total other financing sources (uses)	<u>361,981</u>	<u>145,162</u>	<u>(9,043)</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	113,378	-	114,051	(3)
Fund balance, beginning of year	2,008,058	6,321	401,390	3
Fund balance, end of year	<u>\$ 2,121,436</u>	<u>\$ 6,321</u>	<u>\$ 515,441</u>	<u>\$ -</u>

Schedule 4 (continued)

1998

Title III			Area Agency On Aging			
C-2 Home Delivered Meals	C-1 Congregate Meals	B Social Services	Helping Hands	Local Support	Discretionary	Cash In Lieu Of Commodities
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
52,526	44,813	44,343	2,836	5	14,676	37,587
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>52,526</u>	<u>44,813</u>	<u>44,343</u>	<u>2,836</u>	<u>5</u>	<u>14,676</u>	<u>37,587</u>
(14,014)	(9,618)	-	(740)	(5)	-	-
14,014	9,618	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>14,014</u>	<u>9,618</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	(740)	(5)	-	-
-	-	-	915	5	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 175</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Schedule 4 (continued)

St. James Parish Council
Convent, Louisiana
Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the year ended December 31, 1998
With 1998 Total Budget (GAAP Basis)
And Comparative Actual Totals for the year ended December 31, 1997

	1998			
	<u>Commodities Distribution</u>	<u>Weatherization</u>	<u>Energy Assistance</u>	<u>Senior Citizens Activities</u>
Revenues:				
Taxes:				
Ad valorem	\$ -	\$ -	\$ -	\$ -
Sales and use	-	-	-	-
Intergovernmental:				
Federal	6,576	15,372	90,690	-
State	-	-	-	-
Local	-	-	-	-
Fines and forfeits	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	511
In-kind contributions	-	-	-	-
Other revenues:				
Commissions	-	-	-	-
Rents and royalties	-	-	-	-
Sales	-	-	-	46,638
Telephone service charge	-	-	-	-
Miscellaneous	-	-	-	3,760
Total revenues	<u>6,576</u>	<u>15,372</u>	<u>90,690</u>	<u>50,909</u>

1998

Senior Center Funds	Head Start Program	Summer Childcare Program	Head Start Activity	Community Services Block Grant	Emergency Food and Shelter	Local Law Enforcement Block Grant
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	898,964	265,140	-	80,222	12,712	-
16,730	-	-	-	-	-	-
-	-	-	-	-	-	2,208
-	-	-	-	-	-	-
-	180	-	-	-	-	70
-	232,107	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	3,856	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>16,730</u>	<u>1,131,251</u>	<u>265,140</u>	<u>3,856</u>	<u>80,222</u>	<u>12,712</u>	<u>2,278</u>

Schedule 4 (continued)

St. James Parish Council
 Convent, Louisiana
 Special Revenue Funds
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 For the year ended December 31, 1998
 With 1998 Total Budget (GAAP Basis)
 And Comparative Actual Totals for the year ended December 31, 1997

	1998			
	Commodities Distribution	Weatherization	Energy Assistance	Senior Citizens Activities
Expenditures:				
Current:				
General government:				
Financial administration	-	-	-	-
Judicial	-	-	-	-
Other-unclassified	-	-	-	-
Public safety	-	-	-	-
Highways and streets	-	-	-	-
Sanitation	-	-	-	-
Public transportation	-	-	-	-
Health and welfare	13,095	15,372	90,690	37,434
Public housing	-	-	-	-
Culture and recreation	-	-	-	-
Economic development and assistance	-	-	-	-
Capital outlay	-	-	-	-
In-kind expenses	-	-	-	-
Total expenditures	<u>13,095</u>	<u>15,372</u>	<u>90,690</u>	<u>37,434</u>
Excess (deficiency) of revenues over (under) expenditures	(6,519)	-	-	13,475
Other financing sources (uses):				
Operating transfers in	-	-	-	-
Proceeds from capital lease	-	-	-	-
Proceeds from credit sales	-	-	-	-
Proceeds from loans	-	-	-	-
Donation of property	-	-	-	-
Operating transfers out	-	-	-	-
Interest on lease purchase	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(6,519)	-	-	13,475
Fund balance, beginning of year	<u>10,946</u>	-	110	18,444
Fund balance, end of year	<u>\$ 4,427</u>	<u>\$ -</u>	<u>\$ 110</u>	<u>\$ 31,919</u>

Schedule 4 (continued)

1998

Senior Center Funds	Head Start Program	Summer Childcare Program	Head Start Activity	Community Services Block Grant	Emergency Food and Shelter	Local Law Enforcement Block Grant
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	2,295
-	-	-	-	-	-	-
-	-	-	-	-	-	-
16,730	-	-	-	80,222	12,712	-
-	-	-	-	-	-	-
-	844,557	263,989	4,000	-	-	-
-	67,859	-	-	-	-	-
-	232,107	-	-	-	-	-
<u>16,730</u>	<u>1,144,523</u>	<u>263,989</u>	<u>4,000</u>	<u>80,222</u>	<u>12,712</u>	<u>2,295</u>
-	(13,272)	1,151	(144)	-	-	(17)
-	13,272	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	<u>13,272</u>	-	-	-	-	-
-	-	1,151	(144)	-	-	(17)
-	-	40,988	4,372	-	-	17
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 42,139</u>	<u>\$ 4,228</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Schedule 4 (continued)

St. James Parish Council
 Convent, Louisiana
 Special Revenue Funds
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 For the year ended December 31, 1998
 With 1998 Total Budget (GAAP Basis)
 And Comparative Actual Totals for the year ended December 31, 1997

	1998		Variance Favorable (Unfavorable)	1997
	Actual Total	Budget Total		Actual Total
Revenues:				
Taxes:				
Ad valorem	\$ 4,873,589	\$ 4,879,000	\$ (5,411)	\$ 4,871,436
Sales and use	2,383,383	2,399,400	(16,017)	2,354,157
Intergovernmental:				
Federal	1,798,506	1,713,050	85,456	1,630,990
State	535,034	674,450	(139,416)	654,622
Local	78,528	77,008	1,520	87,264
Fines and forfeits	137,203	134,500	2,703	185,799
Charges for services	552,548	545,600	6,948	489,710
Interest	385,217	355,170	30,047	339,837
In-kind contributions	232,107	211,400	20,707	223,785
Other revenues:				
Commissions	1,448	1,500	(52)	1,344
Rents and royalties	25,195	28,200	(3,005)	24,630
Sales	71,845	53,800	18,045	53,111
Telephone service charge	75,757	67,600	8,157	71,478
Miscellaneous	67,044	60,300	6,744	46,698
Total revenues	11,217,404	11,200,978	16,426	11,034,861

St. James Parish Council
 Convent, Louisiana
 Special Revenue Funds
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 For the year ended December 31, 1998
 With 1998 Total Budget (GAAP Basis)
 And Comparative Actual Totals for the year ended December 31, 1997

	1998		Variance Favorable (Unfavorable)	1997
	Actual Total	Budget Total		Actual Total
Expenditures:				
Current:				
General government:				
Financial administration	337,613	340,117	2,504	299,476
Judicial	307,486	310,700	3,214	330,034
Other-unclassified	859,816	848,500	(11,316)	870,803
Public safety	1,267,224	1,299,370	32,146	1,088,604
Highways and streets	1,064,107	1,027,750	(36,357)	988,959
Sanitation	1,073,275	1,079,500	6,225	1,053,240
Public transportation	425,109	421,600	(3,509)	351,427
Health and welfare	1,276,974	1,275,805	(1,169)	1,176,342
Public housing	644	603	(41)	-
Culture and recreation	1,242,434	1,289,950	47,516	1,239,978
Economic development and assistance	1,112,546	1,085,100	(27,446)	1,032,385
Capital outlay	1,451,938	1,084,500	(367,438)	1,017,011
In-kind expenses	232,107	211,400	(20,707)	223,785
Total expenditures	10,651,273	10,274,895	(376,378)	9,672,044
Excess (deficiency) of revenues over (under) expenditures	566,131	926,083	(359,952)	1,362,817
Other financing sources (uses):				
Operating transfers in	568,441	773,831	(205,390)	413,183
Proceeds from capital lease	386,779	-	386,779	7,288
Proceeds from credit sales	21,499	21,500	(1)	-
Proceeds from loans	-	-	-	184,157
Donation of property	85,500	-	85,500	-
Operating transfers out	(420,107)	(604,700)	184,593	(728,774)
Interest on lease purchase	(9,793)	(7,800)	(1,993)	-
Total other financing sources (uses)	632,319	182,831	449,488	(124,146)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	1,198,450	1,108,914	89,536	1,238,671
Fund balance, beginning of year	11,092,365	11,092,365	-	9,853,694
Fund balance, end of year	\$ 12,290,815	\$ 12,201,279	\$ 89,536	\$ 11,092,365

Schedule 4 (concluded)

DEBT SERVICE FUNDS

The debt service funds are used to account for the accumulation of general obligation bonds principal and interest from governmental resources. Revenues for the debt service funds are provided by ad valorem taxes, sales taxes and interest on investments. The parish maintains the following debt service funds:

PUBLIC IMPROVEMENT BOND SERIES ST-88 FUND

The Public Improvement Bonds Series ST-88 Fund accumulates monies for the payment of the November 1, 1989, bond issue of \$500,000 and the May 19, 1998 refunding bond issue of \$361,000. The bonds were issued for improvement to recreational facilities within the parish. Financing is provided by an irrevocable pledge of sales tax revenues.

GRAMERCY RECREATION DISTRICT FUND

The Gramercy Recreation District Fund accumulates monies for payment of the June 1, 1976, bond issue of \$125,000. The bonds were issued for improvements to recreational facilities of the district. Financing is provided by a special annual ad valorem tax levy within the district.

EARLY WARNING SYSTEM FUND

The Early Warning System Fund accumulates monies for the payment of a lease agreement entered into by the Parish of St. James and participating industries with Prudential Bache Capital Funding. These monies were used to construct, operate and maintain an early warning system to give adequate warning to all persons in the parish of a real or potential danger. Funding is provided by contributions from these industries and interest earned on time deposits.

CONSOLIDATED GENERAL OBLIGATION BONDS

The Consolidated General Obligation Bonds Fund accounts for the property tax levies needed to comply with the interest and principal redemption requirements of the following bond issues:

- General Obligation Road Bonds Series, 1988, and 1990.
- General Obligation Bond Series 1993
- General Obligation Bond Series 1994
- General Obligation Refunding Bond Series 1998

St. James Parish Council
 Convent, Louisiana
 Debt Service Funds
 Combining Balance Sheets
 December 31, 1998
 With Comparative Totals as of December 31, 1997

	Public Improvement Bond Series ST-88	Gramercy Recreation District	Early Warning System	Consolidated General Obligation Bonds
Assets				
Cash and cash equivalents	\$108,495	\$ 99	\$ -	\$ 30,184
Time certificates of deposit	-	3,500	-	-
Investments	-	-	-	566,871
Receivables	-	10,533	-	1,581,684
Total assets	<u>\$108,495</u>	<u>\$14,132</u>	<u>\$ -</u>	<u>\$2,178,739</u>
Liabilities and fund balance				
Liabilities:				
Accounts payable	\$ -	\$ 339	\$ -	\$ 50,570
Interfund payables	-	-	-	144,500
Total liabilities	<u>-</u>	<u>339</u>	<u>-</u>	<u>195,070</u>
Fund balance:				
Reserved for debt service	<u>108,495</u>	<u>13,793</u>	<u>-</u>	<u>1,983,669</u>
Total liabilities and fund balance	<u>\$108,495</u>	<u>\$14,132</u>	<u>\$ -</u>	<u>\$2,178,739</u>

Totals	
1998	1997
\$ 138,778	\$ 92,067
3,500	3,500
566,871	376,310
<u>1,592,217</u>	<u>1,750,890</u>
<u>\$2,301,366</u>	<u>\$2,222,767</u>
\$ 50,909	\$ 56,631
<u>144,500</u>	<u>144,500</u>
<u>195,409</u>	<u>201,131</u>
<u>2,105,957</u>	<u>2,021,636</u>
<u>\$2,301,366</u>	<u>\$2,222,767</u>

St. James Parish Council
Convent, Louisiana
Debt Service Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the year ended December 31, 1998
With 1998 Total Budget (GAAP Basis)
And Comparative Actual Totals for the year ended December 31, 1997

	1998			Consolidated General Obligation Bonds
	Public Improvement Bond Series ST-88	Gramercy Recreation District	Early Warning System	
Revenues				
Taxes:				
Ad valorem	\$ -	\$10,898	\$ -	\$1,608,327
Interest	3,501	321	4,559	49,116
Contributions from private industry	-	-	81,860	-
Total revenues	<u>3,501</u>	<u>11,219</u>	<u>86,419</u>	<u>1,657,443</u>
Expenditures:				
Current:				
General government:				
Financial administration	20	339	-	56,122
Debt service:				
Principal	21,000	9,000	125,717	895,000
Interest and fiscal charges	25,235	1,775	8,768	553,300
Cost of issuance	9,710	-	-	35,028
Total expenditures	<u>55,965</u>	<u>11,114</u>	<u>134,485</u>	<u>1,539,450</u>
Excess (deficiency) of revenues over (under) expenditures	(52,464)	105	(48,066)	117,993
Other financing sources (uses):				
Operating transfers in	80,930	10,107	-	-
Proceeds of refunding bonds	361,000	-	-	1,775,000
Operating transfers out	-	-	(750)	-
Transfer to escrow agent	(355,038)	-	-	(1,804,496)
Total other financing sources (uses)	<u>86,892</u>	<u>10,107</u>	<u>(750)</u>	<u>(29,496)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	34,428	10,212	(48,816)	88,497
Fund balance, beginning of year	74,067	3,581	48,816	1,895,172
Fund balance, end of year	<u>\$108,495</u>	<u>\$13,793</u>	<u>\$ -</u>	<u>\$1,983,669</u>

Schedule 6

1998			1997
Actual Totals	Budget Totals	Variance Favorable (Unfavorable)	Actual Totals
\$1,619,225	\$1,621,100	\$ (1,875)	\$1,817,302
57,497	55,700	1,797	52,311
81,860	81,900	(40)	119,713
<u>1,758,582</u>	<u>1,758,700</u>	<u>(118)</u>	<u>1,989,326</u>
56,481	59,400	2,919	62,086
1,050,717	1,050,717	-	978,869
589,078	590,468	1,390	733,133
44,738	44,700	(38)	-
<u>1,741,014</u>	<u>1,745,285</u>	<u>4,271</u>	<u>1,774,088</u>
17,568	13,415	4,153	215,238
91,037	50,000	41,037	63,700
2,136,000	2,136,000	-	-
(750)	(731)	(19)	-
(2,159,534)	(2,160,100)	566	-
<u>66,753</u>	<u>25,169</u>	<u>41,584</u>	<u>63,700</u>
84,321	38,584	45,737	278,938
2,021,636	2,021,636	-	1,742,698
<u>\$2,105,957</u>	<u>\$2,060,220</u>	<u>\$ 45,737</u>	<u>\$2,021,636</u>

CAPITAL PROJECTS FUNDS

Capital project funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds. The following are the parish's capital projects funds:

PARISHWIDE ROAD IMPROVEMENT FUND

The Parishwide Road Improvement Fund accounts for parishwide road improvements. Construction is on a continuing basis. Financing is provided by transfers from the Road and Bridge Maintenance Fund.

PARISHWIDE SEWERAGE CONSTRUCTION FUND

The Parishwide Sewerage Construction Fund accounts for the sewerage construction program. This program is financed by the United States Environmental Protection Agency (75%) and the St. James Parish Council (25%) through the sale of general obligation bonds. The program consists of three phases, of which two phases have been completed. Actual construction on the third phase has not yet begun pending the United States Environmental Protection Agency's approval for funding.

CDBG ROAD IMPROVEMENT FUND

The CDBG Road Improvement Fund accounts for parishwide road improvements funded with a Louisiana Community Development Block Grant. Funding is provided from the State of Louisiana, Division of Administration, Office of Community Development.

VACHERIE CANAL BACKWATER PREVENTION FUND

The Vacherie Canal Backwater Prevention Fund accounts for the expenditures to construct a backwater control structure in South Vacherie. Funding is provided by the Louisiana Department of Transportation and Development with matching funds from the Parishwide Drainage Maintenance Fund.

St. James Parish Council
 Convent, Louisiana
 Capital Projects Funds
 Combining Balance Sheets
 December 31, 1998
 With Comparative Totals as of December 31, 1997

	<u>Parishwide Road Improvement</u>	<u>Parishwide Sewerage Construction</u>	<u>CDBG Road Improvement</u>	<u>Vacherie Canal Backwater Prevention</u>
Assets				
Cash and cash equivalents	\$2,584	\$276,662	\$33	\$21
Investments	-	191,362	-	-
Receivables	-	12,100	-	-
Interfund loans receivable	-	144,500	-	-
Due from other funds	-	-	-	-
Total assets	<u><u>\$2,584</u></u>	<u><u>\$624,624</u></u>	<u><u>\$33</u></u>	<u><u>\$21</u></u>
Liabilities and fund balance				
Liabilities:				
Accounts payable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance:				
Unreserved	<u>2,584</u>	<u>624,624</u>	<u>33</u>	<u>21</u>
Total liabilities and fund balance	<u><u>\$2,584</u></u>	<u><u>\$624,624</u></u>	<u><u>\$33</u></u>	<u><u>\$21</u></u>

Totals	
1998	1997
\$ 279,300	\$ 271,612
191,362	181,539
12,100	10,603
144,500	144,500
-	4,143
<u>\$ 627,262</u>	<u>\$ 612,397</u>

\$ -	\$ 29,194
<u>-</u>	<u>29,194</u>

<u>627,262</u>	<u>583,203</u>
<u>\$ 627,262</u>	<u>\$ 612,397</u>

St. James Parish Council
 Convent, Louisiana
 Capital Project Funds
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 For the year ended December 31, 1998
 With 1998 Total Budget (GAAP Basis)
 And Comparative Actual Totals for the year ended December 31, 1997

	1998			
	Parishwide Road Improvement	Parishwide Sewerage Construction	CDBG Road Improvement	Vacherie Canal Backwater Prevention
Revenues:				
Intergovernmental:				
Federal	\$ -	\$ -	\$ -	\$ -
Interest	176	21,404	-	-
Total revenues	<u>176</u>	<u>21,404</u>	<u>-</u>	<u>-</u>
Expenditures:				
Capital outlay	47,003	-	59,387	55,356
Total expenditures	<u>47,003</u>	<u>-</u>	<u>59,387</u>	<u>55,356</u>
Excess (deficiency) of revenues over (under) expenditures	(46,827)	21,404	(59,387)	(55,356)
Other financing sources (uses):				
Operating transfers in	128,914	-	59,420	55,311
Operating transfers out	(59,420)	-	-	-
Total other financing sources (uses)	<u>69,494</u>	<u>-</u>	<u>59,420</u>	<u>55,311</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	22,667	21,404	33	(45)
Fund balance, beginning of year	(20,083)	603,220	-	66
Fund balance, end of year	<u>\$ 2,584</u>	<u>\$624,624</u>	<u>\$ 33</u>	<u>\$ 21</u>

	1998		1997	
Actual Totals	Budget Totals	Variance Favorable (Unfavorable)	Actual Totals	
\$ -	\$ -	\$ -	\$ 450,612	
21,580	20,200	1,380	20,407	
<u>21,580</u>	<u>20,200</u>	<u>1,380</u>	<u>471,019</u>	
161,746	178,300	16,554	1,091,531	
<u>161,746</u>	<u>178,300</u>	<u>16,554</u>	<u>1,091,531</u>	
(140,166)	(158,100)	17,934	(620,512)	
243,645	250,600	(6,955)	677,795	
(59,420)	(52,300)	(7,120)	(50,722)	
<u>184,225</u>	<u>198,300</u>	<u>(14,075)</u>	<u>627,073</u>	
44,059	40,200	3,859	6,561	
583,203	583,203	-	576,642	
<u>\$ 627,262</u>	<u>\$ 623,403</u>	<u>\$ 3,859</u>	<u>\$ 583,203</u>	

ENTERPRISE FUNDS

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the parish's intent is that the costs of providing goods or services to the general public are financed primarily through user charges; or where it has been decided that periodic determination of net income is appropriate for accountability purposes. The enterprise funds are as follows:

GAS AND WATER DISTRIBUTION SYSTEM FUND

The St. James Parish Gas and Water Distribution System Fund was established June 2, 1954, by the St. James Parish Police Jury and later acknowledged by the St. James Parish Council. This fund accounts for the sale and distribution of gas and water to the residents of St. James Parish.

ST. JAMES YOUTH CENTER FUND

The St. James Youth Center is a juvenile center for children who enter the juvenile justice system and is operated by the St. James Parish Council. This fund accounts for the maintenance, operations and management of the youth center. The governing board of the youth center is the St. James Parish Council.

St. James Parish Council
 Convent, Louisiana
 Enterprise Funds
 Combining Balance Sheets, December 31, 1998
 With Comparative Totals as of December 31, 1997

	Gas & Water Distribution System	St. James Youth Center	Totals	
			1998	1997
Assets				
Current assets:				
Cash and cash equivalents	\$ 145,991	\$ 400,002	\$ 545,993	\$ 699,141
Investment securities	-	1,078,272	1,078,272	617,973
Receivables (net of allowances for uncollectibles)	334,374	509,403	843,777	815,866
Inventory	156,186	13,344	169,530	164,338
Prepaid expenses	44,616	37,653	82,269	94,565
Total current assets	<u>681,167</u>	<u>2,038,674</u>	<u>2,719,841</u>	<u>2,391,883</u>
Restricted assets	1,007,670	-	1,007,670	848,629
Other assets	19,054	-	19,054	19,667
Land, buildings, and equipment (net of accumulated depreciation)	<u>8,795,674</u>	<u>6,479,372</u>	<u>15,275,046</u>	<u>15,391,282</u>
Total assets	<u>\$10,503,565</u>	<u>\$8,518,046</u>	<u>\$19,021,611</u>	<u>\$18,651,461</u>
Liabilities and fund equity				
Current liabilities:				
Accounts payable	\$ 177,406	\$ 64,922	\$ 242,328	\$ 148,528
Payroll deductions and withholdings payable	-	66,826	66,826	59,236
Due to St. James Parish Council	212,146	-	212,146	177,099
Other liabilities	73,433	7,387	80,820	87,340
Current portion of capital lease obligation	-	3,629	3,629	3,322
Compensated absences payable	165,260	95,552	260,812	243,161
Total current liabilities	<u>628,245</u>	<u>238,316</u>	<u>866,561</u>	<u>718,686</u>
Payable from restricted assets:				
Deposits	164,290	-	164,290	134,660
Bond interest payable	53,085	-	53,085	15,053
Bonded debt payable within one year	225,144	-	225,144	199,949
Deferred revenues	-	-	-	35,000
Capital lease obligation	-	3,280	3,280	6,909
Bonds or certificates of indebtedness payable	1,767,155	340,000	2,107,155	2,445,407
Total liabilities	<u>2,837,919</u>	<u>581,596</u>	<u>3,419,515</u>	<u>3,555,664</u>
Equity:				
Contributed capital	<u>4,866,345</u>	<u>7,922,888</u>	<u>12,789,233</u>	<u>12,550,001</u>
Retained earnings:				
Reserved for debt service	565,151	-	565,151	498,966
Unreserved-undesignated	2,234,150	13,562	2,247,712	2,046,830
Total retained earnings	<u>2,799,301</u>	<u>13,562</u>	<u>2,812,863</u>	<u>2,545,796</u>
Total equity	<u>7,665,646</u>	<u>7,936,450</u>	<u>15,602,096</u>	<u>15,095,797</u>
Total liabilities and equity	<u>\$10,503,565</u>	<u>\$8,518,046</u>	<u>\$19,021,611</u>	<u>\$18,651,461</u>

Schedule 9

St. James Parish Council
 Convent, Louisiana
 Enterprise Funds
 Combining Statement of Revenues, Expenses and Changes in Retained Earnings
 For the year ended December 31, 1998
 With 1998 Total Budget (GAAP Basis)
 And Comparative Actual Totals for the year ended December 31, 1997

	1998	
	Gas & Water Distribution System	St. James Youth Center
Operating revenues:		
Charges for sales and services	\$2,533,763	\$2,539,406
Ad valorem tax	-	214,407
Other	121,557	14,426
Total operating revenues	<u>2,655,320</u>	<u>2,768,239</u>
Operating expenses:		
Cost of sales and services	1,015,282	186,048
Payrolls	740,222	1,441,393
General and administrative	480,441	740,007
Depreciation and amortization	384,778	281,499
Total operating expenses	<u>2,620,723</u>	<u>2,648,947</u>
Operating income	34,597	119,292
Nonoperating revenues (expenses)		
Interest income	41,911	60,223
Bond interest expense	(129,802)	(23,556)
Grants	-	164,177
Other	-	225
Total nonoperating revenues (expenses)	<u>(87,891)</u>	<u>201,069</u>
Income (loss) before operating transfers	(53,294)	320,361
Other financing sources		
Operating transfers in	-	-
Total other financing sources	<u>-</u>	<u>-</u>
Net income (loss)	(53,294)	320,361
Retained earnings (deficit), beginning of year	<u>2,852,595</u>	<u>(306,799)</u>
Retained earnings, end of year	<u>\$2,799,301</u>	<u>\$ 13,562</u>

Schedule 10

1998			1997	
Actual Total	Budget Total	Variance Favorable (Unfavorable)	Actual Total	
\$5,073,169	\$5,274,800	\$(201,631)	\$5,047,214	
214,407	214,700	(293)	214,011	
135,983	123,900	12,083	142,304	
5,423,559	5,613,400	(189,841)	5,403,529	
1,201,330	1,234,500	33,170	1,150,907	
2,181,615	2,163,200	(18,415)	2,087,056	
1,220,448	1,517,300	296,852	1,252,876	
666,277	643,500	(22,777)	629,816	
5,269,670	5,558,500	288,830	5,120,655	
153,889	54,900	98,989	282,874	
102,134	90,000	12,134	73,867	
(153,358)	(153,100)	(258)	(214,278)	
164,177	209,500	(45,323)	80,479	
225	(117,800)	118,025	225	
113,178	28,600	84,578	(59,707)	
267,067	83,500	183,567	223,167	
-	-	-	85,053	
-	-	-	85,053	
267,067	83,500	183,567	308,220	
2,545,796	2,545,796	-	2,237,576	
\$2,812,863	\$2,629,296	\$ 183,567	\$2,545,796	

St. James Parish Council
 Convent, Louisiana
 Enterprise Funds
 Combining Statement of Cash Flows
 For the year ended December 31, 1998
 With Comparative Totals for the year ended December 31, 1997

	Gas & Water Distribution System	St. James Youth Center	Totals	
			1998	1997
Cash flows from operating activities:				
Operating income	\$ 34,597	\$ 119,292	\$ 153,889	\$ 282,874
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation and amortization	384,778	281,499	666,277	629,816
Provision for uncollectible accounts	3,843	6,762	10,605	11,110
Write off of uncollectible accounts	-	(3,786)	(3,786)	(83,848)
Loss (gain) on disposal of capital assets	-	-	-	897
Changes in assets and liabilities:				
Accounts receivable	(38,176)	3,506	(34,670)	91,483
Inventory	(3,705)	(1,487)	(5,192)	21,315
Prepaid expenses	16,823	(4,527)	12,296	8,268
Accounts payable	59,897	33,903	93,800	(145,916)
Payroll deductions and withholdings payable	-	7,590	7,590	2,065
Due to St. James Parish Council	35,069	(22)	35,047	69,365
Other liabilities	(4,926)	-	(4,926)	3,767
Compensated absences	9,001	8,650	17,651	14,210
Deferred revenue	(35,000)	-	(35,000)	(60,000)
Customers' deposits	29,630	-	29,630	23,822
Net cash provided by operating activities	<u>491,831</u>	<u>451,380</u>	<u>943,211</u>	<u>869,228</u>
Cash flows from noncapital financing activities:				
Operating transfers in	-	-	-	85,053
Donations/grants received	-	164,677	164,677	80,979
Net cash provided by noncapital financing activities	<u>-</u>	<u>164,677</u>	<u>164,677</u>	<u>166,032</u>
Cash flows from capital and related financing activities:				
Principal repayment of debt	(199,949)	(70,000)	(269,949)	(245,315)
Interest paid on debt	(81,638)	(25,150)	(106,788)	(216,750)
Acquisition and construction of capital assets	(191,218)	(236,070)	(427,288)	(125,131)
Capital contributed	35,908	-	35,908	38,746
Repayments of capital lease borrowings	-	(3,322)	(3,322)	(3,040)
Transfer to escrow agent for bond refunding	(72,055)	-	(72,055)	-
Grant from state government	100,000	-	100,000	-
Miscellaneous payments	-	(275)	(275)	(275)
Net cash used for capital and related financing activities	<u>(408,952)</u>	<u>(334,817)</u>	<u>(743,769)</u>	<u>(551,765)</u>

Schedule 11 (continued)

St. James Parish Council
 Convent, Louisiana
 Enterprise Funds
 Combining Statement of Cash Flows
 For the year ended December 31, 1998
 With Comparative Totals for the year ended December 31, 1997

	Gas & Water Distribution System	St. James Youth Center	Totals	
			1998	1997
Cash flows from investing activities:				
Interest received on investments	41,850	60,223	102,073	73,786
Maturation of certificates of deposit	120,000	-	120,000	105,000
Proceeds from sales of investments	28,400	-	28,400	10,500
Purchase of certificates of deposits	(150,000)	-	(150,000)	(120,000)
Purchase of investments	(20,338)	(460,299)	(480,637)	(262,911)
Net cash (used in) provided by investing activities	<u>19,912</u>	<u>(400,076)</u>	<u>(380,164)</u>	<u>(193,625)</u>
Net increase (decrease) in cash and cash equivalents	102,791	(118,836)	(16,045)	289,870
Cash and cash equivalents, beginning of year	521,804	518,838	1,040,642	750,772
Cash and cash equivalents, end of year	<u>\$ 624,595</u>	<u>\$ 400,002</u>	<u>\$ 1,024,597</u>	<u>\$ 1,040,642</u>
Supplemental disclosures of cash flow information:				
Noncash capital and related activities:				
Utility plant, property and equipment contributed by subdividers	\$ 103,324	\$ -	\$ 103,324	\$ 50,223
Bond issuance costs paid	\$ (18,816)	\$ -	\$ (18,816)	\$ -
Proceeds from bonds issued to refund capital debt	\$ 900,000	\$ -	\$ 900,000	\$ -

Schedule 11 (concluded)

INTERNAL SERVICE FUND

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government, and to other governmental units, on a cost reimbursement basis.

GROUP HOSPITALIZATION CLAIMS CLEARING FUND

Group Hospitalization Claims Clearing Fund accounts for employee and employer contributions received for payment of group health and life insurance premiums, and health insurance claims of the Parish's group health insurance program.

St. James Parish Council
Convent, Louisiana
Internal Service Fund
Group Hospitalization Claims Clearing Fund
Comparative Balance Sheet
December 31, 1998 and 1997

	Totals	
	1998	1997
Assets		
Cash and cash equivalents	\$ 984,189	\$ 792,453
Investments	231,747	219,852
Receivables (net of allowances for uncollectibles)	14,780	13,305
Total assets	\$1,230,716	\$1,025,610
 Liabilities and fund balance		
Liabilities:		
Accounts payable	\$ 958	\$ -
Liability for claims	220,000	220,000
Total liabilities	220,958	220,000
Fund equity:		
Reserved	1,009,758	805,610
Total fund equity	1,009,758	805,610
Total liabilities and fund equity	\$1,230,716	\$1,025,610

ST. JAMES PARISH COUNCIL
 Convent, Louisiana
 Internal Service Fund
 Group Hospitalization Claims Clearing Fund
 Statement of Revenues, Expenses and Changes in Retained Earnings
 Budget (GAAP Basis) and Actual for the year ended December 31, 1998
 With Comparative Actual Totals for the year ended December 31, 1997

	1998		Variance Favorable (Unfavorable)	1997
	Budget	Actual		Actual
Operating revenues:				
Charges for services	\$1,033,300	\$1,047,575	\$ 14,275	\$1,156,616
Other	-	-	-	136
Total operating revenues	<u>1,033,300</u>	<u>1,047,575</u>	<u>14,275</u>	<u>1,156,752</u>
Operating expenses:				
Cost of sales and services	662,300	724,623	(62,323)	777,386
General and administrative	169,500	169,432	68	201,298
Total operating expenses	<u>831,800</u>	<u>894,055</u>	<u>(62,255)</u>	<u>978,684</u>
Operating income (loss)	201,500	153,520	(47,980)	178,068
Nonoperating revenues (expenses):				
Interest income	50,000	50,628	628	40,922
Total nonoperating revenues (expenses)	<u>50,000</u>	<u>50,628</u>	<u>628</u>	<u>40,922</u>
Net income (loss)	251,500	204,148	(47,352)	218,990
Retained earnings, beginning of year	805,610	805,610	-	586,620
Retained earnings, end of year	<u>\$1,057,110</u>	<u>\$1,009,758</u>	<u>\$(47,352)</u>	<u>\$ 805,610</u>

Schedule 13

ST. JAMES PARISH COUNCIL
 Convent, Louisiana
 Internal Service Fund
 Group Hospitalization Claims Clearing Fund
 Statement of Cash Flows
 For the years ended December 31, 1998 and 1997

	<u>1998</u>	<u>1997</u>
Cash flows from operating activities:		
Operating income	\$153,520	\$178,068
Changes in assets and liabilities		
Accounts receivables	(1,475)	2,796
Accounts payable	958	-
Liability for claims	-	(25,000)
Net cash provided by operating activities	<u>153,003</u>	<u>155,864</u>
Cash flows from investing activities:		
Interest received on investments	50,628	40,922
Proceeds from sale of investments	-	88,628
Purchase of investments	(11,895)	-
Net cash provided by (used in) investing activities	<u>38,733</u>	<u>129,550</u>
Net increase in cash and cash equivalents	191,736	285,414
Cash and cash equivalents, beginning of year	<u>792,453</u>	<u>507,039</u>
Cash and cash equivalents, end of year	<u><u>\$984,189</u></u>	<u><u>\$792,453</u></u>

COMPENSATION PAID COUNCIL MEMBERS, PARISH PRESIDENT AND BOARD MEMBERS

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

PARISH COUNCIL

The compensation of the Parish Council members is included in the legislative expenditures of the General Fund. In accordance with Louisiana Revised Statute 33:1233, the Council has elected the monthly payment method of compensation, and under this method, the Council members receive \$856 per month, while the Council chairman receives \$963 per month.

PARISH PRESIDENT

Compensation paid the Parish President is included in executive expenditures of the General Fund in accordance with St. James Parish Council Ordinance 82-24 and Louisiana Revised Statute 33:1421.

BOARD MEMBERS

As per authority granted by the Parish Home Rule Charter, the Parish Council has created six recreation districts, a Coastal Zone Management board, a planning commission, and a Housing Authority Board. The council has also approved a per diem of \$40 for board members attendance at the board meetings.

ST. JAMES PARISH COUNCIL
Convent, Louisiana

**Schedule of Compensation Paid Council Members,
Parish President and Board Members
For the Year Ended December 31, 1998**

PARISH COUNCIL

Elton Aubert	\$ 10,272
Eric Poche, Sr.	10,420
Timothy Roussel, Chairman	11,407
Elwyn Bocz	10,272
Ralph Patin	10,272
James M. Brazan	10,272
Oliver Cooper, Sr.	10,272
Dale J. Hymel, Jr., Parish President	<u>71,500</u>
Total	<u>\$144,687</u>

GRAMERCY RECREATION DISTRICT

Robert Hidalgo	\$ 480
Ervin Roussel	480
Melissa H. Laurent	480
Anthony Joseph	480
John Meaux, Chairman	<u>480</u>
Total	<u>\$2,400</u>

RECREATION BOARD DISTRICT 2

Clifton Williamson, Chairman	\$ 400
Brenda Malbrough	400
Dave Robertson	320
Vernon Guidry	240
Allen Stark	<u>240</u>
Total	<u>\$1,600</u>

EAST BANK RECREATION - DISTRICTS 3 & 4

Ernest Davis	\$ 280
Michael Chabaud	480
Philip Creel, Chairman	480
Gary Albert	480
Dale Melancon	<u>480</u>
Total	<u>\$2,200</u>

RECREATION BOARD DISTRICT 5

Lloyd Jones	\$ 480
Matthew Mayho, Chairman	480
Sylvester Winchester, Sr.	480
Dale Dennis	360
Odell Lumar, III	<u>440</u>
Total	<u>\$2,240</u>

Schedule 15 (continued)

**St. James Parish Council
Convent, Louisiana
Schedule of Compensation Paid Council Members,
Parish President and Board Members (Continued)**

RECREATION BOARD DISTRICT 6

Ismay Jones	\$ 440
Gerald Herbert	440
Zedel Oubre	440
Stephen Steib	440
Thomas Joseph	440
Nina Johnson, Secretary	<u>1,100</u>
Total	<u>\$3,300</u>

RECREATION BOARD DISTRICT 7

Lionel Harry	\$ 160
Barry Reulet	200
Wendy LeBeouf	200
Vincent Reulet	240
Blain Bourgeois	<u>160</u>
Total	<u>\$960</u>

COASTAL ZONE MANAGEMENT BOARD

Charles Duhe, Chairman	\$ 480
Elton Chenier	360
Gene St. Pierre	440
Marlis Fletcher	240
Donald Himes	440
Charles Martin	280
Edward Arceneaux	400
Donovan Steib	<u>240</u>
Total	<u>\$2,880</u>

PLANNING COMMISSION

Rev. Nolan Albert	\$ 400
David Laborde	480
Glenn Millet, Chairman	520
Roland Perque	520
Danny St. Pierre	480
Wilson Mitchell	400
Thomas George	400
Arthur Matherne	<u>520</u>
Total	<u>\$3,720</u>

HOUSING AUTHORITY COMMISSIONERS

John Brass	\$ 440
Samuel Jones	400
Sylvia Steib	400
Lorraine Webster	360
Jessie Singleton	<u>360</u>
Total	<u>\$1,960</u>

Schedule 15 (concluded)

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

DECEMBER 31, 1998



Postlethwaite & Netterville
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**REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

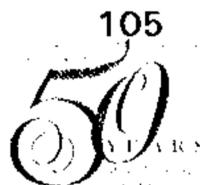
To the President and Members
St. James Parish Council
Convent, Louisiana

Compliance

We have audited the compliance of the St. James Parish Council, State of Louisiana, 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, 1998. St. James Parish Council, State of Louisiana's major federal programs are identified in the summary of audit'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 St. James Parish Council, State of Louisiana's management. Our responsibility is to express an opinion on St. James Parish Council, State of Louisiana's compliance based on our audit.

We conducted our audit in accordance with generally accepted auditing standards; 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 St. James Parish Council, State of Louisiana'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 St. James Parish Council, State of Louisiana's compliance with those requirements.

In our opinion, St. James Parish Council, State of Louisiana, 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, 1998. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 98-01 and 98-02.



Internal Control Over Compliance

The management of St. James Parish Council, State of Louisiana, is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered St. James Parish Council, State of Louisiana'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 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 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 of management, others within the organization, St. James Parish Council, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Postlethwaite & Metterville

Metairie, Louisiana
May 14, 1999



ST. JAMES PARISH COUNCIL
Convent, Louisiana

Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 1998

<u>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR NAME/ PROGRAM TITLE</u>	<u>CFDA NUMBER</u>	<u>FEDERAL EXPENDITURES</u>
<u>United States Department of Agriculture</u>		
Passed through Louisiana Department of Health and Human Resources:		
State Administrative Matching Grants for Food Stamp Program	10.561	\$ 3,481
Passed through Louisiana Department of Agriculture - Food Distribution		
	10.550	6,576
Passed through Louisiana Department of Education:		
School Breakfast Program	10.553	33,786
National School Lunch Program	10.555	54,537
Summer Food Service Program for Children	10.559	<u>100,439</u>
Total United States Department of Agriculture		<u>198,819</u>
<u>United States Department of Transportation</u>		
Passed through Louisiana Department of Transportation and Development - Federal Transit Administration		
Nonurbanized Formula Grants, Section 5311		
FTA Grant LA-18-X016; SPN 741-47-0105	20.509	36,745
FTA Grant LA-18-X015; SPN 741-47-0104	20.509	<u>10,442</u>
Total United States Department of Transportation		<u>47,187</u>
<u>Federal Emergency Management Agency</u>		
Passed through Louisiana Department of Public Safety and Corrections:		
Emergency Management Assistance	83.503	12,889
Emergency Food and Shelter National Board Program - passed through United Way of America	85.523	12,712
Passed through Louisiana Department of Military Affairs:		
Disaster Assistance Program	83.516	208,636
Hazard Mitigation Grant Program	83.548	<u>56,550</u>
Total Federal Emergency Management Agency		<u>290,787</u>
<u>United States Department of Housing and Urban Development</u>		
Direct program - Housing Counseling Assistance Program	14.156	<u>2,500</u>

Schedule 16 (continued)

ST. JAMES PARISH COUNCIL
 Convent, Louisiana
 Schedule of Expenditures of Federal Awards
 For the Year Ended December 31, 1998

<u>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR NAME/ PROGRAM TITLE</u>	<u>CFDA NUMBER</u>	<u>FEDERAL EXPENDITURES</u>
<u>United States Department of Health and Human Services</u>		
Direct program - Administration for Children, Youth, and Families - Head Start	93.600	898,964
Passed through Louisiana Department of Labor - Community Services Block Grant	93.569	80,222
Passed through Louisiana Department of Health and Human Resources (DHH)- Low Income Home Energy Assistance	93.568	90,690
Passed through Governor's Office of Elderly Affairs - Special Programs for the Aging:		
Title VII - Long-Term Care Ombudsman Services	93.042	2,205
Title III - Parts A and B Grants for Supportive Services and Senior Centers	93.044	34,992
Title III-C-1	93.045	25,703
Title III-C-2	93.045	30,101
Title III-D	93.046	1,107
Title III-F	93.043	1,539
USDA - Cash-in-lieu of commodities	10.570	37,587
Passed through Louisiana Department of Social Services - Child Care and Development Block Grant	93.575	263,989
Family Preservation and Support Services	93.556	<u>7,099</u>
Total United States Department of Health and Human Services		<u>1,474,198</u>
<u>United States Department of Energy</u>		
Passed through Louisiana DHH - Office of Community Services - Weatherization Assistance for Low-Income Persons	81.042	<u>15,372</u>
<u>United States Department of Commerce</u>		
Passed through Louisiana Department of Natural Resources: Coastal Zone Management	11.419	<u>18,750</u>
Total		2,047,613
<u>Non-Monetary Assistance</u>		
Food Distribution (Commodities)	10.550	<u>28,752</u>
Total Federal Assistance Expended		<u>\$2,076,365</u>

Schedule 16 (concluded)

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED DECEMBER 31, 1998

ST. JAMES PARISH COUNCIL
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 YEAR ENDED DECEMBER 31, 1998

SECTION I-SUMMARY OF AUDIT'S RESULTS

FINANCIAL STATEMENTS

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weaknesses identified? Yes No

Reportable conditions identified that are not considered to be material weaknesses? Yes None reported

Noncompliance material to financial statements notes? Yes No

FEDERAL AWARDS

Internal control over major programs:

Material weaknesses identified? Yes No

Reportable conditions identified that are not considered to be material weaknesses? Yes None reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? Yes No

Identification of major programs:

<u>CFDA No.</u>	<u>Name of Federal Program</u>
93.600	Department of Health and Human Services: Direct program – Headstart
93.575	Passed through Louisiana Department of Social Services - Child Care and Development Block Grant

Dollar threshold used to distinguish between types A and B programs: \$300,000

Audit qualified as low-risk auditee: Yes No

SECTION II-FINANCIAL STATEMENT FINDINGS

None

Schedule 17 (continued)

ST. JAMES PARISH COUNCIL
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 YEAR ENDED DECEMBER 31, 1998

SECTION III-FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

<u>Finding No.</u>	<u>Program</u>	<u>CFDA No.</u>	<u>Grant Number</u>	<u>Questioned Costs</u>
	U.S. Department of Health and Human Services:			
98-01	Headstart Program	93.600	06CH0176717	
Condition:	A one-time grant was awarded for the repairs to floors in Head Start classrooms. These funds were not fully expended due to resources being utilized from other Council funds. The surplus that resulted was used to construct another Head Start classroom.			
Criteria:	The grant award from the U.S. Department of Health and Human Services provides that funds be utilized for the purposes requested. If funds remain at the end of the grant year, the surplus is to be returned to the grantor.			
Effect:	The funds used from the grant award for the repairs to the floors to build a new classroom for Head Start are potentially unallowable costs.			\$33,895
Cause:	Personnel charged with the administration of the program were not aware that approval has to be requested to use the funds for other Head Start improvements			
Recommendation:	All personnel involved in the administration of Federal programs should be familiar with the allowability of costs under the Cost Circular. We recommend that the personnel become familiar with these applicable rules and regulations and the provisions of the grant award.			
Management's Response:	A request for the use of the one-time grant award for the repairs to the Head Start floors to be used to construct a new Head Start classroom was made to the grantor in December, 1998. The request was approved by the Department of Health and Human Services in April, 1999. The personnel involved with the administration of Federal awards will be trained in the allowability of costs for Federal awards			

Schedule 17 (continued)

ST. JAMES PARISH COUNCIL
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 YEAR ENDED DECEMBER 31, 1998

SECTION III-FEDERAL AWARD FINDINGS AND QUESTIONED COSTS (Continued)

<u>Finding No.</u>	<u>Program</u>	<u>CFDA No.</u>	<u>Grant Number</u>	<u>Questioned Costs</u>
	U. S. Department of Health and Human Services:			
98-02	Passed through Louisiana Department of Social Services – Child Care and Development Block Grant	93.575	519972	
Condition:	Four of the children enrolled in the program do not meet eligibility requirements.			
Criteria:	Children in the family must be living with parents or guardians attending a job training or educational program, or working, or in school part-time and working part-time.			
Effect:	These children are ineligible to be enrolled in the program.			
Cause:	The personnel involved in the enrollment of the children in the program were not familiar with the provisions of the Cost Circular.			
Recommendation:	All personnel involved in the enrollment and administration of the program should be familiar with the eligibility requirements of the children to be enrolled in the program.			
Management's Response:	Three of the children's mothers are volunteers at the centers where the children are enrolled. Management considers that these volunteers are undergoing training that will provide the mothers with job skills. Management considers these volunteers for positions at the center whenever there is a position available. Management will also institute procedures to insure that eligibility requirements are met.			

Schedule 17 (concluded)

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 1998**

ST. JAMES PARISH COUNCIL
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 1998

SECTION I—PRIOR AUDIT FINDINGS

None

REQUIRED SUPPLEMENTARY DISCLOSURE – UNAUDITED
YEAR ENDED DECEMBER 31, 1998

ST. JAMES PARISH COUNCIL
REQUIRED SUPPLEMENTARY DISCLOSURE – UNAUDITED
YEAR ENDED DECEMBER 31, 1998

YEAR 2000 ISSUES

The year 2000 issue consists of two shortcomings that make computer-processing systems unable to read year-date data beyond the year 1999. The first shortcoming is many computer programs contain abbreviated dates that eliminate the first two digits of the year. Therefore, some computer programs may recognize January 1, 2000 as January 1, 1900 and process data incorrectly or stop processing altogether. The second shortcoming is some computers will be unable to detect the year 2000 as a leap year and may not register the additional day and data calculations may be incorrect.

There are four necessary stages to complete in order to identify and address the year 2000 issue: Awareness Stage, Assessment Stage, Remediation Stage and Validation/Testing Stage. The Parish has completed an inventory of computer systems and other electronic equipment that may be affected by the year 2000 issue and that are critical to conducting the operations of the Parish. The following is a list of the stages of work in process as of December 31, 1998, for the computer systems or electronic equipment deemed critical to the Parish's operations:

Assessment Stage

<u>System</u>	<u>Action Taken</u>
Emergency Communication System	Vendor has been contacted to determine a proposed solution.
Juvenile Detention Fire Alarm System	Vendor has been contacted to determine a proposed solution.
Building Climate Control	Vendor has been contacted to determine a proposed solution.

Remediation Stage

<u>System</u>	<u>Action Taken</u>
Financial Management System	New software and hardware has been installed by an outside vendor.
Utility Billing System	New hardware has been purchased and installed by an outside vendor; a contract has been entered to purchase new software from an outside vendor.

As of December 31, 1998, the Parish has expended \$62,282 to address the year 2000 issue. After the completion of all these stages, there is not guarantee that the systems and other electronic equipment will be year 2000 compliant, that the remediation efforts will be successful in whole or in part, or that parties with which the St. James Parish Council does business will be year 2000 compliant.



Postlethwaite & Netterville
A Professional Accounting Corporation

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AUDITOR

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Management Report

To the President and Members
St. James Parish Council
Convent, Louisiana

We have audited the general purpose financial statements of the St. James Parish Council, State of Louisiana, for the year ended December 31, 1998 as listed in the table of contents, and have issued our report thereon dated May 14, 1999. We conducted our 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.

As part of obtaining reasonable assurance about whether St. James Parish Council, State of Louisiana'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.

State law [Louisiana Revised Statute 24:513(A)(5)(a)] provides that the Legislative Auditor may, at his discretion, accept audits prepared by licensed certified public accountants provided that, among other requirements, such audits are completed within six months of the close of the entity's fiscal year.

The audit was completed by the report date of May 14, 1999 and presented to you at a Council meeting prior to June 30, 1999. At your request, Postlethwaite & Netterville was supposed to send the required reports to the Legislative Auditor. We provided you with copies of the reports which we understand have been provided to the proper authorities except the Legislative Auditor. Inadvertently, the reports were not sent by Postlethwaite & Netterville by the statutory completion date of June 30, 1999. The failure to comply with state law is an issue of noncompliance.

This management report does not affect our reports dated May 14, 1999, but is a supplement thereto.

This report is intended solely for the information and use of management, others within the organization, St. James Parish Council and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Postlethwaite & Netterville

Metairie, Louisiana
July 21, 1999

