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# GRANT PARISH POLICE JURY

Colfax, Louisiana

# Annual Financial Report

For the year ended December 31, 2004

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June 15, 2005

INDEPENDENT AUDITORS' REPORT

The Grant Parish Police Jury
Colfax, Louisiana 71417

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

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* and 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 basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information for the primary government of the Grant Parish Police Jury, as of December 31, 2004, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 15, 2005 on our consideration of the Grant Parish Police Jury, Louisiana internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The management's discussion and analysis and budgetary comparison information listed in the accompanying table of contents are not a required part of the financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and presentation of the required supplemental information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of the primary government of the Grant Parish Police Jury, Louisiana. The combining financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements of the primary government. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations,* and is also not a required part of the primary government financial statements of the Grant Parish Police Jury, Louisiana. The combining financial statements and the schedule of expenditures of federal awards have been subjected to the auditing procedures applied in the audit of the basic financial statements of the primary government and, in our opinion, are fairly stated in all material respect in relation to the basic financial statements of the primary government taken as a whole.

Rozier, Harrington & McKay

ROZIER, HARRINGTON & McKAY
Certified Public Accountants

# ROZIER, HARRINGTON & MCKAY
## CERTIFIED PUBLIC ACCOUNTANTS

1407 PETERMAN DRIVE • ALEXANDRIA, LOUISIANA 71301

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June 15, 2005

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

The Grant Parish Police Jury
Colfax, Louisiana 71417

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the primary government of the Grant Parish Police Jury, Louisiana, as of and for the year ended December 31, 2004, which collectively comprise the basic financial statements and have issued our report thereon dated June 15, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**COMPLIANCE**

As part of obtaining reasonable assurance about whether the Grant Parish Police Jury's primary government 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 the Grant Parish Police Jury's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. 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 for the information of management. However, this report is a matter of public record and its distribution is not limited.

Rozier, Harrington & McKay

ROZIER, HARRINGTON & McKAY
Certified Public Accountants

# *Grant Parish Police Jury*

## *MANAGEMENT'S DISCUSSION AND ANALYSIS*
## *December 31, 2004*

This section of the Grant Parish Police Jury's annual financial report presents our discussion and analysis of the Parish's financial performance during the fiscal year ended December 31, 2004.

### OVERVIEW OF FINANCIAL STATEMENTS

The basic financial statements include government-wide financial statements and fund financial statements. These two types of financial statements present the Parish's financial position and results of operations from differing perspectives, which are described as follows:

### Government –Wide Financial Statements

The government-wide financial statements report information about the Parish as a whole using accounting methods similar to those used by private-sector companies. These report all revenues and expenses regardless of when cash is received or paid. Furthermore, the government-wide statements include all of the Parish's assets and all of the Parish's liabilities (including long-term debt).

The government-wide financial statements are divided into two categories, which are described as follows:

- **Governmental Activities** – Expenses incurred in connection with providing basic services including general government; public safety; public works; health and human services are reported as governmental activities. The governmental activities are financed by taxes and intergovernmental revenues, including federal and state grants and other shared revenues.
- **Business-Type Activities** – Expenses associated with providing utility services are recovered through fees paid by the customers that utilize these services. These activities are operated in a manner similar to commercial enterprises. Accordingly, activities associated with these services are reported as business type activities.

### Fund Financial Statements

Fund financial statements provide detailed information regarding the Parish's most significant activities and are not intended to provide information for the Parish as a whole. Funds are accounting devices that are used to account for specific sources of funds. The Parish has two types of funds that are described as follows:

- **Governmental Funds** – These funds are used to account for essentially the same functions that are reported as governmental activities in the government-wide financial statements. However, unlike government-wide financial statements, the governmental funds use a modified accrual basis of accounting that provides a short-term view of the Parish's finances. Assets reported by governmental funds are limited to amounts that are available for current needs. In addition, liabilities are limited to amounts that are expected to be paid from currently available assets.

- **Proprietary Fund** – These funds are used to account for activities that function in a manner similar to commercial enterprises, including activities associated with the Parish's utility services. Proprietary fund financial statements typically provide a more detailed presentation of the information reported in the business-type activities portion of the government-wide financial statements.

## FINANCIAL ANALYSIS OF THE PARISH AS A WHOLE

### Net Assets

A condensed version of the government-wide Statement of Net Assets is presented as follows:

| | For the Year Ended December 31, 2004 | | | For the |
|---|---|---|---|---|
| | Govern-mental Activities | Business-Type Activities | Total | Year Ended December 31, 2003 |
| **Assets:** | | | | |
| Current and Other Assets | $ 2,198,240 | $ 484,237 | $ 2,682,477 | $ 2,690,061 |
| Capital Assets | 637,879 | 595,496 | 1,233,375 | 1,311,749 |
| Total Assets | 2,836,119 | 1,079,733 | 3,915,852 | 4,001,810 |
| **Liabilities:** | | | | |
| Current and Other Liabilities | 741,399 | 142,760 | 884,159 | 892,457 |
| Long-term Liabilities | 126,812 | 3,510 | 130,322 | 114,410 |
| Total Liabilities | 868,211 | 146,270 | 1,014,481 | 1,006,867 |
| **Net Assets:** | | | | |
| Invested in Capital Assets (Net) | 609,335 | 595,496 | 1,204,831 | 1,305,972 |
| Restricted | 991,745 | - | 991,745 | 1,255,839 |
| Unrestricted | 366,828 | 337,967 | 704,795 | 433,132 |
| Total Net Assets | $ 1,967,908 | $ 933,463 | 2,901,371 | $ 2,994,943 |

As the presentation appearing above demonstrates, the largest portion of the net assets (42.5%) are invested in capital assets. Net assets invested in capital assets consist of land, buildings, equipment, and infrastructure less any debt used to acquire the assets that remains outstanding. The Parish uses these capital assets to provide services to its citizens; consequently, these amounts are not available for future spending.

An additional portion of the net assets (34.2%) represent resources that are subject to restrictions that are imposed by agreements with the Parish's taxpayers or requirements imposed by various revenue sources.

The remaining balance of unrestricted assets may be used to meet the Parish's ongoing obligations to citizens and creditors.

**Changes in Net Assets**

A condensed version of the government-wide Statement of Changes in Net Assets is presented as follows:

| | For the Year Ended December 31, 2004 | | | For the Year Ended December 31, 2003 |
|---|---|---|---|---|
| | Governmental Activities | Business-Type Activities | Total | |
| **Revenues:** | | | | |
| Program Revenue: | | | | |
| Charges for Services | $ 215,630 | $ 479,726 | $ 695,356 | $ 591,873 |
| Operating Grants and Contributions | 2,563,836 | — | 2,563,836 | 2,383,520 |
| Capital Grants and Contributions | 62,931 | — | 62,931 | 429,632 |
| General Revenue: | | | | |
| Property Taxes | 862,548 | — | 862,548 | 826,986 |
| Sales Taxes | 777,393 | — | 777,393 | 820,589 |
| Severance Taxes | 369,059 | — | 369,059 | 283,120 |
| Other Taxes | 78,104 | — | 78,104 | 81,854 |
| Revenue Sharing | 110,764 | — | 110,764 | 105,593 |
| Other | 122,757 | 7,636 | 130,393 | 139,313 |
| Total Revenue | 5,163,022 | 487,362 | 5,650,384 | 5,662,480 |
| **Program Expenses:** | | | | |
| General Government | 998,161 | — | 998,161 | 1,087,857 |
| Public Safety | 201,335 | — | 201,335 | 118,475 |
| Public Works | 1,746,646 | — | 1,746,646 | 2,591,792 |
| Health & Welfare | 1,793,710 | — | 1,793,710 | 1,632,114 |
| Culture and Recreation | 417,061 | — | 417,061 | 342,981 |
| Interest | — | — | — | 1,305 |
| Utility Service | — | 587,043 | 587,043 | 527,548 |
| Total Expenses | 5,156,913 | 587,043 | 5,743,956 | 6,302,072 |
| Net Assets Before Transfers | 6,109 | (99,681) | (93,572) | (639,592) |
| Transfers | 36,144 | (36,144) | — | — |
| Change in Net Assets | 42,253 | (135,825) | (93,572) | (639,592) |
| Net Assets Beginning | 1,925,655 | 1,069,288 | 2,994,943 | 3,634,535 |
| Net Assets Ending | $ 1,967,908 | $ 933,463 | $ 2,901,371 | $ 2,994,943 |

Governmental activities increased the Parish's net assets by $42,253. The factor contributing to the increase is primarily due to a transfer of funds from the business-type activities.

Business-type activities decreased the Parish's net assets by $135,825. The decrease is attributable to the high cost of natural gas during the current year along with an unexpected volume of gas losses.

## FINANCIAL ANALYSIS OF THE PARISH'S FUNDS

An analysis of significant matters effecting the Parish's funds is presented as follows:

- The Parish's governmental funds reported combined fund balances of $1,469,188, which represents an increase of $136,107 in comparison to the previous balance. This increase is attributable to the factors addressed in the portion of the previous section that discusses governmental activities along with the exclusion of depreciation from the governmental funds.
- In addition, the Parish's general fund, which is available for spending at the Parish's discretion, reported a fund balance of $477,443. The general fund balance increased by $400,201. The increase is attributable to a transfer in from the Health Unit due to taxpayers unrestricting $250,000 during the current year and efficient usage of general fund resources.
- Amounts reported for business-type activities in the Parish's individual funds are identical to the business-type activities reported in the government-wide presentation.

## GENERAL FUND BUDGET HIGHLIGHTS

The Parish's general fund and each special revenue fund are required to adopt budgets. Budgets are amended as necessary and significant changes resulting from budget amendments are described as follows:

- The general fund, between the original and final budget, experienced a significant increase in budgeted revenues. This increase is due to severance tax receipts during the year being considerably more than the original budgeted amount, therefore the Parish Police Jury amended the budget to more accurately reflect what was perceived as the actual amount of severance tax receipts at year end.

- Appropriations for various special revenue funds were increased to more accurately reflect resources available for expenditures. In many cases it was not necessary to expend all of the available resources and favorable budget variances were reported.

## CAPITAL ASSET ADMINISTRATION

Capital asset activity for the year ended December 31, 2004 is summarized as follows:

| | Governmental Activities | Business-Type Activities | Total |
|---|---|---|---|
| Additions: | | | |
| Equipment Purchases | $ 86,931 | $ 32,602 | $ 119,533 |
| Total Additions | 86,931 | 32,602 | 119,533 |
| Depreciation | (160,245) | (37,662) | (197,907) |
| Net Increase (Decrease) | (73,314) | (5,060) | (78,374) |
| Beginning Capital Asset (Net) | 711,194 | 600,556 | 1,311,750 |
| Ending Net Assets (Net) | $ 637,880 | $ 595,496 | $ 1,233,376 |

Highlights of the Parish's capital asset administration are provided as follows:

- Equipment purchases for governmental activities included a dump trailer for the road fund. Additional purchases included a new truck and trailer provided through a homeland security grant.
- The gas department purchased a new excavator in the current year.

## DEBT ADMINISTRATION

The Parish has a small amount of long-term debt. The only new debt was limited to a note payable in the amount of $24,000 from Colfax Bank to purchase the new dump trailer for the road department.

## FACTORS EXPECTED TO EFFECT FUTURE OPERATIONS

Events and conditions that are expected to have a significant influence on future operations are highlighted as follows:

Issues related to housing of Parish prisoners are addressed as follows:

- The Parish has determined that the State of Louisiana compensates the Grant Parish Sheriff to house State prisoners in the Parish jail.
- In the past, despite a substantial portion of the Parish jail being occupied with State inmates, the Parish has paid the entire cost of maintaining the jail. In addition, Grant Parish has paid other Parish's to house local prisoners.
- In the future, costs associated with the jail will be prorated between the Parish and the State prisoners and the Parish will only be responsible for the portion attributable to local inmates.
- In addition, the Grant Parish Police Jury will no longer pay to house prisoners in other Parishes while local cells are occupied by State prisoners.

# GRANT PARISH POLICE JURY

## STATEMENT OF NET ASSETS

### December 31, 2004

| | Primary Government | | |
|---|---|---|---|
| | Governmental Activities | Business-Type Activities | Total |
| **ASSETS** | | | |
| Cash and Cash Equivalents | $ 860,081 | $ 385,953 | $ 1,246,034 |
| Receivables (net) | 1,338,159 | 98,284 | 1,436,443 |
| Capital assets | | | |
| Non depreciable capital assets | 174,250 | - | 174,250 |
| Depreciable capital assets, net | 463,629 | 595,496 | 1,059,125 |
| **Total assets** | 2,836,119 | 1,079,733 | 3,915,852 |
| **LIABILITIES** | | | |
| Accounts and Other Payables | 572,348 | 64,407 | 636,755 |
| Deposits Due Others | - | 78,353 | 78,353 |
| Deferred Reveneues | 156,704 | - | 156,704 |
| Long-term liabilities | | | |
| Due within one year | 12,347 | - | 12,347 |
| Due in more than one year | 126,812 | 3,510 | 130,322 |
| **Total liabilities** | 868,211 | 146,270 | 1,014,481 |
| **NET ASSETS** | | | |
| Invested in capital assets, net of related debt | 609,335 | 595,496 | 1,204,831 |
| Restricted: | | | |
| Capital Projects | 49,118 | - | 49,118 |
| Other Purposes | 942,627 | - | 942,627 |
| Unrestricted | 366,828 | 337,967 | 704,795 |
| **Total net assets (deficit)** | 1,967,908 | 933,463 | 2,901,371 |

*The accompanying notes are an integral part of the financial statements.*

# GRANT PARISH POLICE JURY

## STATEMENT OF ACTIVITIES

### December 31, 2004

| | Expenses | Program Revenues: Charges for Services | Program Revenues: Operating Grants and Contributions | Program Revenues: Capital Grants & Contributions | Net (Expenses) Revenue |
|---|---|---|---|---|---|
| **Governmental Activities:** | | | | | |
| General Government | | | | | |
| Legislative | $ 184,389 | $ - | $ - | $ - | $ (184,389) |
| Judicial | 395,474 | 193,862 | 50,302 | - | (151,310) |
| Finance & Administrative | 249,863 | - | - | - | (249,863) |
| Other General Government | 168,435 | - | 66,655 | - | (101,780) |
| Public Safety | 201,335 | - | 145,145 | 62,931 | 6,741 |
| Public Works | | | | | |
| Road Maintenance | 881,335 | - | 615,430 | - | (265,905) |
| Landfill Maintenance | 865,311 | - | - | - | (865,311) |
| Health & Welfare | 1,793,710 | 2,400 | 1,660,808 | - | (130,502) |
| Culture & Recreation | 417,061 | 19,368 | 25,496 | - | (372,197) |
| Total Governmental Activities | 5,156,913 | 215,630 | 2,563,836 | 62,931 | (2,314,516) |
| **Business-Type Activities:** | | | | | |
| Utility System | 587,043 | 479,726 | - | - | (107,317) |
| Total Business-Type Activities | 587,043 | 479,726 | - | - | (107,317) |
| Total | $ 5,743,956 | $ 695,356 | $ 2,563,836 | $ 62,931 | $ (2,421,833) |

*The accompanying notes are an integral part of the financial statements.*

# GRANT PARISH POLICE JURY

## STATEMENT OF ACTIVITIES (continued)
## December 31, 2004

| | Governmental Activities | Business-Type Activities | Total |
|---|---|---|---|
| Net (Expense) Revenue (Continued From Previous Page) | $ (2,314,516) | $ (107,317) | $ (2,421,833) |
| **General Revenues:** | | | |
| Taxes: | | | |
| Ad Valorem | 862,548 | - | 862,548 |
| Sales | 777,393 | - | 777,393 |
| Severance | 369,059 | - | 369,059 |
| Other | 78,104 | - | 78,104 |
| Revenue Sharing | 110,764 | - | 110,764 |
| Other | 122,757 | 7,636 | 130,393 |
| Transfers | 36,144 | (36,144) | - |
| Total General Revenues | 2,356,769 | (28,508) | 2,328,261 |
| Change in Net Assets | 42,253 | (135,825) | (93,572) |
| Net Assets Beginning | 1,925,655 | 1,069,288 | 2,994,943 |
| Net Assets Ending | $ 1,967,908 | $ 933,463 | $ 2,901,371 |

*The accompanying notes are an integral part of the financial statements.*

# GRANT PARISH POLICE JURY

## Balance Sheet

### Governmental Funds - December 31, 2004

| | General Fund | Parish Road Maintenance | Sanitary Landfill Maintenance | Head Start | Library Maintenance | Health Unit Maintenance | Hazard Mitigation | Other Governmental Funds | Total Governmental Funds |
|---|---|---|---|---|---|---|---|---|---|
| **Assets** | | | | | | | | | |
| Cash and Cash Equivalents | $ 50,575 | $ 83,388 | $ 130,337 | $ 5,330 | $ 1,233 | $ 329,210 | $ 153,704 | $ 106,304 | $ 860,081 |
| Receivables (net) | 304,722 | 320,202 | 142,200 | 14,899 | 339,839 | 66,934 | - | 149,363 | 1,338,159 |
| Interfund Receivables | 375,893 | 315 | 96,959 | - | - | 619 | 3,000 | - | 476,786 |
| Total assets | $ 731,190 | $ 403,905 | $ 369,496 | $ 20,229 | $ 341,072 | $ 396,763 | $ 156,704 | $ 255,667 | $ 2,675,026 |
| **Liabilities and Fund Balance** | | | | | | | | | |
| **Liabilities** | | | | | | | | | |
| Accounts payable | $ 250,128 | $ 156,679 | $ 86,701 | $ 20,229 | $ 19,987 | $ 5,122 | $ - | $ 33,502 | $ 572,348 |
| Interfund Payables | 3,619 | 178,783 | 5,609 | - | 315 | 250,000 | - | 38,460 | 476,786 |
| Deferred Revenues | - | - | - | - | - | - | 156,704 | - | 156,704 |
| Total liabilities | 253,747 | 335,462 | 92,310 | 20,229 | 20,302 | 255,122 | 156,704 | 71,962 | 1,205,838 |
| **Fund Balance** | | | | | | | | | |
| Unreserved - Reported In | | | | | | | | | |
| General Fund | 477,443 | - | - | - | - | - | - | - | 477,443 |
| Special Revenue Funds | - | 68,443 | 277,186 | - | 320,770 | 141,641 | - | 134,587 | 942,627 |
| Capital Project Funds | - | - | - | - | - | - | - | 49,118 | 49,118 |
| Total Fund Balances | 477,443 | 68,443 | 277,186 | - | 320,770 | 141,641 | - | 183,705 | 1,469,188 |
| Total Liabilities and Fund Balance | $ 731,190 | $ 403,905 | $ 369,496 | $ 20,229 | $ 341,072 | $ 396,763 | $ 156,704 | $ 255,667 | $ 2,675,026 |

*The accompanying notes are an intergral part of the financial statements.*

# GRANT PARISH POLICE JURY

***Reconciliation of Fund Balances on the Balance Sheet for Governmental Funds to Net Assets of Governmental Activities on the Statement of Net Assets***

***Year Ended December 31, 2004***

| | | |
|---|---|---|
| Total Fund Balances - Governmental Funds | $ | 1,469,188 |
| Amounts reported for governmental activities in the statement of net assets are different because: | | |
| Long term liabilities are not due and payable in the current period and therefore they are not reported in the Governmental Fund Balance Sheet | | (139,159) |
| Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. | | 637,879 |
| Net Assets of Governmental Activities | $ | 1,967,908 |

*The accompanying notes are an integral part of the financial statements.*

# GRANT PARISH POLICE JURY

## Statement of Revenues, Expenditures, and Changes in Fund Balance

## Governmental Funds - Year Ended December 31, 2004

| | General Fund | Parish Road Maintenance | Sanitary Landfill Maintenance | Head Start | Library Maintenance | Health Unit Maintenance | Hazard Mitigation | Other Governmental Funds | Total Governmental Funds |
|---|---|---|---|---|---|---|---|---|---|
| **Revenues:** | | | | | | | | | |
| Taxes: | | | | | | | | | |
| Ad Valorem | $ 135,487 | $ 246,107 | $ - | $ - | $ 300,436 | $ 59,173 | $ - | $ 121,345 | $ 862,548 |
| Sales | - | - | 777,393 | - | - | - | - | - | 777,393 |
| Other | 27,265 | - | - | - | - | - | - | 50,839 | 78,104 |
| Federal Grants | 40,781 | 377,708 | - | 1,181,677 | - | - | - | 329,605 | 1,929,771 |
| State Funds: | | | | | | | | | |
| Parish Transportation Funds | - | 184,617 | - | - | - | - | - | - | 184,617 |
| State Revenue Sharing | 18,011 | 32,716 | - | - | 39,936 | 7,866 | - | 12,235 | 110,764 |
| Severance Taxes | 369,059 | - | - | - | - | - | - | - | 369,059 |
| Other State Funds | 38,396 | 53,105 | - | - | 25,496 | - | - | - | 116,997 |
| Local Funds | - | - | - | 389,275 | - | - | - | 25,302 | 414,577 |
| Fees and Charges for Service | 91,378 | - | - | - | - | - | - | - | 91,378 |
| Fines and Forfeitures | 33,445 | - | - | - | - | - | - | 157,581 | 191,026 |
| Rental of Properties | 81,859 | - | - | - | - | 2,400 | - | - | 84,259 |
| Other | 8,135 | 2,628 | 3,421 | 13,073 | 7,007 | 3,462 | - | 5,742 | 43,468 |
| **Total Revenues** | 843,816 | 896,881 | 780,814 | 1,584,025 | 372,875 | 72,901 | - | 702,649 | 5,253,961 |
| **Expenditures:** | | | | | | | | | |
| Current: | | | | | | | | | |
| General Government | | | | | | | | | |
| Legislative | 184,389 | - | - | - | - | - | - | - | 184,389 |
| Judicial | 211,475 | - | - | - | - | - | - | 184,229 | 395,704 |
| Finance & Administrative | 251,295 | - | - | - | - | - | - | - | 251,295 |
| Other General Government | 65,073 | - | - | - | - | - | - | 108,262 | 173,335 |
| Public Safety | 74,867 | - | - | - | - | - | - | 180,894 | 255,761 |
| Public Works | | | | | | | | | |
| Road Maintenance | - | 892,794 | - | - | - | - | - | - | 892,794 |
| Landfill Maintenance | - | - | 816,041 | - | - | - | - | - | 816,041 |

*The accompanying notes are an integral part of the financial statements.*

# GRANT PARISH POLICE JURY

## Statement of Revenues, Expenditures, and Changes in Fund Balance (continued)

## Governmental Funds - Year Ended December 31, 2004

| | General Fund | Parish Road Maintenance | Sanitary Landfill Maintenance | Head Start | Library Maintenance | Health Unit Maintenance | Hazard Mitigation | Other Governmental Funds | Total Governmental Funds |
|---|---|---|---|---|---|---|---|---|---|
| **Expenditures (Continued):** | | | | | | | | | |
| Current: | | | | | | | | | |
| Health & Welfare | - | - | - | 1,584,025 | - | 50,055 | - | 123,099 | 1,757,179 |
| Culture & Recreation | 24,026 | - | - | - | 392,561 | - | - | - | 416,587 |
| Capital Expenditures | - | 24,000 | - | - | - | - | - | - | 24,000 |
| Debt Service | - | 5,100 | 5,813 | - | - | - | - | - | 10,913 |
| **Total Expenditures** | 811,125 | 921,894 | 821,854 | 1,584,025 | 392,561 | 50,055 | - | 596,484 | 5,177,998 |
| **Excess (Deficiency) of Revenues Over Expenditures** | 32,691 | (25,013) | (41,040) | - | (19,686) | 22,846 | - | 106,165 | 75,963 |
| **Other Financing Sources (Uses):** | | | | | | | | | |
| Proceeds from Debt | - | 24,000 | - | - | - | - | - | - | 24,000 |
| Operating Transfers In | 382,699 | 49,337 | - | - | - | - | - | 15,189 | 447,225 |
| Operating Transfers Out | (15,189) | - | - | - | - | (250,000) | - | (145,892) | (411,081) |
| **Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses** | 400,201 | 48,324 | (41,040) | - | (19,686) | (227,154) | - | (24,538) | 136,107 |
| **Fund Balance (Deficit) - Beginning** | 77,242 | 20,119 | 318,226 | - | 340,456 | 368,795 | - | 208,243 | 1,333,081 |
| **Fund Balance (Deficit) - Ending** | $ 477,443 | $ 68,443 | $ 277,186 | $ - | $ 320,770 | $ 141,641 | $ - | $ 183,705 | $ 1,469,188 |

*The accompanying notes are an integral part of the financial statements.*

# GRANT PARISH POLICE JURY

***Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities***

***Year Ended December 31, 2004***

| | | |
|---|---|---|
| Net change in fund balances of Governmental Funds | $ | 136,107 |
| Amounts reported for governmental activities in the statement of activities are different because: | | |
| Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period. | | (73,314) |
| Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures by governmental funds. | | (7,892) |
| Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. This is the amount by which repayments exceeded additional debt. | | (12,648) |
| Change in net assets of governmental activities | $ | 42,253 |

# GRANT PARISH POLICE JURY

***Statement of Net Assets***
***Proprietary Funds - December 31, 2004***

| | Business-Type Activities |
|---|---|
| | Utility System |
| **ASSETS:** | |
| Current Assets: | |
| Cash and cash equivalents | $ 385,953 |
| Receivables (net) | 98,284 |
| Total current assets | 484,237 |
| Depreciable capital assets, net | 595,496 |
| **Total assets** | 1,079,733 |
| **LIABILITIES:** | |
| Current Assets: | |
| Accounts and other payables | 64,407 |
| Compensated absences | 3,510 |
| Deposits due others | 78,353 |
| **Total liabilities** | 146,270 |
| **NET ASSETS:** | |
| Invested in capital assets, net of related debt | 595,496 |
| Unrestricted | 337,967 |
| **Total net assets (deficit)** | $ 933,463 |

*The accompanying notes are an integral part of the financial statements.*

# GRANT PARISH POLICE JURY

***Statement of Revenues, Expenses and Changes in Fund Net Assets***
***Proprietary Funds - December 31, 2004***

| | Business-Type Activities |
|---|---|
| | Utility System |
| **Operating Revenues:** | |
| Service Fees | $ 477,364 |
| Other | 2,362 |
| **Total Operating Revenues** | 479,726 |
| **Operating Expenses:** | |
| Purchases of Natural Gas | 317,079 |
| Salaries | 107,601 |
| Employee Benefits & Payroll Taxes | 40,938 |
| Legal and Professional | 23,971 |
| Insurance | 767 |
| Depreciation | 37,662 |
| Repairs & Maintenance - Distribution System | 17,590 |
| Equipment Maintenance and Rental | 15,273 |
| Telephone & Utilities | 7,997 |
| Office Supplies and Expense | 9,775 |
| Other | 8,390 |
| **Total Operating Expenses** | 587,043 |
| **Operating Income (Loss)** | (107,317) |
| **Nonoperating Revenues (Expenses):** | |
| Interest Revenue | 7,636 |
| **Change in net assets before Transfers** | (99,681) |
| Operating Transfers Out | (36,144) |
| **Change in net assets** | (135,825) |
| **Total net assets - beginning** | 1,069,288 |
| **Total net assets - ending** | $ 933,463 |

*The accompanying notes are an integral part of the financial statements.*

# GRANT PARISH POLICE JURY

***Statement of Cash Flows***

***Proprietary Funds - Year Ended December 31, 2004***

| | Business-Type Activities |
|---|---|
| | Utility System |
| **Cash flow from operating activities:** | |
| Cash received from customers | $ 457,219 |
| Cash payments to suppliers of goods and services | (427,156) |
| Cash payments to employees for services | (110,001) |
| Net cash provided (used) by operating activities | (79,938) |
| **Cash flows from non-capital financing activities:** | |
| Operating Transfers Out | (36,144) |
| Net cash provided (used) by non-capital financing activities | (36,144) |
| **Cash flows from capital and related financing activities:** | |
| Capital Expenditures | (32,602) |
| Net cash provided (used) by capital and related financing activities | (32,602) |
| **Cash flows from investing activities:** | |
| Interest and other income | 7,636 |
| Net cash provided (used) by investing activities | 7,636 |
| **Net increase (decrease) in cash** | (141,048) |
| **Beginning cash balance** | 527,001 |
| **Ending cash balance** | $ 385,953 |

*The accompanying notes are an integral part of the financial statemetns.*

# GRANT PARISH POLICE JURY

***Statement of Cash Flows (Continued)***

***Proprietary Funds - Year Ended December 31, 2004***

| | | Business-Type Activities |
|---|---|---|
| | | Utility System |
| **Reconciliation of operating income (loss) to net cash** | | |
| Operating income (loss) | $ | (107,317) |
| Adjustments to reconcile operating income to net cash provided by operating activities: | | |
| Depreciation | | 37,662 |
| (Increase) decrease in accounts receivable | | (22,478) |
| (Decrease) increase in accounts and other payables | | 14,624 |
| (Decrease) increase in compensated absences | | (2,400) |
| (Decrease) increase in meter deposits | | (29) |
| Net cash provided (used) by operating activities | $ | (79,938) |

**Supplemental disclosures of cash flow information:**

During the year ended December 31, 2004, there were no investing, capital, or financing activities that did not result in cash receipts or payments.

*The accompanying notes are an integral part of the financial statements.*

# GRANT PARISH POLICE JURY
## Notes to Financial Statements

**NOTE 1 –INTRODUCTION AND SIGNIFICANT ACCOUNTING POLICIES:**

The Grant Parish Police Jury is the governing authority for Grant Parish and is a political subdivision of the State of Louisiana. The Police Jury is governed by eight jurors representing the various districts within the parish. The jurors serve four-year terms which expire on January 1, 2008.

State Law gives the Police Jury various powers in regulating and directing the affairs of the parish and its inhabitants. The more notable of these are the powers to pass regulations affecting parish 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 primarily by ad valorem taxes, sales and use taxes, state revenue sharing, various state and federal grants, and interest earnings.

**Reporting Entity**

As the governing authority of the parish, for reporting purposes, the Grant Parish Police Jury is the financial reporting entity for Grant Parish. The financial reporting entity consists of (a) the primary government (Police Jury), (b) organizations for which the primary government is financially accountable, and (c) 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.

The accompanying financial statements are not intended to present financial position, results of operation and proprietary fund cash flows for the reporting entity as a whole. Data of component units that are financially accountable to the Police Jury has been excluded from the financial statements. Due to the absence of component unit data, the financial statements do not address the entire reporting entity.

The accompanying financial statements present data that is limited to the primary government. All funds, organizations, institutions, agencies, departments, and offices that are managed by the Grant Parish Police Jury are included in the primary government.

**Basic Financial Statements**

The basic financial statements include both government-wide and fund financial statements. Both government-wide and fund financial statements categorize activities as either governmental activities or business-type activities, which are described as follows:

- Governmental activities involve government services that are normally supported by taxes and intergovernmental revenues.
- Business-type activities rely on fees and charges for support and operate in a manner similar to private sector enterprises. Since proprietary funds operate in a manner similar to business enterprises, these funds follow certain pronouncements that are developed by the Financial Accounting Standards Board (FASB) for business enterprises. However, the Parish only applies those FASB pronouncements that were issued on or before November 30, 1989.

The government-wide and fund financial statements present the Parish's financial position and results of operations from differing perspectives which are described as follows:

**Government-Wide Financial Statements**

The Statement of Net Assets and the Statement of Activities display information about the Parish as a whole. The effect of most interfund activity is eliminated from these financial statements. Furthermore, government-wide financial statements exclude any fiduciary activities that may be reported in the fund financial statements.

Program revenues reported in the Statement of Activities consist of amounts that are directly associated with a governmental service or business-type activity. Program revenues include charges for services, contributions associated with a particular function and most grants.

**Fund Financial Statements**

Funds are separate accounting entities that are designed to assist with demonstrating legal compliance and segregating transactions by activity. Separate financial statements are provided for governmental funds and business-type (enterprise) funds. In addition, separate financial statements are presented for any fiduciary activities. Major individual funds are reported as separate columns in the fund financial statements. The Parish's major funds are described as follows:

**Major Governmental Funds**

General Fund – The general fund is the primary operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

Parish Road Maintenance – The road fund is a special revenue fund used to account for the proceeds of funds received dedicated to the repair and maintenance of parish roads.

Sanitary Landfill Fund – The landfill fund is a special revenue fund used to account for the proceeds dedicated to the pick up and disposal of garbage within the Parish boundaries.

Head Start Fund – The head start fund is a special revenue fund used to account for the grant money received from the Federal Government for the daily operation and maintenance of the Parish head start program.

Library Fund – The library fund is a special revenue fund used to account for the proceeds dedicated to the maintenance and operation of the Parish's public library.

Health Unit Fund – The health unit fund is a special revenue fund used to account for the proceeds dedicated to the operation and maintenance of the Parish health unit.

Hazard Mitigation Fund – The hazard mitigation fund is a special revenue fund used to account for the proceeds received through a Federal grant to purchase residences in flood zones.

**Major Business-Type Funds**

Utility System – The utility fund is used to account for the operation of the Parish's natural gas system, which are supported by user charges.

Business-Type funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing goods and services in connection with the funds ongoing operations. Principal operating revenues are charges to customers for natural gas.

**Basis Of Accounting and Measurement Focus**

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The basis of accounting and measurement focus used for various financial statement presentations are described as follows:

| Financial Statement Presentation | Basis of Accounting | Measurement Focus |
|---|---|---|
| Government-Wide Financial Statements | Accrual Basis | Economic Resources |
| Fund Financial Statements: | | |
| Governmental Funds | Modified Accrual Basis | Current Financial Resources |
| Proprietary Funds | Accrual Basis | Economic Resources |

Under the accrual basis of accounting and the economic resources measurement focus, revenues are recorded when earned and expenses are recorded when a liability is incurred.

Under the modified accrual basis of accounting and the current financial resources measurement focus revenue is recognized when it is considered measurable and available. Revenue is considered available if it is collected within 60 days of year-end. In addition, expenses are generally recorded when a liability has been incurred; however, debt service, compensated absences, claims and judgements are recorded as expenses when payment is made. Furthermore, when the current financial resources measurement focus is used, amounts recorded as assets exclude capital assets and the acquisition of capital assets is treated as an expenditure. In addition, long-term debts are excluded from amounts reported as liabilities. Proceeds from issuing long-term debt is reported as an other financing source and repayment of long-term debt is reported as an expenditure.

Nonexchange transactions, in which the Police Jury receives value without directly giving equal value in return, include property taxes, sales taxes, and grants. On the accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied. Revenue from sales taxes is recognized in the period in which the sales are made. Revenue from grants is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the Parish must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the Police Jury on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

# GRANT PARISH POLICE JURY
## Notes to Financial Statements

**Use Of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Restricted Assets**

Any amounts reported as restricted assets, represent resources that must be expended in a specific manner. Restrictions of this nature can be imposed by tax propositions and various contractual obligations including grant agreements and bond covenants. Whenever restricted assets can be used to satisfy an obligation, the restricted assets are typically consumed before utilizing any unrestricted resources.

**Budget Practices**

Budgets, including any amendments, are prepared in the manner prescribed by Louisiana revised statutes. Police Jury budgets present revenue and expenditures on a basis which is consistent with generally accepted accounting principles. Budgets are adopted annually for the general fund and each special revenue fund. Furthermore, the budgets are amended as necessary in the manner prescribed by Louisiana revised statutes. The remaining funds are not required to adopt budgets.

**Capital Assets**

Capital assets, which include property, equipment, and infrastructure, are reported as assets in the applicable governmental or business-type columns in the government-wide financial statements and in the fund financial statements for proprietary funds. Assets reported in the fund financial statements for governmental funds exclude capital assets. Instead, the governmental funds report the acquisition of capital assets as expenditures rather than asset acquisitions.

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their fair market value when received by the Police Jury.

Capital assets are depreciated using the straight-line method and estimated useful lives ranging from 4 to 50 years. Useful lives are selected depending on the expected durability of the particular asset.

As permitted by generally accepted accounting principles, collections maintained by the Grant Parish Library have not been capitalized.

**Cash and Cash Equivalents**

Amounts reported as cash and cash equivalents (restricted and unrestricted) include all cash on hand, cash in bank accounts, certificates of deposit, and highly liquid investments.

**Internal Activity**

Resources belonging to particular funds are commonly shared with other funds that need access to additional resources. When resources are provided without expectation of repayment, the transaction is reported as a transfer. Transfers are treated as a source of income by the recipient and as an expense or expenditure by the provider. If repayment is eventually expected to occur, interfund receivables and payables are recorded.

In preparing the government-wide financial statements, transfers are eliminated to present net transfers for governmental activities and business-type activities. In addition, interfund receivables and payables are eliminated to present a net internal balance for each type of activity.

**Compensated Absences**

Full time and regular part-time employees earn vacation at rates that vary depending on length of service. Unused vacation that employees are allowed to carryforward is reported as long-term debt. Amounts attributable to the utility fund are reported as an expense during the year when leave is earned. Amounts attributable to governmental funds are as an expenditure when the unused vacation is actually liquidated.

**Statement Of Cash Flows**

For the purpose of reporting cash flows, cash and cash equivalents includes all cash on hand, cash in banks, and certificates of deposit.

**NOTE 2 – TAXES:**

**Ad Valorem Taxes**

Ad valorem taxes are assessed by the Grant Parish Assessor and collected for the Police Jury by the Grant Parish Sheriff's Office. The following is a summary of adjusted authorized and levied ad valorem tax millages for the year ended December 31, 2004:

| | Adjusted Authorized Millage | Levied Millage | Expiration Date |
|---|---|---|---|
| General Alimony | 4.74 | 4.74 | None |
| Parish Road Maintenance | 8.61 | 8.61 | 2007 |
| Courthouse and Jail Maintenance | 3.22 | 3.22 | 2007 |
| Library Maintenance | 10.90 | 10.51 | 2009 |
| Hospital Service District No. 1 | 2.50 | 2.41 | 2012 |
| Health Unit Maintenance | 2.15 | 2.07 | 2007 |

**Sales and Use Tax**

On September 29, 1984, voters of the parish approved a one per cent sales and use tax with no expiration date, which is dedicated to paying the cost of constructing, acquiring, improving, maintaining, and operating solid waste collection and disposal facilities for the parish, including the cost of enforcing litter laws and the payment of the cost of closing garbage dumps owned or operated by the parish at the time the sales and use tax proposition was passed. In addition, proceeds from the sales and use tax can be used to fund bonds to pay related capital costs. Sales taxes are collected on behalf of the Policy Jury by the Grant Parish Sheriff's Office.

# GRANT PARISH POLICE JURY
## Notes to Financial Statements

**NOTE 3 -CASH AND CASH EQUIVALENTS:**

At December 31, 2004, cash and cash equivalents included the following:

| | Governmental Activities | Business-Type Activities | Total |
|---|---|---|---|
| Cash and Cash Equivalents | $ 860,081 | $ 385,953 | $ 1,246,034 |

Deposits are stated at cost, which approximates market value. Under state law, these deposits 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, 2004, the Police Jury has $1,380,869 in deposits (collected bank balance). These deposits are secured from risk by $200,000 of federal deposit insurance and $2,282,638 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 No. 3, State law imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified that the fiscal agent has failed to pay deposited funds upon demand.

**NOTE 4 – RECEIVABLES:**

The following is a summary of receivables at December 31, 2004:

| | Governmental Activities | Business-Type Activities | Total |
|---|---|---|---|
| Accounts Receivable | | | |
| Utility Accounts | $ ---- | $ 98,284 | $ 98,284 |
| Other | 41,714 | ---- | 41,714 |
| Total Accounts Receivable | 41,714 | 98,284 | $ 139,998 |
| Due From Other Governmental Units | | | |
| Ad Valorem Taxes | 861,102 | ---- | 861,102 |
| Sales Taxes | 142,200 | ---- | 142,200 |
| State of Louisiana | 275,457 | ---- | 275,457 |
| Other | 17,686 | ---- | 17,686 |
| Total Due From Other Governments | 1,296,445 | ---- | 1,296,445 |
| Total Receivables | $ 1,338,159 | $ 98,284 | $ 1,436,443 |

Management considers the amounts listed above to be fully collectible. There is no allowance for doubtful accounts.

### NOTE 5 – INTERFUND BALANCES:

Details related to internal balances are presented as follows:

| Governmental Activities | Interfund Balance Receivable | Interfund Balance Payable | Purpose |
|---|---|---|---|
| General | $ 125,893 | $ — | The general fund has made advances to other |
| Road Fund | — | 81,824 | funds that need additional resources to |
| Landfill | — | 5,609 | complete essential activities. |
| Non-major Funds | — | 38,460 | |
| Total | 125,893 | 125,893 | |
| General | — | 3,619 | Interfund balances have been recorded in |
| Road Fund | 315 | 96,959 | order to properly allocate the Police Jury's |
| Landfill Fund | 96,959 | — | expenditures among its various funds. |
| Library Fund | — | 315 | |
| Non-major Funds | 3,619 | — | |
| Total | 100,893 | 100,893 | |
| General | 250,000 | — | In the current year taxpayers voted to release |
| Health Unit | — | 250,000 | restrictions that were related to a portion of |
| Total | 250,000 | 250,000 | the funds held by the health unit. |
| Total Interfund Balances | $ 476,786 | $ 476,786 | |

### NOTE 6 – TRANSFERS:

In the ordinary course of business, the Parish routinely transfers resources between its funds for various reasons. A description of the transfers and the purpose for the transfers is presented as follows:

| | Governmental Activities | | | | |
|---|---|---|---|---|---|
| | General Fund | Road Fund | Health Unit | Non-Major | Total |
| **Transfers In** | | | | | |
| Transfer of unrestricted resources to the general fund to help cover expenses. | $ 382,699 | $ — | $ — | $ — | $ 382,699 |
| Transfer of resources to the road fund to help cover expenses | — | 49,337 | — | — | 49,337 |
| Transfer of resources to cover the payroll liabilities of other funds. | — | — | — | 2,930 | 2,930 |
| Transfer of resources paid by the general fund on behalf of other funds. | — | — | — | 12,259 | 12,259 |
| Total Transfers In | 382,699 | 49,337 | — | 15,189 | 447,225 |

| | | | | | |
|---|---|---|---|---|---|
| **Transfers Out** | | | | | |
| Transfer of resources to the general fund to help cover expenses. | ---- | ---- | 250,000 | 131,655 | 381,655 |
| Transfer of resources to the road fund to help cover expenses | ---- | ---- | ---- | 14,237 | 14,237 |
| Transfer of resources to cover the payroll liabilities of other funds. | 2,930 | ---- | ---- | ---- | 2,930 |
| Transfer of resources paid by the general fund on behalf of other funds. | 12,259 | ---- | ---- | ---- | 12,259 |
| Total Transfers Out | 15,189 | ---- | 250,000 | 145,892 | 411,081 |
| **Net Transfers** | $ 367,510 | $ 49,337 | $ (250,000) | $ (130,703) | 36,144 |

| | Business-Type Activities |
|---|---|
| **Transfers Out** | |
| Transfer of resources to help the general fund and road fund cover expenses | $ 36,144 |
| Total Transfers Out | $ (36,144) |

## NOTE 7 – LONG-TERM LIABILITIES:

Debt attributable to the Police Jury's governmental and business-type activities is summarized as follows:

| | Governmental Activities | Business-Type Activities | Total |
|---|---|---|---|
| Note Payable | $ 28,544 | ---- | $ 28,544 |
| Compensated Absences | 110,615 | 3,510 | 114,125 |
| Total Long-term Debt | 139,159 | 3,510 | 142,669 |
| Due Within One Year | (12,347) | ---- | (12,347) |
| Due in More Than One Year | $ 126,812 | $ 3,510 | $ 130,322 |

Changes in the Parish's long-term debt for the year ended December 31, 2004, are presented as follows:

| | Beginning Balance | Additions | Reductions | Ending Balance |
|---|---|---|---|---|
| **Governmental Activities** | | | | |
| Notes Payable | $ 15,896 | $ 24,000 | $ 11,352 | $ 28,544 |
| Compensated Absences | 102,723 | 7,892 | ---- | 110,615 |
| Total | 118,619 | 31,892 | 11,352 | 139,159 |

| | | | | |
|---|---|---|---|---|
| **Business-Type Activities** | | | | |
| Compensated Absences | 5,910 | --- | 2,400 | 3,510 |
| Total Long-term Debts | $ 124,529 | $ 31,892 | $ 13,752 | $ 142,669 |

### Note Payable

The Police Jury has acquired equipment by entering into an installment purchase agreement. Installment purchase obligations outstanding at December 31, 2004 are described as follows:

| | | |
|---|---|---|
| Installment purchase agreement dated August, 2003 executed in exchange for a tractor, with an original balance of $10,000, bearing interest at a rate of 6.00%, payable in 36 monthly installments of $304. | $ | 5,776 |
| Installment purchase agreement dated October, 2004 executed in exchange for a dump trailer, with an original balance of $24,000, bearing interest at a rate of 5.5%, payable in 36 monthly installments of $724.70. | | 22,768 |
| *Total Capital Leases* | $ | 28,544 |

A schedule of maturities for the note is presented as follows:

| Year Ended December 31st | Principal Installments | Interest Installments |
|---|---|---|
| 2005 | $ 12,347 | $ 1,316 |
| 2006 | 11,273 | 685 |
| 2007 | 4,924 | 179 |
| Total | $ 28,544 | $ 2,180 |

### Compensated Absences

Compensated absences refer to the Policy Jury's obligation to provided vested accrued leave benefits that have been earned by its employees. These liabilities are typically liquidated by the fund responsible for providing the employees compensation.

### NOTE 8 - PENSION PLAN:

Substantially all employees not covered by other plans are members of the Parochial Employees Retirement System of Louisiana (System), a multiple-employer (cost sharing), public employee retirement system (PERS), controlled and administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and separate benefit provisions. All of the Police Jury's participating employees are members of Plan A.

All permanent employees working at least 28 hours per week and who are paid wholly or in part from parish funds and all elected parish officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service, are entitled to a retirement benefit, payable monthly for life, equal to three per cent of their final-average salary for each year of creditable service. However, for those employees who were members of the supplemental plan only prior to January 1, 1980, the benefit is equal to one per cent of the final-average salary, plus $24 for each year of supplemental plan only service earned prior to January 1, 1980, plus three per cent of final average salary for each year of service credited after the revision date. Final-average salary is the employees' 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 who 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 on the System. This report may be obtained by contacting the Parochial Employee's Retirement System at Post Office Box 14619, Baton Rouge, Louisiana 70898-4619 or at (225) 928-1361.

Employees are required to contribute 9.5 percent of their salaries to the System. 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. In addition, contributions to the System also include one-fourth of one per cent of the taxes shown to be collectible by the tax rolls of each parish, except Orleans and East Baton Rouge Parishes. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan.

**NOTE 9 – CAPITAL ASSETS:**

Changes in governmental and business-type capital assets are presented as follows:

| | Beginning Balance | Additions | Disposals | Ending Balance |
|---|---|---|---|---|
| **Governmental Activities** | | | | |
| Non Depreciable Capital Assets | | | | |
| Land | $ 174,250 | $ — | $ — | $ 174,250 |
| Total | 174,250 | — | — | 174,250 |
| Depreciable Capital Assets | | | | |
| Buildings and Improvements | 2,026,327 | — | — | 2,026,327 |
| Furniture, Fixtures and Equipment | 1,837,256 | 86,931 | — | 1,924,187 |
| Solid Waste Station | 209,647 | — | — | 209,647 |
| Accumulated Depreciation | (3,536,287) | (160,244) | — | (3,696,531) |
| Total | 536,943 | (73,313) | — | 463,630 |
| Total Governmental Activities | $ 711,193 | $ (73,313) | $ — | $ 637,880 |

# GRANT PARISH POLICE JURY
## Notes to Financial Statements

| | Beginning Balance | Additions | Disposals | Ending Balance |
|---|---|---|---|---|
| **Business-Type Activities** | | | | |
| Depreciable Capital Assets | | | | |
| Distribution System | 1,245,902 | --- | --- | 1,245,902 |
| Buildings | 3,679 | --- | --- | 3,679 |
| Equipment | 116,159 | 32,602 | --- | 148,761 |
| Accumulated Depreciation | (765,184) | (37,662) | --- | (802,846) |
| Total Business-Type Activities | $ 600,556 | $ (5,060) | $ --- | $ 595,496 |

Depreciation expense charged to various functions presented on the statement of activities is presented as follows:

| | Governmental Activities | Business-Type Activities | Total |
|---|---|---|---|
| Finance & Administrative | $ 2,896 | $ --- | $ 2,896 |
| Public Safety | 8,459 | --- | 8,459 |
| Road Fund | 32,216 | --- | 32,216 |
| Landfill Fund | 85,353 | --- | 85,353 |
| Health & Welfare | 31,320 | --- | 31,320 |
| Utility System | --- | 37,662 | 37,662 |
| Total Depreciation Expense | $ 160,244 | $ 37,662 | $ 197,906 |

**NOTE 10 – ACCOUNTS AND OTHER PAYABLES:**

Details related to amounts reported as accounts and other payables are provided as follows:

| | Payable to Vendors | Payroll Liabilities | Total Payables |
|---|---|---|---|
| **Governmental Activities** | | | |
| General Fund | $ 191,962 | $ 58,166 | $ 250,128 |
| Road Fund | 156,679 | --- | 156,679 |
| Landfill Fund | 86,701 | --- | 86,701 |
| Head Start | 20,229 | --- | 20,229 |
| Library Fund | 19,987 | --- | 19,987 |
| Health Unit | 5,122 | --- | 5,122 |
| Non-Major Funds | 33,502 | --- | 33,502 |
| Total Governmental Activities | $ 514,182 | $ 58,166 | $ 572,348 |
| **Business-Type Activities** | | | |
| Utility System | $ 64,407 | $ --- | $ 64,407 |

**NOTE 11 - CONTINGENCIES:**

Existing conditions that may have financial consequences in the future are referred to as contingencies. Contingencies existing at December 31, 2004, are described as follows:

# GRANT PARISH POLICE JURY
## Notes to Financial Statements

**Litigation**

As the governing authority for Grant Parish, the Police Jury has numerous responsibilities. These responsibilities include maintaining roads and other public facilities as well as disposing of solid waste on a Parishwide basis. Due to the extensive nature of the Police Jury's responsibilities, it is sometimes the target of litigation.

A variety of lawsuits involving the Police Jury are currently pending; however, due to an absence of recent activity, at least some of these cases appear to be dormant. An estimate of potential losses from litigation is not currently available and no provision for losses of this nature is included in the accompanying financial statements. In addition, there is no general liability insurance to offset judgments that might arise from lawsuits currently pending.

**Parish Boundary**

The Police Jury has engaged in litigation intended to resolve uncertainty regarding the location of the parish boundary. This litigation has resulted in a ruling in the 9th Judicial District that was not favorable to the Police Jury's position. During the current year, the Police Jury received a judgement ordering the Parish to pay a $479,506 in legal fees and court costs incurred by the other parties in the dispute. The Police Jury has appealed the decision and is currently awaiting the outcome.

**Disputed Charges**

The Police Jury has received invoices from surrounding Parishes in connection with housing Grant Parish prisoners. The invoices total $119,935; however, the Police Jury did not issue any purchase orders to the surrounding Parishes and it has not authorized any charges related to the housing of prisoners. Accordingly, the Police Jury is not aware of any obligation to pay the unauthorized charges.

One of the surrounding Parishes has filed a lawsuit in connection with this matter and another Parish has indicated that it is considering a lawsuit. At some point in the future, the Police Jury may make some payments to settle these matters if it can be demonstrated that the charges are valid.

**Judgments Payable**

At December 31, 2004, four judgments totaling $290,814 have been rendered against the Police Jury. These judgments are final and irreversible. Judgments payable do not include deposition costs, expert witness fees, court costs or legal interest from date of judicial demand, which were also assessed.

The Police Jury did not have general liability insurance to cover the amounts of judgments awarded to plaintiffs in lawsuits brought against the Police Jury. Consequently, the $290,814 in judgments payable at December 31, 2004, plus all related costs and interest from date of judicial demand are the Police Jury's sole responsibility. However, since the beneficiaries of the judgments cannot require the Police Jury to appropriate the money payment on the judgments will not be rendered.

# GRANT PARISH POLICE JURY
## Notes to Financial Statements

**NOTE 12 - RISK MANAGEMENT:**

The Police Jury is exposed to various risks of loss related to torts; theft, damage or destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Police Jury has not maintained general liability coverage to insure against torts; liabilities resulting from these uninsured risks during the past three years has totaled $53,633. Judgements resulting from these uninsured risks are disclosed when it is probable that a loss has occurred and the amount can be reasonably estimated. Judgements currently payable attributable to the uninsured risk total $290,814.

The Police Jury insures against the remaining risks by participation in public entity risk pools that operate as common insurance programs and by purchasing commercial insurance. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years.

**NOTE 13 – POST RETIREMENT BENEFITS:**

Employee benefits offered by the Police Jury include paying a portion of the health insurance premiums for retired employees. Expenditures associated with providing post retirement health insurance benefits are recorded when premiums become due. A total of two retirees have elected to participate in the post retirement insurance program and the cost of providing benefits during the year ended December 31, 2004, was approximately $17,851.

**NOTE 14 – BUDGET VARIANCES:**

During the year ended December 31, 2004, the Police Jury's funds experienced unfavorable budget variances that exceeded limits allowed by State law. The unfavorable variances are described as follows:

| | Expenditures | | |
|---|---|---|---|
| | Budget | Actual | Variance |
| Health Unit | $ 78,500 | $ 300,055 | $ (221,555) |
| Title III | 63,200 | 66,655 | (3,455) |
| Head Start | 1,466,250 | 1,584,025 | (117,775) |
| Subpoena | 3,300 | 6,637 | (3,337) |

The Health Unit budget variance occurred as a result of taxpayers voting to release restrictions that were related to a portion of the funds held by the health unit. As a result of this release, funds were transferred to the General Fund and the Police Jury failed to amend the budget. The variances for Title III, Head Start, and Subpoena occurred because the Police Jury failed to amend the budget as additional grant funds were awarded or expenses increased.

## *GRANT PARISH POLICE JURY*

**General Fund**

**Statement of Revenues, Expenditures, and Changes in Fund Balances**

**Budget and Actual - Year Ended December 31, 2004**

| | Budget Amounts | | Actual | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Amounts | (Negative) |
| **Revenues:** | | | | |
| Taxes: | | | | |
| Ad Valorem | $ 120,000 | $ 132,300 | $ 135,487 | $ 3,187 |
| Other | 20,000 | 20,000 | 27,265 | 7,265 |
| Federal Grants | 50,000 | 26,900 | 40,781 | 13,881 |
| State Funds: | | | | |
| State Revenue Sharing | 17,000 | 14,500 | 18,011 | 3,511 |
| Severance Taxes | 150,000 | 341,300 | 369,059 | 27,759 |
| Other State Funds | 25,000 | 45,200 | 38,396 | (6,804) |
| Local Funds | 30,000 | 30,600 | - | (30,600) |
| Fees and Charges for Service | 85,000 | 84,600 | 91,378 | 6,778 |
| Fines and Forfietures | 30,000 | 30,600 | 33,445 | 2,845 |
| Rental of Properties | 60,000 | 13,800 | 81,859 | 68,059 |
| Other | 25,000 | 22,800 | 8,135 | (14,665) |
| **Total Revenues** | $ 612,000 | $ 762,600 | $ 843,816 | $ 81,216 |
| **Expenditures:** | | | | |
| Current: | | | | |
| General Government | | | | |
| Legislative | 150,000 | 164,600 | 184,389 | (19,789) |
| Judicial | 210,000 | 203,000 | 211,475 | (8,475) |
| Finance & Administrative | 200,000 | 333,900 | 251,295 | 82,605 |
| Other General Government | 65,000 | 62,600 | 65,073 | (2,473) |
| Public Safety | 100,000 | 108,050 | 74,867 | 33,183 |
| Health & Welfare | - | 18,600 | - | 18,600 |
| Culture & Recreation | 10,000 | 23,100 | 24,026 | (926) |
| Economic Development Assistance | 5,000 | 5,600 | - | 5,600 |
| Capital Expenditures | - | - | - | - |
| **Total Expenditures** | 740,000 | 919,450 | 811,125 | 108,325 |
| **Excess (Deficiency) of Revenues Over Expenditures** | (128,000) | (156,850) | 32,691 | 189,541 |
| **Other Financing Sources (Uses):** | | | | |
| Operating Transfers In | 130,000 | 111,000 | 382,699 | 271,699 |
| Operating Transfers Out | - | (29,900) | (15,189) | 14,711 |
| **Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses** | 2,000 | (75,750) | 400,201 | 475,951 |
| **Fund Balance (Deficit) - Beginning of Year** | 2,749 | 77,242 | 77,242 | - |
| **Fund Balance (Deficit) - End of Year** | $ 4,749 | $ 1,492 | $ 477,443 | $ 475,951 |

# GRANT PARISH POLICE JURY

**Major Special Revenue Funds**
**Statement of Revenues, Expenditures and Changes in Fund Balances**
**Budget and Actual - Year Ended December 31, 2004**

| | Budget Amounts | | Actual | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Amounts | (Negative) |
| **ROAD FUND:** | | | | |
| Revenues and Other Sources | $ 850,000 | $ 921,000 | $ 970,218 | $ 49,218 |
| Expenditures | 865,000 | 941,000 | 921,894 | 19,106 |
| Excess (Deficiency) of Revenues Over Expenditures | (15,000) | (20,000) | 48,324 | 68,324 |
| Fund Balance (Deficit) - Beginning of Year | 17,906 | 20,119 | 20,119 | - |
| Fund Balance (Deficit) - End of Year | $ 2,906 | $ 119 | $ 68,443 | $ 68,324 |
| **LANDFILL FUND:** | | | | |
| Revenues | $ 750,000 | $ 733,000 | $ 780,814 | $ 47,814 |
| Expenditures | 750,000 | 960,000 | 821,854 | 138,146 |
| Excess (Deficiency) of Revenues Over Expenditures | - | (227,000) | (41,040) | 185,960 |
| Fund Balance (Deficit) - Beginning of Year | 17,972 | 318,226 | 318,226 | - |
| Fund Balance (Deficit) - End of Year | $ 17,972 | $ 91,226 | $ 277,186 | $ 185,960 |
| **HEAD START FUND:** | | | | |
| Revenues | $ 1,315,000 | $ 1,466,250 | $ 1,584,025 | $ 117,775 |
| Expenditures | 1,315,000 | 1,466,250 | 1,584,025 | (117,775) |
| Excess (Deficiency) of Revenues Over Expenditures | - | - | - | - |
| Fund Balance (Deficit) - Beginning of Year | - | - | - | - |
| Fund Balance (Deficit) - End of Year | $ - | $ - | $ - | $ - |
| **LIBRARY FUND:** | | | | |
| Revenues | $ 320,000 | $ 382,300 | $ 372,875 | $ (9,425) |
| Expenditures | 320,000 | 500,750 | 392,561 | 108,189 |
| Excess (Deficiency) of Revenues Over Expenditures | - | (118,450) | (19,686) | 98,764 |
| Fund Balance (Deficit) - Beginning of Year | 28,467 | 340,456 | 340,456 | - |
| Fund Balance (Deficit) - End of Year | $ 28,467 | $ 222,006 | $ 320,770 | $ 98,764 |

# GRANT PARISH POLICE JURY

**Major Special Revenue Funds**
**Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)**
**Budget and Actual - Year Ended December 31, 2004**

| | Budget Amounts | | Actual | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Amounts | (Negative) |
| **HEALTH UNIT FUND:** | | | | |
| Revenues | $ 60,000 | $ 69,400 | $ 72,901 | $ 3,501 |
| Expenditures and Other Uses | 165,000 | 78,500 | 300,055 | (221,555) |
| Excess (Deficiency) of Revenues Over Expenditures | (105,000) | (9,100) | (227,154) | (218,054) |
| Fund Balance (Deficit) - Beginning of Year | 109,838 | 368,795 | 368,795 | - |
| Fund Balance (Deficit) - End of Year | $ 4,838 | $ 359,695 | $ 141,641 | $ (218,054) |
| **HAZARD MITIGATION FUND** | | | | |
| Revenues | $ 160,000 | $ - | $ - | $ - |
| Expenditures | 160,000 | - | - | - |
| Excess (Deficiency) of Revenues Over Expenditures | - | - | - | - |
| Fund Balance (Deficit) - Beginning of Year | 13,125 | - | - | - |
| Fund Balance (Deficit) - End of Year | $ 13,125 | $ - | $ - | $ - |

# GRANT PARISH POLICE JURY

***Combining Balance Sheet***
***Non Major Governmental Funds***
***December 31, 2004***

| | Courthouse and Jail Maintenance | Medical Clinic Maintenance | Child Nutrition Program | Criminal Court | Insurance Premium Tax | Supoena Witness | USDA Title III | Medical Clinic | Willett Loop Water System Improvements | LCDBG Water System Improvements | Homeland Security Grant | Total Non Major Funds |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Assets** | | | | | | | | | | | | |
| Cash and Cash Equivalents | $ 203 | $ 6,573 | $ 32,531 | $ 1,550 | $ 15,204 | $ 1,027 | $ - | $ 49,216 | $ - | $ - | $ - | $ 106,304 |
| Receivables (net) | 104,118 | 29,305 | - | 15,120 | - | 820 | - | - | - | - | - | 149,363 |
| **Total assets** | $ 104,321 | $ 35,878 | $ 32,531 | $ 16,670 | $ 15,204 | $ 1,847 | $ - | $ 49,216 | $ - | $ - | $ - | $ 255,667 |
| **Liabilities and Fund Balance** | | | | | | | | | | | | |
| **Liabilities** | | | | | | | | | | | | |
| Accounts payable | $ 18,975 | $ 4,071 | $ 5,666 | $ 3,690 | $ - | $ 1,100 | $ - | $ - | $ - | $ - | $ - | $ 33,502 |
| *Interfund Payables* | 38,362 | - | - | - | - | - | - | - | - | 98 | - | 38,460 |
| **Total liabilities** | 57,337 | 4,071 | 5,666 | 3,690 | - | 1,100 | - | - | - | 98 | - | 71,962 |
| **Fund Balance** | | | | | | | | | | | | |
| Unreserved - Reported In | | | | | | | | | | | | |
| Special Revenue Funds | 46,984 | 31,807 | 26,865 | 12,980 | 15,204 | 747 | - | - | - | - | - | 134,587 |
| *Capital Project Funds* | - | - | - | - | - | - | - | 49,216 | - | (98) | - | 49,118 |
| **Total Fund Balances** | 46,984 | 31,807 | 26,865 | 12,980 | 15,204 | 747 | - | 49,216 | - | (98) | - | 183,705 |
| **Total Liabilities and Fund Balance** | $ 104,321 | $ 35,878 | $ 32,531 | $ 16,670 | $ 15,204 | $ 1,847 | $ - | $ 49,216 | $ - | $ - | $ - | $ 255,667 |

# GRANT PARISH POLICE JURY

***Combining Statement of Revenues, Expenditures, and Changes in Fund Balance***

***Non Major Governmental Funds - Year Ended December 31, 2004***

| | Courthouse and Jail Maintenance | Medical Clinic Maintenance | Child Nutrition Program | Criminal Court | Insurance Premium Tax | Supoena Witness | USDA Title III | Medical Clinic | Willett Loop Water System Improvements | LCDBG Water System Improvements | Homeland Security Grant | Other Governmental Funds |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Revenues:** | | | | | | | | | | | | |
| Taxes: | | | | | | | | | | | | |
| Ad Valorem | $ 92,040 | $ 29,305 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 121,345 |
| Other | - | - | - | - | 50,839 | - | - | - | - | - | - | 50,839 |
| Federal Grants | - | - | 82,056 | - | - | - | 66,655 | - | - | - | 180,894 | 329,605 |
| State Funds: | | | | | | | | | | | | |
| State Revenue Sharing | 12,235 | - | - | - | - | - | - | - | - | - | - | 12,235 |
| Local Funds | - | - | - | 25,302 | - | - | - | - | - | - | - | 25,302 |
| Fines and Forfietures | - | - | - | 155,859 | - | 1,722 | - | - | - | - | - | 157,581 |
| Other | 661 | 267 | 972 | 84 | 405 | 2,863 | - | 490 | - | - | - | 5,742 |
| **Total Revenues** | 104,936 | 29,572 | 83,028 | 181,245 | 51,244 | 4,585 | 66,655 | 490 | - | - | 180,894 | 702,649 |
| **Expenditures:** | | | | | | | | | | | | |
| Current: | | | | | | | | | | | | |
| General Government | | | | | | | | | | | | |
| Judicial | - | - | - | 177,592 | - | 6,637 | - | - | - | - | - | 184,229 |
| Other General Government | 108,262 | - | - | - | - | - | - | - | - | - | - | 108,262 |
| Public Safety | - | - | - | - | - | - | - | - | - | - | 180,894 | 180,894 |
| Public Works | - | - | - | - | - | - | - | - | - | - | - | - |
| Health & Welfare | - | 38,296 | 84,803 | - | - | - | - | - | - | - | - | 123,099 |
| **Total Expenditures** | 108,262 | 38,296 | 84,803 | 177,592 | - | 6,637 | - | - | - | - | 180,894 | 596,484 |
| **Excess (Deficiency) of Revenues Over Expenditures** | (3,326) | (8,724) | (1,775) | 3,653 | 51,244 | (2,052) | 66,655 | 490 | - | - | - | 106,165 |
| **Other Financing Sources (Uses):** | | | | | | | | | | | | |
| Operating Transfers In | 12,259 | - | - | 2,930 | - | - | - | - | - | - | - | 15,189 |
| Operating Transfers Out | - | - | - | - | (65,000) | - | (66,655) | - | (14,237) | - | - | (145,892) |
| **Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses** | 8,933 | (8,724) | (1,775) | 6,583 | (13,756) | (2,052) | - | 490 | (14,237) | - | - | (24,538) |
| **Fund Balance (Deficit) - Beginning of Year** | 38,051 | 40,531 | 28,640 | 6,397 | 28,960 | 2,799 | - | 48,726 | 14,237 | (98) | - | 208,243 |
| **Fund Balance (Deficit) - End of Year** | $ 46,984 | $ 31,807 | $ 26,865 | $ 12,980 | $ 15,204 | $ 747 | $ - | $ 49,216 | $ - | $ (98) | $ - | $ 183,705 |

# GRANT PARISH POLICE JURY

## Schedule of Compensation Paid to Police Jurors
## For the year ended December 31, 2004

| | |
|---|---|
| Garland McCracken | 14,400 |
| Jimmy Bryant | 14,400 |
| Tom Hamilton | 14,400 |
| Arnold Murrell | 14,400 |
| Donnie Brown | 14,400 |
| Sam Brimer | 14,400 |
| Barney Durand | 14,400 |
| Roy G. Edwards | 14,400 |
| Total | 115,200 |

# GRANT PARISH POLICE JURY

## Schedule of Expenditure of Federal Financial Awards
## For the year ended December 31, 2004

| FEDERAL GRANTOR / Pass-through Grantor / Program Title | Federal CFDA Number | Federal Expenditures |
|---|---|---|
| UNITED STATES DEPARTMENT OF AGRICULTURE | | |
| Pass-through State of Louisiana, Department of the Treasury | | |
| Child Nutrition Program | 10.558 | $ 84,803 |
| Schools and Roads | 10.666 | 444,363 |
| Total United States Department of Agriculture | | 529,166 |
| UNITED STATES DEPARTMENT OF JUSTICE | | |
| Passed through - Louisiana Department of Public Safety and Corrections | | |
| Office of Justice Domestic Preparedness Equipment Grant | 16.007 | 79,866 |
| UNITED STATES DEPARTMENT OF THE INTERIOR | | |
| Direct Program - Payment in Lieu of Taxes | 15.226 | 26,995 |
| FEDERAL EMERGENCY MANAGEMENT AGENCY | | |
| Passed through Louisiana Department of the Treasury | | |
| Emergency Management Assistance | 83.534 | 13,786 |
| UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES | | |
| Direct Program - Head Start Program | 93.600 | 1,181,677 |
| DEPARTMENT OF HOMELAND SECURITY | | |
| Passed through Louisiana Office of Emergency Preparedness | | |
| State Homeland Security Grant Program | 97.004 | 101,028 |
| Total Expenditure of Federal Awards | | $ 1,932,518 |

**Note**

The schedule of expenditures of federal awards was prepared in conformity with generally accepted accounting principles for Governmental Units. See notes to the accompanying financial statements for further details.

# ROZIER, HARRINGTON & MCKAY
## CERTIFIED PUBLIC ACCOUNTANTS

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June 15, 2005

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

The Grant Parish Police Jury
Colfax, Louisiana 71417

**COMPLIANCE**

We have audited the compliance of the Grant Parish Police Jury with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2004. The Grant Parish Police Jury's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Grant Parish Police Jury's management. Our responsibility is to express an opinion on the Grant Parish Police Jury's compliance based on our audit.

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

In our opinion, the Grant Parish Police Jury complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2004.

## INTERNAL CONTROL OVER COMPLIANCE

The management of the Grant Parish Police Jury 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 the Grant Parish Police Jury's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on 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 for the information of management. However, this report is a matter of public record and its distribution if not limited.

Rozier, Harrington & McKay

ROZIER, HARRINGTON & McKAY
Certified Public Accountants

# GRANT PARISH POLICE JURY
## Schedule of Findings and Questioned Costs
## For the Year Ended December 31, 2004

### *PART I - SUMMARY OF AUDITOR'S RESULTS:*

- The Independent Auditors' Report on the primary government financial statements for the Grant Parish Police Jury as of December 31, 2004, and for the year then ended expressed an unqualified opinion, on the primary government's financial statements.
- The results of the audit disclosed no instances of noncompliance that are considered to be material to the primary government financial statements of the Grant Parish Police Jury.
- The Independent Auditors' Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133 expressed an unqualified opinion on compliance requirements for major programs.
- The audit did not disclose any audit findings which are required to be reported as findings and questioned cost.
- Major programs for the year ended December 31, 2004 are presented as follows:

  UNITED STATES DEPARTMENT OF AGRICULTURE (Passed Through State of Louisiana)
  CFDA No. 10.666 – National Forest Receipts
  CFDA No. 93.600 – Head Start Program

- A threshold of $300,000 was used for distinguishing between Type A and Type B programs for purposes of identifying major programs.
- The Grant Parish Police Jury was not considered to be a low risk auditee as defined by OMB Circular A-133.

### *PART II - FINDINGS RELATING TO THE FINANCIAL STATEMENTS WHICH ARE REQUIRED TO BE REPORTED IN ACCORDANCE WITH GENERALLY ACCEPTED GOVERNMENTAL AUDITING STANDARDS:*

- None.

### *PART III - FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS WHICH SHALL INCLUDE AUDIT FINDINGS AS DEFINED BY OMB CIRCULAR A-133:*

- None.

# GRANT PARISH POLICE JURY

## Management's Corrective Action Plan
## For the Year Ended December 31, 2004

| | |
|---|---|
| **SECTION I**<br>**INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS** | |
| No findings were reported in the schedule of findings and questioned costs. | Response – N/A |
| **SECTION II**<br>**INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS** | |
| No findings were reported in the schedule of findings and questioned costs. | Response – N/A |
| **SECTION III**<br>**MANAGEMENT LETTER** | |
| **Timely Paying Expenses**<br>It has come to our attention that certain vendors were not paid in a timely manner. Obligations that were not satisfied within an appropriate period of time included trade payables and remittance of amounts withheld from employees. In some cases payment was made as much as six months after the obligation was incurred. Explanations offered by the employee responsible for processing these payments indicated that the delays were due to an unintended oversight. | **Response** – Management will closely monitor this employee to ensure that all vendors are timely paid and the employee withholdings remitted in a timely fashion. |
| **Natural Gas Losses**<br>Over a two year period gross profit as a percentage of sale has declined from 55.3% to 33.6%. Based on analysis of cubic feet purchased and sold it appears that the decline in gross profits is due primarily to gas escaping from the system. For the most recent year, the portion of gas acquired that cannot be accounted for has exceeded 10% of purchases. | **Response** – Management is currently conducting leak surveys and checking old meters to determine if replacement is necessary. |

# GRANT PARISH POLICE JURY

**Summary of Prior Year Findings and Questioned Cost**
**For the Year Ended December 31, 2004**

<table>
<tr><td colspan="2" align="center"><u>SECTION I</u><br>INTERNAL CONTROL AND COMPLIANCE MATERIAL<br>TO THE FINANCIAL STATEMENTS</td></tr>
<tr><td>No findings were reported in the schedule of findings and questioned costs.</td><td>Response – N/A</td></tr>
<tr><td colspan="2" align="center"><u>SECTION II</u><br>INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS</td></tr>
<tr><td>No findings were reported in the schedule of findings and questioned costs.</td><td>Response – N/A</td></tr>
<tr><td colspan="2" align="center"><u>SECTION III</u><br>MANAGEMENT LETTER</td></tr>
<tr><td>No findings were reported in the schedule of findings and questioned costs.</td><td>Response – N/A</td></tr>
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# ROZIER, HARRINGTON & MCKAY
## CERTIFIED PUBLIC ACCOUNTANTS

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June 15 2005

The Grant Parish Police Jury
Colfax, Louisiana

In planning and performing our audit of the financial statements of the Grant Parish Police Jury for the year ended December 31, 2004, we considered the Police Jury's internal control structure to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on the internal control structure. However, during our audit we became aware of several matters that are opportunities for strengthening internal controls and operating efficiency. Our comments and suggestions regarding those matters are provided as follows:

**Timely Paying expenses:**
It has come to our attention that certain vendors were not paid in a timely manner. Obligations that were not satisfied within an appropriate period of time included trade payables and remittance of amounts withheld from employees. In some cases payment was made as much as six months after the obligation was incurred. Explanations offered by the employee responsible for processing these payments indicated that the delays were due to an unintended oversight.

We recommend that management closely monitor the employee responsible for remitting the payments in question to ensure that all vendors get paid timely and that employee withholdings are remitted in a timely fashion.

**Natural Gas Losses**
As demonstrated below, gross profits from the sale of natural gas have experienced substantial declines.

| | 2002 | 2003 | 2004 |
|---|---|---|---|
| Gas Sales | $ 384,342 | $ 462,805 | $ 477,364 |
| Gas Purchases | (171,797) | (286,990) | (317,079) |
| Gross Profit | $ 212,545 | $ 175,815 | $ 160,285 |
| Gross Profit as a Percentage of Sales | 55.3% | 38.0% | 33.6% |

Over a two year period gross profit as a percentage of sale has declined from 55.3% to 33.6%. Based on analysis of cubic feet purchased and sold it appears that the decline in gross profits is due primarily to gas escaping from the system. For the most recent year, the portion of gas acquired that cannot be accounted for has exceeded 10% of purchases.

Possible explanations for the loss of gas are leakage and worn out meters that do not accurately measure the amount of gas delivered to customers. As an initial step in attempting to resolve this matter we suggest that the Police Jury consider conducting a leak survey and adopting a meter replacement program.

We will be available at your convenience to discuss our comments and suggestions in greater detail. Our firm will also be available to assist in implementing these recommendations.

Rozier, Harrington & McKay

ROZIER, HARRINGTON & McKAY,
Certified Public Accountants