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OUACHITA PARISH POLICE JURY

Financial Statements
As of and For the Year Ended December 31, 2004

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Release Date 7-13-05

OUACHITA PARISH POLICE JURY

Financial Statements As of and for the Year Ended December 31, 2004

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INDEPENDENT AUDITORS' REPORT

Ouachita Parish Police Jury Monroe, Louisiana

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 **Ouachita Parish Police Jury** (the Police Jury) as of and for the year ended December 31, 2004, which collectively comprise the Police Jury's basic financial statements as identified in the table of contents. These financial statements are the responsibility of the Police Jury's 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 and the standards for financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide* issued by the Louisiana Legislative Auditor and the Louisiana Society of Certified Public Accountants. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

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 of the Ouachita Parish Police Jury as of December 31, 2004 and the respective changes in financial position and cash flows of its proprietary funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 15 to the financial statements, the Federal Emergency Management Agency (FEMA) is investigating whether grants received by the Police Jury through the State of Louisiana were used to purchase nonqualifying property. If FEMA requests reimbursement from the State, the State could pass this reimbursement onto the Police Jury. Such a reimbursement could be material to the financial condition of the Police Jury.

**Ouachita Parish Police Jury
Monroe, Louisiana**

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2005, on our consideration of the Police Jury's internal control over financial reporting and on 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.

As discussed in Note 1 B, the financial statements referred to above do not include financial data of various component units, which should be included in order to conform with accounting principles generally accepted in the United States of America. As a result, the financial statements do not purport to, and do not present fairly the financial position of the reporting entity (as described in Note 1 B) of the 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.

The Management's Discussion and Analysis and the budgetary information on pages 4 through 14 and pages 54 through 60 respectively, are not a required part of the basic 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 express no opinion on it.

Our audit was made for the purpose of forming opinions on the financial statements that collectively comprise the Ouachita Parish Police Jury's basic financial statements. The accompanying financial information included in Schedules 7 through 25 (including the schedule of expenditures of federal awards) listed as schedules in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements of the Police Jury. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.



(A Professional Accounting Corporation)

June 24, 2005

**REQUIRED SUPPLEMENTAL INFORMATION
(PART A)**

**Ouachita Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2004**

Our discussion and analysis of Ouachita Parish Police Jury's financial performance provides an overview of the Police Jury's financial activities for the year ended December 31, 2004. Please read it in conjunction with the Police Jury's financial statements which begin on page 16.

FINANCIAL HIGHLIGHTS

Our financial statements provide these insights into the results of this year's operations:

- Assets of the Police Jury exceeded its liabilities at the close of the most recent fiscal year by \$97.5 million (net assets). Of this amount, \$6.6 million (unrestricted net assets) may be used to meet the Police Jury's obligations to citizens and creditors within the Jury's designation and policies.
- The Police Jury's total net assets increased by \$7.5 million during 2004. Governmental activities' net assets increased \$7.5 million during 2004, while business-type activities' net assets decreased by approximately \$66,000.
- As of the close of the most recent fiscal year, the Police Jury's governmental funds reported combined ending fund balances of \$43.3 million, an increase of \$5.4 million in comparison with the prior year. Approximately 97% of this total amount, \$41.9 million, is unreserved and available for use within the Police Jury's designation and policies (unreserved fund balance).
- At the end of the most recent fiscal year, unreserved fund balance for the General Fund was \$1.7 million, or 37.6% of total 2004 General Fund expenditures and transfers.

USING THIS ANNUAL REPORT

The Police Jury's annual report consists of a series of financial statements that show information for the Police Jury as a whole, and its funds. The Statement of Net Assets and the Statement of Activities provide information about the activities of the Police Jury as a whole and present a longer-term view of the Police Jury's finances. Our fund financial statements are included later in this report. For our governmental activities, these statements tell how we financed our services in the short-term as well as what remains for future spending. Fund statements also may give you some insights into the Police Jury's overall financial health. Fund financial statements also report the Police Jury's operations in more detail than the government-wide financial statements by providing information about the Police Jury's most significant funds - general fund, public works, fire department, public library, green oaks detention center, the correctional center and West Ouachita Sewerage District No. 9.

With the implementation of Governmental Accounting Standards Board Statement No. 34, a government's presentation of financial statements has been greatly changed. The statements focus on the Police Jury as a whole (government-wide) and the major individual funds. Both perspectives (government-wide and major fund) allow the reader to address relevant questions, broaden a basis for comparison (year to year or government to government), and should enhance the Police Jury's accountability.

**Ouachita Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2004**

Our auditors have provided assurance in their independent auditors' report, located immediately preceding this Management's Discussion and Analysis, that the Basic financial Statements, after considering the fact that certain component units are not included, are fairly stated. Varying degrees of assurance are being provided by the auditor regarding the Required Supplemental Information (RSI) and the Supplemental Information. A user of this report should read the independent auditors' report carefully to ascertain the level of assurance being provided for each part of this report.

Reporting on the Police Jury as a Whole

Government-Wide Financial Statements

The government-wide financial statements (see Statements A and B) are designed to be similar to private-sector business in that all governmental and business-type activities are consolidated into columns which add to a total for the primary government. These statements combine governmental funds' current financial resources with capital assets and long-term obligations. Also presented in the government-wide financial statements is a total column for the business-type activities of the primary government.

The Statement of Net Assets (Statement A) and the Statement of Activities (Statement B) The financial statements of the Police Jury as a whole begins on page 16. One of the most important questions asked about the Police Jury is, "Is the Police Jury, as a whole, better off or worse off financially as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities, which appear first in the Police Jury's financial statements, report information on the Police Jury as a whole and its activities in a way that helps you answer this question. We prepare these statements to include *all* assets and liabilities, using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. For example, uncollected taxes and earned but unused vacation leave result in cash flows for future periods. The focus of the Statement of Activities is on both the gross and net cost of various activities that are provided by the government's general tax and other revenues. This is intended to summarize information and simplify the user's analysis of cost of various governmental services and/or subsidy to various business-type activities.

These two statements report the Police Jury's *net assets* - the difference between assets and liabilities, as reported in the Statement of Net Assets - as one way to measure the Police Jury's financial health, or *financial position*. Over time, *increases or decreases* in the Police Jury's net assets - as reported in the Statement of Activities - are one indicator of whether its *financial health* is improving or deteriorating. The relationship between revenues and expenses is the Police Jury's *operating results*. However, the Police Jury's goal is to provide services to our citizens, not to generate profits as commercial entities do. One must consider many other non-financial factors, such as the quality of health and welfare services provided to parish citizens and the condition of roads, bridges and drainage systems to assess the *overall health* of the Police Jury.

The governmental activities reflect the Police Jury's basic services including public safety (fire and law enforcement), general government (executive, legislative, judicial, finance, administrative services), streets and drainage, traffic and transportation, culture and recreation, health and welfare, economic development, conservation, and urban redevelopment and housing. These services are financed primarily with taxes and government grants. The business-type activities reflect private sector type operations

**Ouachita Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2004**

where the fee for service typically covers all or most of the cost of operations including depreciation. The Police Jury's solid waste collection programs are reported here.

Reporting the Police Jury's Most Significant Funds

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for *specific activities* or objectives. Traditional users of governmental financial statements will find the fund financial statements presentation more familiar. The focus is now on major funds, rather than generic fund types.

Fund Financial Statements The Police Jury's fund financial statements (Statements C through H), which begin on page 19, provide detailed information about the most significant funds - not the Police Jury as a whole. Some funds are required to be established by State law and by bond covenants. However, the Police Jury establishes many other funds to help it control and manage money for particular purposes (like the criminal court fund) or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (like grants the Police Jury receives for the mosquito abatement district).

Governmental Funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. The governmental major funds (see Statements C and D) presentation is presented on a sources and uses of liquid resources basis. This is the manner in which the financial plan is typically developed. Unlike the government-wide financial statements, governmental fund reporting focuses on showing how money flows into and out of funds and the balances left at year-end that are available for spending. They are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *financial* assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the Police Jury's operations and the services it provides. Such information may be useful in evaluating a government's current financing requirements. All non-major governmental funds are presented in one column, titled Other Governmental Funds. Combining financial statements of the non-major funds can be found in the other supplementary information section that follows the basic financial statements.

Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Police Jury's programs. We describe the relationship (or differences) between governmental *activities* (reported in the Statement of Net Assets and the Statement of Activities) and governmental *funds* in the reconciliations of the Governmental Funds Balance Sheet to the Statement of Net Assets and of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance to the Statement of Activities.

Proprietary Funds encompass both enterprise and internal service funds on the fund financial statements (see Statements E, F, and G). Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Internal service funds are an accounting device used to accumulate and allocate costs internally among the Police Jury's various functions. The Police Jury uses internal service funds to account for its self-insured insurance and group hospitalization activities. Because all of these services predominantly benefit governmental rather than business-type functions, they have been included within the governmental activities section in the government-wide financial statements. Combining statements of the non-major individual enterprise and internal service funds can be found in the

**Ouachita Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2004**

other supplementary information section following the basic financial statements. The basic proprietary fund statements are located at Schedules 15 through 17.

Fiduciary funds are used to account for resources held by the Police Jury in a trustee capacity or as an agent for others. These funds (see Statement H) are restricted in purpose and do not represent discretionary assets of the Police Jury. Therefore, these assets are not presented as part of the government-wide financial statements.

The total columns on the business-type fund financial statements for enterprise funds (see Statements E, F, and G) and on the governmental funds financial statements (see Statements C and D) at the government-wide financial statements require reconciliation. The governmental funds' differences result from the different measurement focus and the reconciliation is presented on the pages following each statement (see Statements C and D). The flow of current financial resources will reflect interfund transfers as other financial sources as well as capital expenditures as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligations into the *Governmental Activities* column in the government-wide statements. For proprietary funds, the differences relate to transactions with the governmental funds that have been eliminated.

Capital Assets

General capital assets include land, construction in progress, buildings, equipment and furniture, books, infrastructure, and all other assets of a tangible nature that are used in operations and that exceed the Police Jury's capitalization threshold (see Note 1 – I). All projects completed and acquisitions occurring in the year ended December 31, 2004 have been capitalized. Governmental Accounting Standards Board Statement No. 34 allows the Police Jury a transitional period to December 31, 2005 for reporting infrastructure assets. The Police Jury has capitalized all purchased capital assets and all donated capital assets. Prior to the implementation of the new reporting model, no depreciation was charged on general capital assets. Accumulated depreciation was recorded for the first time in the 2003 financial statements based on the date of acquisition and the estimated useful life of the asset.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are a required part of the basic financial statements and can be found on pages 27 through 52 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required *supplementary information* (Part B), the budgetary comparison schedules. Required supplementary information can be found in Schedules 1 through 6 of this report.

The other supplementary information section referred to earlier in connection with the non-major governmental and proprietary funds is presented immediately following the required supplementary information in Schedules 7 through 21.

Also included in the report are the Office of Management and Budget A-133 Single Audit reports, findings and schedules.

**Ouachita Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2004**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

THE POLICE JURY AS A WHOLE The Police Jury's net assets were \$97.5 million at December 31, 2004. Of this amount, \$90.9 million was restricted or invested in capital assets. Restricted net assets are reported separately to show legal constraints from debt covenants and enabling legislation that limit the Police Jury's ability to use those net assets for day-to-day operations. Our analysis below focuses on the net assets (Table 1) and change in net assets (Table 2) of the Police Jury's governmental activities.

The following table reflects the condensed Statement of Net Assets for 2004, with comparative figures from 2003:

**Table 1
OUACHITA PARISH POLICE JURY
Condensed Statement of Net Assets
December 31, 2004 and 2003**

	Governmental Activities		Business-Type Activities		Total	
	2004	2003 (Restated)	2004	2003	2004	2003 (Restated)
<u>Assets</u>						
Current and other assets	\$ 50,389,939	\$ 45,515,623	\$ 325,448	\$ 312,039	\$ 50,715,387	\$ 45,827,662
Capital Assets	52,130,701	50,334,523	2,593,202	2,674,199	54,723,903	53,008,722
Total Assets	<u>102,520,640</u>	<u>95,850,146</u>	<u>2,918,650</u>	<u>2,986,238</u>	<u>105,439,290</u>	<u>98,836,384</u>
<u>Liabilities</u>						
Current and other liabilities	3,547,830	4,255,537	20,784	71,972	3,568,614	4,327,509
Long-term liabilities	3,759,998	3,904,986	617,444	567,649	4,377,442	4,472,635
Total Liabilities	<u>7,307,828</u>	<u>8,160,523</u>	<u>638,228</u>	<u>639,621</u>	<u>7,946,056</u>	<u>8,800,144</u>
<u>Net Assets</u>						
Invested in capital assets, net of debt	52,130,701	50,334,523	1,975,758	2,106,550	54,106,459	52,441,073
Restricted	36,807,803	35,349,454	-	-	36,807,803	35,349,454
Unrestricted	6,274,308	2,005,646	304,664	240,067	6,578,972	2,245,713
Total Net Assets	<u>\$ 95,212,812</u>	<u>\$ 87,689,623</u>	<u>\$ 2,280,422</u>	<u>\$ 2,346,617</u>	<u>\$ 97,493,234</u>	<u>\$ 90,036,240</u>

The \$6.3 million in unrestricted net assets of governmental activities represents the *accumulated* results of all past year's operations. Net assets increased \$7.5 million from the prior year. The changes in net assets are discussed later in this MD&A.

The Police Jury's *combined* net assets at year end total \$97.5 million. Approximately 55% (\$54.1 million) of the Police Jury's net assets as of December 31, 2004 reflects the Police Jury's investment in capital assets (land, buildings, infrastructure, machinery and equipment) less any related outstanding debt used to acquire those assets that is still outstanding. The Police Jury uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Another 37.8% of the Police Jury's net assets (\$36.8 million) are subject to external restrictions on how they may be used, such as property tax approved by the electorate for specific purposes. The remaining 6.7% (\$6.6 million) of net assets, referred to as unrestricted, may be used to meet the ongoing obligations of the Police Jury to citizens and creditors.

**Ouachita Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2004**

The results of this year's operations for the primary government as a whole are reported in the Statement of Activities. The following Table 2 provides a summary of the changes in net assets for the year ended December 31, 2004, with comparative figures from 2003:

**Table 2
OUACHITA PARISH POLICE JURY
Condensed Statement of Activities
For the years ended December 31, 2004 and 2003**

	Governmental Activities		Business-Type Activities		Total	
	2004	2003	2004	2003	2004	2003
Program revenues						
Charges for services	\$ 4,962,427	\$ 4,953,249	\$ 149,404	\$ 138,568	\$ 5,111,831	\$ 5,091,817
Operating grants and contributions	6,746,953	7,639,939	-	-	6,746,953	7,639,939
Capital grants and contributions	2,673,325	1,332,442	-	-	2,673,325	1,332,442
General Revenues						
Ad valorem taxes	23,460,782	22,346,638	-	-	23,460,782	22,346,638
Sales taxes	10,027,124	10,809,600	-	-	10,027,124	10,809,600
Other general revenues	13,761,307	10,966,752	3,990	3,177	13,765,297	10,969,929
Total revenues	61,631,918	58,048,620	153,394	141,745	61,785,312	58,190,365
Functions/Program Expenses:						
Current						
Legislative	191,248	218,106	-	-	191,248	218,106
Judicial	5,020,035	4,429,477	-	-	5,020,035	4,429,477
Elections	153,057	183,879	-	-	153,057	183,879
Finance and administrative	2,182,041	2,287,633	-	-	2,182,041	2,287,633
Other general government	1,065,875	1,004,327	-	-	1,065,875	1,004,327
Public safety	23,408,991	21,907,817	-	-	23,408,991	21,907,817
Public works	5,445,525	6,054,533	-	-	5,445,525	6,054,533
Health and welfare	5,369,163	6,492,742	-	-	5,369,163	6,492,742
Culture and recreation	5,166,007	5,087,048	-	-	5,166,007	5,087,048
Economic development and assistance	6,044,237	5,559,992	-	-	6,044,237	5,559,992
Sewer	-	-	219,590	149,400	219,590	149,400
Interest on long-term debt	62,549	132,194	-	-	62,549	132,194
Total function/program expenses	54,108,728	53,357,748	219,590	149,400	54,328,318	53,507,148
Increase (decrease) in net assets	\$ 7,523,190	\$ 4,690,872	\$ (66,196)	\$ (7,655)	\$ 7,456,994	\$ 4,683,217

Changes in Net Assets The Police Jury's total revenues were \$61.8 million and the total cost of all programs and services was \$54.3 million. Therefore, net assets increased \$7.5 million from operations during the year. Our analysis below separately describes the operations of governmental and business-type activities.

Ouachita Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2004

Governmental Activities net assets increased \$7.5 million in 2004. The cost of all of our *governmental* activities this year was \$54.1 million. As shown in the Statement of Activities in Exhibit B, the amount that our taxpayers ultimately financed for these activities was only \$39.8 million because some of the cost was paid by those who benefited from the programs (\$5.0 million) or by other governments and organizations that subsidized certain programs with grants and contributions (\$9.4 million).

In the table which follows, we have presented the cost of each of the Police Jury's seven largest functions -judicial, finance and administration, public safety, public works, health and welfare, culture and recreation, and economic and government assistance as well as each program's *net* cost (total cost less revenues generated by the activities). As discussed above, net cost shows the financial burden that was placed on the Police Jury's taxpayers by each of these functions. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by that function.

Table 3
OUACHITA PARISH POLICE JURY
Governmental Activities
Years Ended December 31, 2004 and 2003

	Total Cost of Services		Net Cost of Services	
	2004	2003	2004	2003
Judicial	\$ 5,020,035	\$ 4,429,477	\$ 3,873,886	\$ 3,274,072
Finance and Administration	2,182,041	2,287,633	717,123	839,188
Public Safety	23,408,991	21,907,817	20,879,269	19,436,376
Public Works	5,445,525	6,054,533	2,408,684	2,844,862
Health and Welfare	5,369,163	6,492,742	5,366,062	6,222,368
Culture and Recreation	5,166,007	5,087,048	5,038,192	4,921,759
Economic and Government Assistance	6,044,237	5,559,992	216,888	354,987
All Others	1,472,729	1,538,506	1,225,919	1,538,506
Totals	<u>\$ 54,108,728</u>	<u>\$ 53,357,748</u>	<u>\$ 39,726,023</u>	<u>\$ 39,432,118</u>

Governmental Activities net assets increased \$7.5 million. Some factors affecting the change in net assets for governmental activities were:

- (1) An increase in net capital assets of \$2.7 million capitalized during the year.
- (2) An increase in funds restricted for public safety of \$0.7 million and an increase in funds restricted for capital improvements of \$2.0 million.
- (3) An increase of \$1.1 million in property taxes due to economic growth.

Business-Type Activities net assets decreased by approximately \$66,000 in 2004. Charges for services make up 97% of the revenues in the business-type activities. The net asset decrease was in the Police Jury's Enterprise Funds, Sewerage Systems. The Sewerage Systems' operating revenues increased \$11,649 and expenses increased \$70,190.

**Ouachita Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2004**

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

THE POLICE JURY'S FUNDS As we noted earlier, the Police Jury uses funds to help it control and manage money for particular purposes. Looking at funds helps you consider whether the Police Jury is being accountable for the resources taxpayers and others provide to it but may also give you more insight into the Police Jury's overall financial health.

Governmental Funds The focus of the Police Jury's governmental funds is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the Police Jury's financing requirements. In particular, *unreserved fund* balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the fiscal year, the Police Jury's governmental funds reported combined ending fund balances of \$43.3 million, an increase of \$5.4 million in comparison with the prior year. Approximately 97% of this total amount (\$41.9 million) constitutes *unreserved fund balance*, which is available for spending at the Police Jury's discretion in accordance with the individual fund's restrictions. The remainder of fund balance is *reserved* to indicate that it is not available for new spending because it has already been committed to: payment of debt service (\$142 thousand) and capital improvements (\$1.2 million).

The General Fund is the chief operating fund of the Ouachita Parish Police Jury. At the end of the fiscal year, total fund balance of the General Fund was \$1.7 million which was unreserved. Compared with total fund balance of \$786 thousand at the end of 2003, fund balance increased approximately \$937 thousand during 2004. Key factors contributing to this change were as follows:

- (1) An increase in tax revenues of \$300,000.
- (2) An increase in state funds of approximately \$200,000.
- (3) Sale of assets of approximately \$500,000.

The Fire Department fund balance decreased by approximately \$1.0 million in 2004 and \$632,000 in 2003.

Proprietary Funds The Police Jury's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. As of the end of the current fiscal year, the primary government's proprietary funds reported ending net assets of \$2.3 million, a decrease of approximately \$66,000 in comparison with the prior year.

GENERAL FUND BUDGETARY HIGHLIGHTS

Budgetary Highlights Over the course of the year, the Police Jury revises its budget as it attempts to deal with unexpected changes in revenues and expenditures.

The total difference between the original General Fund budget and the final amended budget was an increase in appropriations of \$351,000. Most of this increase is attributable to judicial health and welfare and economic development expenditures. Revenues budgeted increased about \$1.1 million. This resulted in approximately a \$500,000 net increase in budgeted fund balance.

**Ouachita Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2004**

When actual results for 2004 are compared with the final budget, revenue collections exceeded budget by \$391,000. Expenditures and transfers were \$39,000 less than appropriated. This resulted in a positive variance of \$431,000 when compared to budget. There were no overruns on expenditures at the legal level of control.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets The Policy Jury's investment in capital assets for its governmental and business type activities as of December 31, 2004 amounts to \$54.7 million (net of accumulated depreciation). This investment in capital assets includes land, construction in progress buildings, equipment and furniture, and infrastructure assets such as roads, highways, and drainage and sewer systems. During fiscal year 2004, the Policy Jury recorded assets of approximately \$898,000 for governmental activities that were not previously recorded when GASB Statement No. 34 was first implemented. The net increase in the Police Jury's investment in capital assets for the current fiscal year was 5.4% for governmental activities.

**Table 4
OUACHITA PARISH POLICE JURY
Capital Assets (Net of Accumulated Depreciation)
December 31, 2004 and 2003**

	Governmental Activities		Business-Type Activities		Total	
	2004	2003	2004	2003	2004	2003
Land	\$ 9,043,300	\$ 9,331,710	\$ -	\$ -	\$ 9,043,300	\$ 9,331,710
Construction in progress	1,783,489	809,768	-	-	1,783,489	809,768
Buildings	41,354,715	42,194,536	-	-	41,354,715	42,194,536
Equipment and Furniture	20,984,192	20,271,941	4,040,842	4,020,820	25,025,034	24,292,761
Books	2,888,346	2,511,992	-	-	2,888,346	2,511,992
Infrastructure	4,210,614	1,031,826	-	-	4,210,614	1,031,826
Less: accumulated depreciation	(28,133,955)	(26,715,167)	(1,447,640)	(1,346,621)	(29,581,595)	(28,061,788)
Total Net Capital Assets	\$ 52,130,701	\$ 49,436,606	\$ 2,593,202	\$ 2,674,199	\$ 54,723,903	\$ 52,110,805

Major capital asset events during the current fiscal year included the following:

- Completion of several major drainage improvement projects
- Substantial completion and/or completion of several major road improvement and extensions
- Construction began on a new branch library

Additional information on the Police Jury's capital assets can be found in Note 8 of this report.

Long-Term Debt At the end of the current fiscal year, the Policy Jury had \$617,000 in revenue bonds outstanding. This debt represents bonds secured solely by specified revenue sources such as the Sewerage System revenues. There were no general obligation bonds outstanding for the Police Jury at the end of the fiscal year.

**Ouachita Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2004**

**Table 5
OUACHITA PARISH POLICE JURY
Summary of Outstanding Debt at Year End
December 31, 2004 and 2003**

	Governmental Activities		Business-Type Activities		Total	
	2004	2003	2004	2003	2004	2003
Claims Payable	\$ 2,510,885	\$ 2,341,348	\$ -	\$ -	\$ 2,510,885	\$ 2,341,348
Compensated absences	888,327	830,294	-	-	888,327	830,294
Capital leases	360,786	733,344	-	-	360,786	733,344
Utilities revenue bonds	-	-	617,444	567,649	617,444	567,649
Total	\$ 3,759,998	\$ 3,904,986	\$ 617,444	\$ 567,649	\$ 4,377,442	\$ 4,472,635

Other obligations include accrued vacation pay and capital leases. We present more detailed information about our long-term liabilities in Notes 9 and 10 of the Notes to the Financial Statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Our elected and appointed officials and citizens consider many factors when setting the Police Jury's 2005 year budget and tax rates. One of the most important factors affecting the budget is our ad valorem and sales tax collections. The economy does drive the sales taxes collected for the Fire Department and Public Works. The trend seems to point to a slight decrease as a whole. Therefore, the Police Jury did not increase the budget for sales tax revenues for 2005. Ad valorem taxes have not been affected by the economy and no decrease is expected or is reflected in the budget.

Many factors were considered when preparing the fiscal year 2005 budget. One of those factors is the economy. The 2004 assessed valuation for Ouachita Parish increased 6.1% compared to 2003.

Major revenue sources to the Police Jury General Fund include ad valorem taxes and licenses and permits which make up 68% of the Police Jury's General Fund budgeted revenues. These were \$3.1 million in 2004 and are projected at \$3.0 million for the 2005 budget.

Amounts available for appropriation in the General Fund budget are \$5.2 million, a decrease of 5.2% over the final 2004 budget of \$5.9 million. The decline in revenues is attributed to the lack of assets scheduled to be sold in 2005 and the loss of approximately \$50,000 in property taxes and insurance tax credits due to a major insurance company moving from the parish.

The 2005 budget estimates that the Police Jury's budgetary General Fund fund balance is expected to decrease by \$300,000 by the close of 2005. However, the projected fund balance at the close of 2005 would still represent 12% of General Fund revenues.

The 2% sales and use tax are major revenue sources to the Public Works Fund and the Fire Department, making up approximately 97% of revenues in the Public Works Fund and 47% in the Fire Department. Sales and use taxes decreased by 7.8% in 2004. The projected sales tax budgets for 2005 are the same as for 2004.

**Ouachita Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2004**

The Fire Department will experience negative cash flow during 2005. The fund balance anticipated for December 31, 2005 is \$2.3 million. However, the property tax millage is expiring in 2005 and a renewal will be needed as well as an increase in the millage and/or cost reduction measures.

A branch library is currently under construction in the Swartz community in the amount of \$1.6 million and a branch will be bid in the Town of Sterlington during 2005.

As for business-type activities, revenues and expenses are expected to remain fairly constant for 2005.

CONTACTING THE POLICE JURY'S FINANCIAL MANAGEMENT

Our financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the Police Jury's finances and to show the Police Jury's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Bradley N. Cammack, CPA, Treasurer at the Ouachita Parish Police Jury, 300 St. John Street, Monroe, Louisiana 71201, telephone number (318) 327-1340.

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS**

OUACHITA PARISH POLICE JURY
Monroe, Louisiana

Statement of Net Assets
Governmental Activities

December 31, 2004

	Governmental Activities	Business-type Activities	Total
Assets			
Cash	\$ 23,095,670	\$ 290,155	\$ 23,385,825
Investments, at market value	750,000	-	750,000
Receivables			
Ad valorem taxes	21,305,558	-	21,305,558
Special assessments	286,654	-	286,654
Other receivables	933,613	19,514	953,127
Due from other governmental units	2,829,456	-	2,829,456
Prepaid expenses	794,004	15,779	809,783
Inventories	394,984	-	394,984
Capital assets, net	52,130,701	2,593,202	54,723,903
Total Assets	<u>102,520,640</u>	<u>2,918,650</u>	<u>105,439,290</u>
Liabilities			
Accounts payable and accrued expenses	2,369,841	20,734	2,390,575
Due to other governmental units	1,796	-	1,796
Deferred revenues	1,038,853	-	1,038,853
Deposits held	137,340	50	137,390
Long-term liabilities:			
Due within one year	1,101,810	14,687	1,116,497
Due in more than one year	2,658,188	602,757	3,260,945
Total liabilities	<u>7,307,828</u>	<u>638,228</u>	<u>7,946,056</u>
Net Assets			
Invested in capital assets (net of related debt)	52,130,701	1,975,758	54,106,459
Restricted for:			
Public Works	1,575,735	-	1,575,735
Public Safety	20,822,971	-	20,822,971
Health and Welfare	1,203,266	-	1,203,266
Culture and Recreation	9,890,828	-	9,890,828
Debt Service	142,643	-	142,643
Capital Improvement	2,116,631	-	2,116,631
Insurance Claims	1,055,729	-	1,055,729
Unrestricted	6,274,308	304,664	6,578,972
Total net assets	<u>\$ 95,212,812</u>	<u>\$ 2,280,422</u>	<u>\$ 97,493,234</u>

The accompanying notes are an integral part of this statement.

OUACHITA PARISH POLICE JURY
Monroe, Louisiana

Statement of Activities
Governmental Activities

For the Year Ended December 31, 2004

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Primary Government Business-Type Activities	Total
Primary government:							
Governmental activities:							
General government							
Legislative	\$ 191,248	\$ -	\$ -	\$ -	(191,248)	\$ -	(191,248)
Judicial	5,020,035	186,791	959,358	-	(3,873,886)	-	(3,873,886)
Elections	153,057	-	-	-	(153,057)	-	(153,057)
Finance and administration	2,182,041	1,391,690	73,228	-	(717,123)	-	(717,123)
Other general government	1,065,875	-	246,810	-	(819,065)	-	(819,065)
Total general government	8,612,256	1,578,481	1,279,396	-	(5,754,379)	-	(5,754,379)
Public safety	23,408,991	2,231,956	106,212	191,554	(20,879,269)	-	(20,879,269)
Public works	5,445,525	206,347	510,641	2,319,853	(2,408,684)	-	(2,408,684)
Health and welfare	5,369,163	5	3,096	-	(5,366,062)	-	(5,366,062)
Culture and recreation	5,166,007	88,510	-	39,305	(5,038,192)	-	(5,038,192)
Economic and government assistance	6,044,237	857,128	4,847,608	122,613	(216,888)	-	(216,888)
Interest and fiscal charges on long-term debt	62,549	-	-	-	(62,549)	-	(62,549)
Total governmental activities	54,108,728	4,962,427	6,746,953	2,673,325	(39,726,023)	-	(39,726,023)
Business-type activities:							
Sewer	219,590	149,404	-	-	-	(70,186)	(70,186)
Total business-type activities	219,590	149,404	-	-	-	(70,186)	(70,186)
Total primary government	\$ 54,328,318	\$ 5,111,831	\$ 6,746,953	\$ 2,673,325	(39,726,023)	(70,186)	(39,796,209)
General revenues:							
Taxes:							
Ad valorem taxes levied for:							
General purposes					1,882,823	-	1,882,823
Special revenue purposes					18,780,083	-	18,780,083
Debt service purposes					2,797,876	-	2,797,876
Sales taxes levied for:							
Special revenue purposes					10,027,124	-	10,027,124
Other Taxes					2,535,963	-	2,535,963
Grants and contributions not restricted to specific programs					1,041,729	-	1,041,729
Licenses and permits					698,502	-	698,502
Fines and forfeitures					2,052,036	-	2,052,036
Insurance Premiums					4,401,605	-	4,401,605
Interest and investment earnings					563,720	3,990	567,710
Rents					384,135	-	384,135
Gain on disposals of assets (net)					300,842	-	300,842
Miscellaneous					1,782,775	-	1,782,775
Total general revenues					47,249,213	3,990	47,253,203
Change in net assets					7,523,190	(66,196)	7,456,994
Net assets at beginning of year as restated (Note 8)					87,689,622	2,346,618	90,036,240
NET ASSETS AT END OF YEAR					\$ 95,212,812	\$ 2,280,422	\$ 97,493,234

The accompanying notes are an integral part of this statement.

FUND FINANCIAL STATEMENTS

OUACHITA PARISH POLICE JURY

Monroe, Louisiana

Balance Sheet

Governmental Funds

December 31, 2004

	MAJOR FUNDS						AGGREGATE REMAINING FUNDS	
	GENERAL FUND	PUBLIC WORKS FUND	FIRE DEPARTMENT FUND	PUBLIC LIBRARY FUND	GREEN OAKS DETENTION CENTER FUND	CORRECTIONAL CENTER FUND		OTHER GOVERNMENTAL FUNDS
ASSETS								
Cash & cash equivalents	\$ 49,796	\$ 513,904	\$ 1,088,084	\$ 5,890,658	\$ 4,723,684	\$ 1,650,422	\$ 8,352,875	\$ 22,269,423
Receivables:								
Ad valorem taxes	1,711,207	-	4,499,294	4,520,269	1,782,692	5,043,085	3,749,011	21,305,558
Special assessments	-	1,817	-	-	-	-	284,837	286,654
Other receivables	103,715	66,647	6,078	1,772	9,593	15,625	291,677	495,107
Due from other governmental units	210,994	774,114	784,582	1	6,381	174,095	867,772	2,817,939
Due from other funds	254	-	-	-	-	2,333,538	-	2,333,792
Prepaid expenses & other assets	176	-	-	-	-	-	129,139	129,315
Inventories	6,671	244,273	-	-	14,354	89,879	39,807	394,984
TOTAL ASSETS	\$ 2,082,813	\$ 1,600,755	\$ 6,378,038	\$ 10,412,700	\$ 6,536,704	\$ 9,306,644	\$ 13,715,118	\$ 50,032,772
LIABILITIES AND FUND EQUITY								
Liabilities:								
Accounts payable and accrued expenses	\$ 274,363	\$ 178,727	\$ 445,479	\$ 389,058	\$ 89,206	\$ 314,336	\$ 558,850	\$ 2,250,019
Due to other funds	-	-	-	-	-	-	3,329,269	3,329,269
Due to other governmental units	1,796	-	-	-	-	-	-	1,796
Deferred revenues	74,426	-	344,411	132,814	55,513	147,246	284,443	1,038,853
Deposits held	9,150	120,418	-	-	-	2,222	5,550	137,340
Total liabilities	359,735	299,145	789,890	521,872	144,719	463,804	4,178,112	6,757,277
Fund equity:								
Fund balance:								
Reserved for capital improvement	-	-	-	-	-	-	1,198,185	1,198,185
Reserved for debt service	-	-	-	-	-	-	142,643	142,643
Unreserved/undesignated	1,723,078	1,301,610	5,588,148	9,890,828	6,391,985	8,842,840	8,196,178	41,934,667
Total fund balance	1,723,078	1,301,610	5,588,148	9,890,828	6,391,985	8,842,840	9,537,006	43,275,495
TOTAL LIABILITIES AND FUND EQUITY	\$ 2,082,813	\$ 1,600,755	\$ 6,378,038	\$ 10,412,700	\$ 6,536,704	\$ 9,306,644	\$ 13,715,118	\$ 50,032,772

The accompanying notes are an integral part of this statement.

OUACHITA PARISH POLICE JURY
Monroe, Louisiana

Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Assets

December 31, 2004

Total fund balances - governmental funds		\$	43,275,495
Capital assets used in governmental activities are not financial resources and, therefore are not reported in the governmental funds			
Governmental capital assets	\$	80,264,656	
Less accumulated depreciation		<u>(28,133,955)</u>	52,130,701
Long-term liabilities applicable to governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities - both current and long-term - are reported in the Statement of Net Assets. Balances at December 31, 2004 are:			
Compensated absences		(888,327)	
Leases payable		<u>(360,786)</u>	(1,249,113)
Elimination of interfund assets and liabilities			
Interfund assets		3,329,269	
Interfund liabilities		<u>(3,329,269)</u>	-
Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net assets			
			<u>1,055,729</u>
Net Assets		\$	<u><u>95,212,812</u></u>

OUACHITA PARISH POLICE JURY
Monroe, Louisiana
Statement of Revenues, Expenditures,
and Changes in Fund Balances
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2004

	MAJOR FUNDS							
	GENERAL FUND	PUBLIC WORKS FUND	FIRE DEPARTMENT FUND	PUBLIC LIBRARY FUND	GREEN OAKS DETENTION CENTER FUND	CORRECTIONAL CENTER FUND	OTHER GOVERNMENTAL FUNDS	TOTAL
Revenues:								
Taxes:								
Ad valorem	\$ 1,882,823	\$ -	\$ 5,001,933	\$ 4,955,616	\$ 1,965,296	\$ 5,527,900	\$ 4,127,214	\$ 21,460,782
Sales	-	5,013,569	5,013,555	-	-	-	-	10,027,124
Other	1,195,852	-	-	-	-	-	1,340,111	2,535,963
Licenses, permits, and assessments	508,587	8,392	-	-	-	-	181,523	698,502
Intergovernmental:								
Federal grants	-	9,471	84,414	-	2,938	-	6,771,707	6,868,530
State revenue sharing	158,023	-	208,175	347,358	121,091	17,858	67,734	920,239
Other state revenue	457,907	-	176,398	39,305	-	-	1,806,601	2,480,211
Local	180,292	-	12,172	-	-	-	-	192,464
Fees, charges, and commissions for services	33,419	117,405	8	57,454	113,282	2,118,668	2,522,191	4,962,427
Fines and forfeitures	2,306	-	-	89,538	-	-	1,960,192	2,052,036
Use of money and property	11,888	14,817	63,656	129,758	89,444	98,602	242,732	650,897
Other Revenues	619,448	13,430	39,315	44,246	4,897	116,913	1,182,856	2,021,105
Total Revenues	5,050,545	5,177,084	10,599,626	5,663,275	2,296,948	7,879,941	20,202,861	56,870,280
Expenditures:								
Current:								
General government:								
Legislative	191,041	-	-	-	-	-	-	191,041
Judicial	1,847,998	-	-	-	-	-	3,036,608	4,884,606
Elections	98,175	-	-	-	-	-	50,094	148,269
Finance and administration	426,583	-	-	-	-	-	1,305,919	1,732,502
Other	819,157	-	-	-	-	-	-	819,157
Public safety	105,499	-	11,203,848	-	2,074,479	7,807,438	1,071,287	22,262,551
Public works	173,063	4,274,872	-	-	-	-	453,554	4,901,489
Health and welfare	166,511	-	-	-	-	-	1,064,512	1,231,023
Culture and recreation	43,563	-	-	4,209,654	-	-	101,016	4,354,233
Economic development	300,288	-	-	-	-	-	5,668,946	5,969,234
Debt service	-	172,318	224,400	-	-	-	40,113	436,831
Capital Expenditures	18,071	524,528	187,843	1,497,854	8,900	36,449	3,217,026	5,490,671
Total Expenditures	4,189,949	4,971,718	11,616,091	5,707,308	2,083,379	7,843,887	16,009,075	52,421,607
Excess (Deficiency) of Revenues Over Expenditures	860,596	205,366	(1,016,465)	(44,233)	213,569	36,054	4,193,786	4,448,673
Other Financing Sources/(Uses)								
Sale of assets	472,361	152,846	-	-	-	20,205	272,500	917,912
Transfers In	-	104,302	-	-	-	-	3,832,060	3,936,362
Transfers Out	(395,599)	(481,000)	-	-	-	-	(3,059,763)	(3,936,362)
Total Other Financing Sources/(Uses)	76,762	(223,852)	-	-	-	20,205	1,044,797	917,912
Excess (Deficiency) of Revenues Over Expenditures and Other Uses	937,358	(18,486)	(1,016,465)	(44,233)	213,569	56,259	5,238,583	5,366,585
Fund Balances at Beginning of Year	785,720	1,320,096	6,604,613	9,935,061	6,178,416	8,786,581	4,298,423	37,908,910
FUND BALANCES AT END OF YEAR	\$ 1,723,078	\$ 1,301,610	\$ 5,588,148	\$ 9,890,828	\$ 6,391,985	\$ 8,842,840	\$ 9,537,006	\$ 43,275,495

The accompanying notes are an integral part of this statement.

OUACHITA PARISH POLICE JURY

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

For the Year Ended December 31, 2004

Total net change in fund balances-governmental funds **\$ 5,366,585**

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

Capital outlays are reported in Governmental Funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. Capital outlays exceeded depreciation expense for the year.

Capital outlays	\$ 5,490,671	
Depreciation	<u>(3,079,235)</u>	2,411,436

Capital assets nor depreciation are reported in the Governmental Funds. In the Statement of Net Assets, capital assets and accumulated depreciation are reported. When an asset is disposed, it results in a gain or loss on the disposal of the asset in the Statement of Activities. During the current year, the Police Jury sold assets with a carrying value of \$617,070 for \$917,912 that resulted in a net gain of \$300,842. (617,070)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities. 45,991

Repayment of certain debt is an expenditure in the governmental funds, but the repayment reduces the long-term liabilities in the statement of net assets.

Repayment of capital leases	374,281
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In the Statement of Activities, certain operating expenses - compensated absences - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts paid). This year, vacation and sick time earned exceeded the amounts used. (58,033)

Change in net assets of governmental activities **\$ 7,523,190**

OUACHITA PARISH POLICE JURY
Monroe, Louisiana

Statement of Net Assets
Proprietary Funds
December 31, 2004

	Business Type Activities			Governmental Activities Internal Service Funds
	Enterprise Funds			
	Major Fund			
	West Ouachita Sewerage District No 9	Other Enterprise Funds	Total Enterprise Funds	
ASSETS				
Cash	\$ 207,371	\$ 82,784	\$ 290,155	\$ 826,247
Investments	-	-	-	750,000
Receivables:				
Trade	10,379	9,135	19,514	-
Other	-	-	-	438,507
Due from other governmental units	-	-	-	11,516
Due from other funds	-	-	-	995,477
Prepaid expenses and other current assets	10,035	5,744	15,779	664,689
Property, Plant, and Equipment, net	1,080,102	1,513,100	2,593,202	-
TOTAL ASSETS	\$ 1,307,887	\$ 1,610,763	\$ 2,918,650	\$ 3,686,436
LIABILITIES AND NET ASSETS				
Liabilities:				
Current:				
Accounts payable and accrued expenses	\$ 3,858	\$ 16,876	\$ 20,734	\$ 119,822
Current liabilities payable from restricted assets:				
Customer deposits	-	50	50	-
Revenue bonds payable	14,687	-	14,687	-
Non-Current:				
Revenue bonds payable	602,757	-	602,757	-
Other noncurrent liabilities	-	-	-	2,510,885
Total Liabilities	621,302	16,926	638,228	2,630,707
Net Assets:				
Invested in capital assets - net of related debt	462,658	1,513,100	1,975,758	-
Restricted for insurance claims	-	-	-	1,055,729
Unrestricted	223,927	80,737	304,664	-
Total Net Assets	686,585	1,593,837	2,280,422	1,055,729
TOTAL LIABILITIES AND NET ASSETS	\$ 1,307,887	\$ 1,610,763	\$ 2,918,650	\$ 3,686,436

The accompanying notes are an integral part of this statement.

OUACHITA PARISH POLICE JURY
Monroe, Louisiana
Combining Statement of Revenues, Expenses,
and Changes in Net Assets
Proprietary Funds
For the Year Ended December 31, 2004

	Business Type Activities Enterprise Funds			Governmental Activities Internal Service Funds
	Major Fund			
	West Ouachita Sewerage District No 9	Other Enterprise Funds	Total Enterprise Funds	
Operating Revenues				
Sewer service charges	\$ 141,411	7,993	\$ 149,404	\$ -
Premiums	-	-	-	4,401,605
Total Operating Revenues	141,411	7,993	149,404	4,401,605
Operating Expenses				
Amortization	418	-	418	-
Billing cost	12,202	-	12,202	-
Board member compensation	1,350	-	1,350	-
Depreciation	34,006	67,013	101,019	-
Indirect cost allocation	1,818	898	2,716	-
Insurance	1,972	413	2,385	-
Interest Expense	28,513	-	28,513	-
Miscellaneous	782	31	813	-
Repairs and maintenance	38,119	-	38,119	-
Treatment fees	-	10,051	10,051	-
Utilities	21,885	119	22,004	-
Administrative expenses	-	-	-	409,381
Benefit payments & reinsurance	-	-	-	4,005,419
Total Operating Expenses	141,065	78,525	219,590	4,414,800
Operating Income (Loss)	346	(70,532)	(70,186)	(13,195)
Non-Operating Revenues				
Interest earned	2,783	1,207	3,990	49,010
Other income	-	-	-	10,176
Increase (Decrease) in Net Assets	3,129	(69,325)	(66,196)	45,991
Net Assets at Beginning of Year	683,456	1,663,162	2,346,618	1,009,738
NET ASSETS AT END OF YEAR	\$ 686,585	\$ 1,593,837	\$ 2,280,422	\$ 1,055,729

The accompanying notes are an integral part of this statement.

OUACHITA PARISH POLICE JURY
Monroe, Louisiana
Combining Statement of Cash Flows
PROPRIETARY FUNDS
For the Year Ended December 31, 2004

	Business Type Activities Enterprise Funds			Governmental Activities Internal Service Funds
	Major Fund West Ouachita Sewerage District No. 9	Other Enterprise Funds	Total	
Cash flows from operating activities:				
Receipts from customers	\$ 142,448	\$ 7,410	\$ 149,858	\$ -
Premiums received	-	-	-	4,314,517
Payments to suppliers for goods and services	(159,744)	(9,597)	(169,341)	(388,363)
Payments for claims	-	-	-	(3,835,882)
Net cash provided (used) by operating activities	(17,296)	(2,187)	(19,483)	90,272
Cash flows from capital and related financing activities:				
Proceeds from bond issuance	60,351	-	60,351	-
Payments on bonds	(10,556)	-	(10,556)	-
Due from other governmental units	-	-	-	(10,000)
Due from other funds	-	-	-	656,414
Prepaid expenses	-	-	-	(664,690)
Purchase and construction of property, plant and equipment	(20,022)	-	(20,022)	-
Net cash provided (used) by capital and related financing activities	29,773	-	29,773	(18,276)
Cash flows from investing activities:				
Interest earnings	2,783	1,207	3,990	49,010
Other cash receipts	-	-	-	10,176
Net cash provided (used) by investing activities	2,783	1,207	3,990	59,186
Net increase (decrease) in cash	15,260	(980)	14,280	131,182
Cash at beginning of year	192,111	83,764	275,875	695,065
Cash at end of year	<u>\$ 207,371</u>	<u>\$ 82,784</u>	<u>\$ 290,155</u>	<u>\$ 826,247</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities				
Operating income (loss)	\$ 346	\$ (70,532)	\$ (70,186)	\$ (13,195)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	34,006	67,013	101,019	-
Amortization of bond issuance cost	418	-	418	-
Change in assets and liabilities:				
Receivables	1,037	(583)	454	(87,089)
Accounts payable and accrued expenses	(53,103)	1,915	(51,188)	21,019
Other Noncurrent Liabilities	-	-	-	169,537
Net cash provided (used) by operating activities	<u>\$ (17,296)</u>	<u>\$ (2,187)</u>	<u>\$ (19,483)</u>	<u>\$ 90,272</u>
Cash shown on statement of net assets	<u>\$ 207,371</u>	<u>\$ 82,784</u>	<u>\$ 290,155</u>	<u>\$ 826,247</u>

The accompanying notes are an integral part of this statement.

OUACHITA PARISH POLICE JURY
Monroe, Louisiana
Statement of Net Assets
FIDUCIARY FUNDS
December 31, 2004

	<u>Firemen's Pension & Relief Fund</u>	<u>Renewal Inc. / Kellogg Grant Fund</u>	<u>Total</u>
ASSETS			
Cash	\$ -	\$ 52,664	\$ 52,664
Investments, at market value	<u>458,524</u>	<u>-</u>	<u>458,524</u>
TOTAL ASSETS	\$ <u>458,524</u>	\$ <u>52,664</u>	\$ <u>511,188</u>
LIABILITIES			
Accounts payable	\$ -	\$ 16,263	\$ 16,263
Accrued payroll & benefits	-	1,987	1,987
Assets held for others	-	34,414	34,414
Net assets available for benefits	<u>458,524</u>	<u>-</u>	<u>458,524</u>
TOTAL LIABILITIES	\$ <u>458,524</u>	\$ <u>52,664</u>	\$ <u>511,188</u>

The accompanying notes are an integral part of this statement.

**OUACHITA PARISH POLICE JURY
NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2004**

INTRODUCTION

The Ouachita Parish Police Jury (the Police Jury) is the governing authority for Ouachita Parish and is a political subdivision of the State of Louisiana. The Police Jury is governed by six (6) jurors representing the various districts within the parish. The jurors serve four-year terms that expire with the first scheduled meeting in January 2008.

Louisiana Revised Statute 33:1236 gives the Police Jury various powers to regulate and direct the affairs of the parish and its inhabitants. The more notable of those are the power to make regulations for its own government; to regulate the construction and maintenance of roads, bridges and drainage systems; to regulate the sale of alcoholic beverages; and to provide for the health and welfare of the poor, disadvantaged, and unemployed in the parish. Funding to accomplish these tasks is provided by ad valorem property taxes, sales and use taxes, beer and alcoholic beverage permits, occupational license, state revenue sharing, and various other state and Federal grants.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

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

GASB Statement No. 14 established criteria for determining which component units should be considered part of the Ouachita Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

**OUACHITA PARISH POLICE JURY
NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2004**

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the Police Jury to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Ouachita Parish Police Jury.
2. Organizations for which the Police Jury does not appoint a voting majority but are fiscally dependent on the Police Jury.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the previous criteria, the Police Jury has determined that the following component units are part of the reporting entity:

<u>Component Unit</u>	<u>Fiscal Year End</u>	<u>Criteria Used</u>
Fourth Judicial District Criminal Court Fund	December 31	1a
Hospital Service District No. 1	December 31	1a
G.B. Cooley Hospital for Retarded Citizens	June 30	1a
Ouachita Parish Firemen's Pension and Relief Fund	December 31	1a
Ouachita Parish Public Library	December 31	1a
East Town and Country Drainage District	December 31	1a
Lake Park Drainage District	December 31	1a
Green Acres Sewerage District No. 13	December 31	1a
Town and Country Drainage District No. 1	December 31	1a
East Ouachita Recreation District No. 1	December 31	1a
Eastern Forest Subdivision Sewerage District No. 14	December 31	1a
Hideaway Road Sewerage District No. 11	December 31	1a
Lakeshore Subdivision Sewerage District No. 1	December 31	1a
North Monroe Subdivision Sewerage District No. 1	December 31	1a
Ouachita Sewerage District No. 10	December 31	1a
Southeast Sewerage District No. 3	December 31	1a
Sterlington Sewerage District No. 1	December 31	1a
West Ouachita Sewerage District No. 5	August 31	1a
West Ouachita Sewerage District No. 9	December 31	1a
Cadeville Water District	December 31	1a
Prairie Road Water District	December 31	1a
Ouachita Community Enhancement Zone, Inc.	December 31	2

The primary government (Ouachita Parish Police Jury) financial statements include all funds and account groups under the Police Jury's control, and certain organizations for which the Police Jury maintains the accounting records. The

**OUACHITA PARISH POLICE JURY
NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2004**

organizations for which the Police Jury maintains the accounting records are considered part of the Ouachita Parish Police Jury and include the Fourth Judicial District Criminal Court Fund and the Ouachita Parish Public Library Special Revenue Funds. Also included are West Ouachita Sewerage District No. 9 and Green Acres Sewerage District No. 13, Southeast Sewerage District No. 3 and Eastern Forest Sewerage District No. 14, Proprietary - Enterprise Funds and the Firemen's Pension and Relief Fund - a Fiduciary-Trust Fund. These funds are included in the primary government financial statements because they are no longer considered to be separate reporting entities.

GASB Statement 14 provides for the issuance of primary government financial statements that are separate from those of the reporting entity. Therefore, the Ouachita Parish Police Jury financial statements are not a substitute for the reporting entity's financial statements. The accompanying financial statements have been prepared in conformity with generally accepted accounting principles as applied to governmental units. These financial statements are not intended to and do not report on the reporting entity but rather are intended to reflect only the financial statements of the Ouachita Parish Police Jury.

Also considered in the determination of component units of the reporting entity were the Ouachita Parish Sheriff, Clerk of Court, Tax Assessor, School Board, the District Attorney for the Fourth Judicial District, and the various municipalities in the parish. It was determined that these governmental entities are not component units of the Ouachita Parish Police Jury reporting entity because they have separately elected governing bodies, are legally separate, and are fiscally independent of the Ouachita Parish Police Jury. The Ouachita Parish Police Jury neither appoints governing boards nor designates management. Furthermore, the Police Jury has no ability to significantly influence operations, nor does it have any accountability for fiscal matters of the entities. They are considered by the Ouachita Parish Police Jury and Louisiana Revised Statutes to be separate autonomous governments. Additionally, each of those entities issue financial statements separate from those of the Ouachita Parish Police Jury reporting entity.

C. FUND ACCOUNTING

The financial transactions of the Police Jury are recorded in individual funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a set of self-balancing accounts that includes its assets, liabilities, fund equity, revenues and expenditures/expenses. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

**OUACHITA PARISH POLICE JURY
NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2004**

Funds are classified into one of three categories; governmental, proprietary or fiduciary. These categories are divided into separate "fund types." A description of the fund classifications and fund types are as follows:

Governmental Funds:

Governmental funds account for the Police Jury's general governmental activities including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of capital assets, and the servicing of general long-term debt. Governmental funds are divided into major and nonmajor funds. Major funds are funds that meet certain dollar tests of their assets, liabilities, revenues, and expenditures/expenses. Major funds are larger, more significant funds. Nonmajor funds are the Governmental Funds that do not meet the dollar tests for major funds. Governmental funds include:

General Fund – The General Fund is the general operating fund of the Police Jury. It accounts for all of financial resources except those required to be accounted for in another fund and is always a major fund.

Special Revenue Funds – Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The following Special Revenue Funds are major funds: the Public Works Fund, the Fire Protection District No 1 Fund, the Public Library Fund, the Green Oaks Detention Center Fund and the Correctional Facilities Fund. For a more detailed description of the Special Revenue Funds, see the Required Supplemental Information – Part B, Special Revenue Funds. There are 39 nonmajor special revenue funds.

Debt Service Funds – Debt Services Funds account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs. Principal and interest are payable primarily from ad valorem taxes levied on all taxable property and improvements within the parish. There are 2 nonmajor debt service funds.

Capital Projects Funds – Capital Projects Funds account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds. There are 3 nonmajor debt service 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

**OUACHITA PARISH POLICE JURY
NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2004**

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:

Enterprise Fund – The Enterprise Fund accounts for operations (a) that are financed and operated similarly to private business enterprises, 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 (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. Enterprise funds are presented in the business-type activities column in government-wide financial statements and the major funds section of the fund financial statements. The West Ouachita Sewerage District No 9 Enterprise Fund is a major fund. There are 3 nonmajor enterprise funds.

Internal Service Funds – The Internal Service Funds account for the financing of goods or services provided by one department or agency to other departments or agencies of the government on a cost reimbursement basis. There are 3 nonmajor internal service funds.

Fiduciary Funds:

Fiduciary funds are used to account for assets held by the Police Jury in a trustee capacity or as agent for individuals, private organizations, other governmental units, or other funds.

Agency Funds – Agency Funds account for assets that the Police Jury 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. There are 2 nonmajor Agency Funds.

D. BASIS OF ACCOUNTING / MEASUREMENT FOCUS

Government-Wide Financial Statements (GWFS)

The Statement of Net Assets and the Statement of Activities displays information about the reporting government as a whole. Fiduciary funds are not included in the GWFS. Fiduciary funds are reported only in the Statement of Fiduciary Net Assets at the fund financial statement level.

OUACHITA PARISH POLICE JURY
NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2004

The Statement of Net Assets and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Non-exchange transactions are recognized when the Agency has an enforceable legal claim to the revenues, expenses, gains, losses, assets and liabilities.

Program Revenues

Program revenues included in the Statement of Activities derive directly from the program itself or from parties outside the Police Jury's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the Police Jury's general revenues.

General Revenues

General revenues included in the Statement of Activities are derived from local property and sales taxes, from unrestricted state and local grants and from other sources not considered program revenues. General revenues finance the remaining balance of functions not covered by program revenues.

Fund Financial Statements (FFS)

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transactions can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Police Jury considers all revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured principal and interest on general long-term debt which is recognized when due, and certain compensated absences when are recognized when the obligations are expected to liquidated with expendable available financial resources.

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 governmental funds use the following practices in recording revenues and expenditures:

**OUACHITA PARISH POLICE JURY
NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2004**

Revenues

Ad valorem taxes and the related state revenue sharing, based on homesteads in the parish, are recorded in the year the taxes are assessed by the parish Tax Assessor; however, the amount recorded is limited to collections anticipated to be realized within 60 days of the end of the fiscal year. Ad valorem taxes are assessed and become due on November 15 each year and become delinquent if not paid by 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 and other allotments are recorded when the Police Jury is entitled to the funds.

Sales taxes are considered susceptible to accrual and are recognized when collected by the vendors.

Fines, forfeitures, and court costs are recognized in the period collected by the Ouachita Parish Tax Collector.

Interest income on time deposits is recorded when the time deposits have matured and the interest is available. Interest income on interest bearing demand deposits is recorded at the end of each month when credited by the bank. Interest income on investments is recorded periodically as the instruments mature.

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

Based on the foregoing, ad valorem taxes, sales & use taxes, federal and state grants and fines, forfeitures and court costs are considered to be susceptible to accrual.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for compensated absences, which are recognized during the year when leave is actually taken and principal and interest payments on long-term obligations, which are recognized when due.

Other Financing Sources (Uses)

Transfers between funds not expected to be repaid, sale of assets and proceeds from the issuance of long-term obligations are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the

OUACHITA PARISH POLICE JURY
NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2004

underlying event occurs.

Proprietary Funds

The 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.

E. BUDGETS

Preliminary budgets for the ensuing year, prepared on the modified accrual basis of accounting, are prepared annually by the Treasurer. During the months of September through November, the budget committee reviews the proposed budgets with the department heads and makes changes as it deems appropriate. Notice of the location and availability of the proposed budgets for public inspection and the date of the public hearings to be conducted on the budgets are then advertised in the official journal of the Police Jury. Prior to the selected December meeting, the Police Jury conducts a public hearing on the proposed budget(s) in order to receive comments from residents. Changes are made to the proposed budgets based on the public hearing and the desires of the Police Jury as a whole. The budgets are then adopted during the Police Jury's selected December meeting, and a notice of adoption which includes a summary of the budget is published in the official journal of the parish. During the year, the Police Jury receives monthly budget comparison statements that are used as a tool to control parish operations. The Police Jury exercises budgetary control at the fund level. Within departments, the treasurer has the authority to make adjustments as necessary. However, the treasurer does not have the authority to increase or decrease overall revenue and/or expenditure amounts.

Budget comparison statements included in the accompanying financial statements include the original adopted budgets and any subsequently adopted amendment.

F. ENCUMBRANCES

Encumbrance accounting, under which purchase orders are recorded to reserve that portion of the applicable appropriation, is employed. Outstanding purchase orders are taken into consideration before expenditures are incurred to assure that applicable appropriations are not exceeded.

OUACHITA PARISH POLICE JURY
NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2004

G. CASH

Cash includes amounts in demand deposits, interest-bearing demand deposits, and certificates of deposits. Under state law, the Police Jury may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. For purposes of the Statement of Cash Flows, cash equivalents include all highly liquid investments with a maturity date of three months or less when purchased.

H. INVESTMENTS

Under state law, the Police Jury may invest in United States treasury notes or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. In accordance with the provisions of GASB Statement 31, investments are carried at fair market value or amortized cost, as further discussed in Note 4.

I. CAPITAL ASSETS

Capital Assets, which include land, buildings, furniture, fixtures and equipment, and books, are reported in the applicable governmental or business-type activities columns in the governmental-wide financial statements. The Police Jury considers assets with an initial individual cost of \$500 or more and an estimated life of 1 year or more as a capital asset. Capital assets are recorded at historical cost and depreciated over their estimated useful lives. Donated capital assets are recorded at their estimated fair value at the date of donation.

Prior to January 1, 2003, governmental funds infrastructure assets were not capitalized. The Police Jury has elected to delay the retroactive recognition of these costs until a later date because of the complexity of estimating historical costs. Since this date, these assets have been capitalized and depreciated as required by GASB Statement 34.

Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Capital assets have not been assigned a salvage value because management feels that the salvage value is immaterial. Straight-line depreciation is used based on the following useful lives:

**OUACHITA PARISH POLICE JURY
NOTES TO THE FINANCIAL STATEMENTS
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Three Years	Computer equipment
Five Years	Furniture and fixtures
	Library books
	Motorized vehicles, excluding fire trucks
	Office equipment
	Plant Equipment
Ten Years	Audio visual equipment
	Phone systems
	Radio towers
	Safety Equipment, including fire fighting equipment
Fifteen Years	Fire trucks
Twenty Years	Playground equipment
Twenty-Five Years	Infrastructure
Forty Years	Buildings

J. LONG-TERM OBLIGATIONS

Costs associated with the issuance of bonds reported in the government-wide financial statements are recognized over the life of the bonds. The only outstanding bonded debt at December 31, 2004 is reported in the business-type activities and issuance costs associated with these bonds will be amortized over the life of the bonds prospectively from the date of adoption of GASB Statement 34.

K. COMPENSATED ABSENCES

Firemen of Fire Protection District No. 1 of Ouachita Parish are entitled to full pay during sickness for a period not to exceed 52 weeks. In addition, firemen are entitled to annual vacation from 15 to 30 days depending upon the length of service with the Police Jury.

All other full-time employees earn vacation at varying rates from 5 to 20 days each year depending upon length of service with the Police Jury. Employees may carry forward accrued annual leave from year to year. Employees who terminate shall be paid for any annual leave to their credit at the employee's current rate of pay at the time of separation, subject to a maximum of 320 hours. Any accumulated unused and unpaid annual leave may be converted to additional retirement benefit credit upon application for normal retirement and as verified by the employer. The applicant must already be eligible for retirement before the additional time for unused and unpaid leave time is added. Conversion is based on the actual number of days divided by a 260 working day year. In addition, all full-time employees earn from 4 to 12 days of sick leave each year depending upon length of employment. Sick leave may be accumulated without limitation. Upon retirement, a maximum of 60 days may be approved and paid at the employee's average wage rate for the last 5

**OUACHITA PARISH POLICE JURY
NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2004**

years of employment. Accumulated sick leave in excess of 60 days is used in the employee's retirement computation as earned service.

L. INTERFUND TRANSACTIONS

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

M. SALES AND USE TAXES

On October 15, 1977, voters of the parish approved a one percent sales and use tax dedicated to improving, resurfacing, renovating, operating and maintaining public roads and bridges (including necessary drainage thereof and purchasing the necessary equipment to carry out such purposes) within said parish and outside the corporate limits of Monroe and West Monroe. The tax is for an indefinite period of time. The Police Jury entered into an intergovernmental agreement with the City of Monroe whereby the Monroe City Sales and Use Tax Collection Department will provide collection services for a fee of \$2,100 each month.

On January 17, 1987 and October 21, 1995, voters of the parish approved a one-half of one percent sales and use tax at each date dedicated to operating expenses and capital outlay for fire protection in said district. The total tax of one percent is for an indefinite period of time. The Police Jury entered into an intergovernmental agreement with the City of Monroe whereby the Monroe City Sales and Use Tax Collection Department will provide collection services for a fee of \$1,050 each month.

N. RESTRICTED NET ASSETS

In the government-wide Statement of Net Assets, net assets are reported as restricted when constraints placed on net assets used are either:

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments;

Imposed by law through constitutional provisions or enabling legislation.

**OUACHITA PARISH POLICE JURY
NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2004**

O. RESERVES AND DESIGNATIONS OF FUND FINANCIAL STATEMENTS

Use of the term "reserve" in describing governmental funds Fund Balance or Retained Earnings of proprietary funds indicates that a portion of the fund balance is not appropriable for expenditure or is legally segregated for a specific future use. The nature and purpose of those reserves are:

Reserved for Prepaids/Other Assets/Inventory

This amount represents a portion of fund balance that is not an available, expendable resource even though it is a component of assets.

Reserved for Debt Service

This amount represents a portion of fund balance that is required to retire future long-term indebtedness.

Reserved for Insurance Claims

Certain assets have been reserved in the Insurance Reserve Loss Fund to provide payments for the deductible amount on insurance claims.

Use of the term "designated" in describing governmental funds "Fund Balance" indicates that a portion of the fund balance has been tentatively set aside for utilization in a future period. Such designations represent tentative managerial intent and may not result in an actual expenditure.

P. INVENTORIES

Inventories are valued at the lower of cost or market, primarily using average cost. Inventories in the governmental funds consist of expendable supplies held for consumption. The expenditures are recognized when the items are purchased. Inventories at year end are equally offset by fund balance reserves.

Q. USE OF ESTIMATES

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenditures or expenses during the reporting period. Actual results could differ from those estimates.

OUACHITA PARISH POLICE JURY
NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2004

Note 2 PROPERTY TAXES

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

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
General Fund:			
Inside municipalities	2.09	2.03	Statutory
Outside municipalities	4.19	4.06	Statutory
Special Revenue Funds:			
Green Oaks Detention Home	3.75	2.91	12/31/05
Health Unit	1.35	0.75	12/31/13
Library Maintenance & Operations	7.75	7.38	12/31/15
Road Lighting District No. 1	5.00	4.81	12/31/10
Fire Protection District No. 1	20.10	19.24	12/31/05
Mosquito Abatement District No. 1	1.19	1.17	12/31/08
Correctional Facilities	8.60	8.19	12/31/06
Debt Service Funds:			
Detention Home Debt Service	1.45	-	12/31/05
Correctional Facilities Debt Service	4.35	4.21	12/31/05

Differences between authorized and levied millage are the result of taxable property reassessments as required by Article 7, Section 23 of the Louisiana Constitution of 1974. A revaluation of all property is required to be completed by the parish assessor no less than every four years. Total assessed value for 2004 is equal to \$860,893,056. Under Louisiana law the parish assessor exempts the first \$7,500 of assessed value (10% of \$75,000 homestead exemption) of a taxpayer's primary residence from parish property taxes. This homestead exemption is equal to \$182,622,762 of the assessed value in 2004.

The following is a schedule of the property tax calendar year:

Assessment date	January 1, 2004
Official levy date	November 15, 2004
Date taxes become due	December 31, 2004
Lien date	January 1, 2005

Taxes paid in protest in the amount of \$883,289 are included in Deferred Revenue on the Statement of Net Assets.

OUACHITA PARISH POLICE JURY
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Note 3 CASH AND CASH EQUIVALENTS

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

Demand deposits	\$ 23,384,266
Petty Cash	<u>1,559</u>
Total	<u><u>\$ 23,385,825</u></u>

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

At December 31, 2004, the Police Jury has \$24,710,544 in deposits (collected bank balances). These deposits are secured from risk by \$250,888 of federal deposit insurance and \$34,016,615 of pledged securities held by the custodial bank in the name of the Police Jury (GASB Category 2). Even though the pledged securities are considered uncollateralized (Category 2) 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 Police Jury that the fiscal agent has failed to pay deposited funds upon demand.

Note 4 INVESTMENTS

Under the provisions of GASB Statement 3, investments are categorized into three risk categories, as follows:

1. Insured or registered, or securities held by the Police Jury or its agent in the Police Jury's name;
2. Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the Police Jury's name; and
3. Uninsured and unregistered, with securities held by the counterparty or its trust department or agent but not in the Police Jury's name.

At December 31, 2004 the investments of the Police Jury consisted of a certificate of deposit in the amount of \$750,000, which approximated its fair value, in risk category 2.

OUACHITA PARISH POLICE JURY
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Note 5 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Deficit Fund Balance and Unrestricted Net Assets of Individual Funds

The Health Unit Special Revenue Fund has a deficit \$430,401. Proceeds from the 2005 sale of the old Health Unit building cleared the deficit in the Health Unit Fund. (See Note 17)

The Health and Dental Insurance Internal Service Fund has a deficit of \$418,581. This deficit will be cleared by future premium payments.

Note 6 INTERFUND RECEIVABLES AND PAYABLES (FFS level only)

Individual balances due to/from other funds at June 30, 2004, are as follows:

		<u>Due From Other Funds</u>
Major Fund:		
Unreimbursed expenses:		
General Fund:		
Section 8 Housing Choice	\$ 254	254
Nonmajor Funds:		
Deficit cash balances:		
Insurance/General Liability:		
Criminal Court	<u>59,758</u>	59,758
Workers' Compensation Reserve Fund:		
Criminal Court	73,085	
Health Unit	709,277	
Road Lighting Districts	37,540	
Business Development	942	
Cap. Outlay - Council on Aging	41,813	
W.I.A. - Adult Program	55,190	
STEP Program	2,303	
Little Theater of Monroe	2,245	
Family Justice Center	<u>13,324</u>	935,719
Correctional Facilities - Special Revenue Fund:		
Correctional Center - Debt Service Fund	<u>2,333,538</u>	<u>2,333,538</u>
Total		<u>\$ 3,329,269</u>

Interfund receivables/payables are due primarily to cash overdrafts in individual funds.

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Note 7 INTERFUND TRANSFERS

Transfers to/from other funds for the year ended December 31, 2004 were as follows:

	Transfers <u>In</u>	Transfers <u>Out</u>
Major Funds:		
General Fund	\$ -	\$ 395,599
Special Revenue Funds:		
Public Works	104,302	481,000
Public Library	-	-
Nonmajor Funds:		
Special Revenue Funds:		
Road Program	75,000	286,060
Chenier Lake Park	100,000	-
Cap. Outlay - Drainage	230,000	-
Cap. Outlay - Urban Systems	606,000	-
LCDBG - Sewer Improvement	31,625	-
LLEBD - Code Enforcement	15,000	-
Lake Park Drainage	732	-
Debt Service Funds:		
Correctional Center	-	2,766,517
Detention Home	-	7,186
Capital Projects Funds:		
Jail Capital Projects	2,766,517	-
Detention Home Cap. Project	<u>7,186</u>	<u>-</u>
Total	<u>\$ 3,936,362</u>	<u>\$ 3,936,362</u>

General fund transfers are used to supplant the operations of various funds. Public Works and the Road Program transfers are used to provide funding of specific Public Works projects approved by the parish engineer. The Debt Service-Correction Center transfer occurs since the debt service is fully amortized and the remainder of the tax proceeds can be used for future construction or renovations.

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Note 8 CAPITAL ASSETS

A summary of changes in capital assets for the year ended December 31, 2004 were as follows:

	Balance 1/1/2004	Additions	Deletions	Balance 12/31/2004
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 9,331,710	\$ -	\$ 288,410	\$ 9,043,300
Construction in progress	1,290,794	3,666,402	3,173,705	1,783,491
Total capital assets, not being depreciated	<u>10,622,504</u>	<u>3,666,402</u>	<u>3,462,115</u>	<u>10,826,791</u>
Capital assets being depreciated:				
Buildings	42,194,536	74,460	914,281	41,354,715
Furniture, fixture and equipment	20,721,941	1,264,401	1,002,150	20,984,192
Books	2,511,992	472,766	96,412	2,888,346
Infrastructure:				
Drainage	158,076	328,350	-	486,426
Roads	873,750	2,850,438	-	3,724,188
Total capital assets, being depreciated	<u>66,460,295</u>	<u>4,990,415</u>	<u>2,012,843</u>	<u>69,437,867</u>
Total capital assets before accumulated depreciation	77,082,799	8,656,817	5,474,958	80,264,658
Less accumulated depreciation:				
Building	10,900,293	786,621	665,463	11,021,451
Furniture, fixture and equipment	14,768,327	1,759,233	952,691	15,574,869
Books	1,059,022	490,482	75,402	1,474,102
Infrastructure:				
Drainage	3,162	21,056	-	24,218
Roads	17,473	21,844	-	39,317
Total accumulated depreciation	<u>26,748,277</u>	<u>3,079,236</u>	<u>1,693,556</u>	<u>28,133,957</u>
Total capital assets, being depreciated, net	<u>39,712,018</u>	<u>1,911,179</u>	<u>319,287</u>	<u>41,303,910</u>
Governmental activities:				
Capital assets, net	<u>\$ 50,334,522</u>	<u>\$ 5,577,581</u>	<u>\$ 3,781,402</u>	<u>\$ 52,130,701</u>

The Police Jury revised its beginning balance of capital assets before depreciation by \$931,026 from \$76,151,773 to \$77,082,799 to increase construction in progress by \$481,026 to include additional incomplete construction projects and to increase furniture, fixtures and equipment by \$450,000 for a water tower neither of which had not been included in the 2003 financial statements. Accumulated depreciation was also adjusted by \$450,000 since the water tower was already fully depreciated. In a separate matter, an error in accumulated depreciation resulted in a reduction of accumulated depreciation by \$416,890. Therefore, accumulated depreciation increased by \$33,110 from \$26,715,167 to \$26,748,277. As a result of these issues, net capital assets increased by \$897,916

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which is being shown as an adjustment to net assets at beginning of year on the Statement of Activities.

Depreciation expense was charged to governmental activities as follows:

Judicial	\$ 129,861
Elections	4,619
Finance and Administration	37,707
Other General Government	245,784
Public Safety	1,121,078
Public Works	538,464
Health and Welfare	126,754
Culture and Recreation	806,774
Economic Development	68,195
Total	<u>\$ 3,079,236</u>

The Proprietary Funds, West Ouachita Sewer District No. 9; Green Acres Sewerage District No. 13; Southeast Sewer District No. 3; and Eastern Forest Sewer District No. 14 have fixed assets of \$1,375,108; \$139,420; \$2,287,537 and \$238,778 respectively. Accumulated depreciation is \$295,006; \$54,898; \$1,011,648 and \$86,089, respectively, at December 31, 2004. The assets are being depreciated over 40-50 years by the straight-line method. Depreciation expense for the current year is equal to \$34,006; \$3,486; \$56,483 and \$7,044 respectively.

Note 9 LONG TERM OBLIGATIONS

At December 31, 2004, employees of the Ouachita Parish Police Jury have accumulated and vested \$888,327 of employee leave benefits, which have been computed in accordance with GASB Codification Section C60.

Sewer Revenue Bond, Series 2002 totaling \$628,000 was issued to cover the cost of construction, acquisition and improvements to the sewerage system of the West Ouachita Sewerage District No 9. This bond series is payable in monthly installments of \$3,705 from April 13, 2004 to March 13, 2028. The interest rate is 4.875%. The bond resolution requires a "Reserve Fund" be established with at least 5% of the monthly debt requirement being deposited until there has been accumulated an amount equal to the highest combined principal and interest requirement for any succeeding 12 month period. The bond resolution also requires a "Depreciation and Contingencies Fund" be established with at least 5% of the monthly debt requirement being deposited over the life of the bonds. This fund is to care for necessary improvements and replacements in order to keep the system operational.

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The following is a summary of changes in general long-term obligations:

	Compensated Absences	Revenue Bond	Total
Balance due at January 1, 2004	\$ 830,294	\$ 567,649	\$ 1,397,943
Additions during 2004	1,155,139	60,351	1,215,490
Retirements during 2004	(1,097,106)	(10,556)	(1,107,662)
Balance due at December 31, 2004	<u>\$ 888,327</u>	<u>\$ 617,444</u>	<u>\$ 1,505,771</u>
Amounts due within one year	<u>\$ 888,327</u>	<u>\$ 14,687</u>	<u>\$ 903,014</u>

Principal and interest are due as follows:

Year	Principal	Interest	Total
2005	\$ 14,687	\$ 29,775	\$ 44,462
2006	15,420	29,042	44,462
2007	16,188	28,274	44,462
2008	16,995	27,467	44,462
2009	17,843	26,619	44,462
2010-2014	103,477	118,835	222,312
2015-2019	131,973	90,339	222,312
2020-2024	168,318	53,994	222,312
2025-2028	132,543	10,973	143,516
Total	<u>\$ 617,444</u>	<u>\$ 415,318</u>	<u>\$ 1,032,762</u>

Note 10 CAPITAL LEASE OBLIGATIONS

The Police Jury is obligated under certain leases accounted for as operating leases. Operating leases do not give rise to property rights or lease obligations. Therefore the results of operating lease agreements are not reflected in the Police Jury's account groups. Capital leases, however, do give rise to both property rights and long-term lease obligations. At December 31, 2004 future minimum lease payments under capital lease obligations are as follows:

Year	Amount
2005	\$ 224,399
2006	149,599
	<u>373,998</u>
Less: Amounts Representing Interest	<u>(13,212)</u>
Net Present Value of Future Minimum Lease Payments	<u>\$ 360,786</u>

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Note 11 SELF-INSURANCE PROGRAMS

The health and dental insurance fund was established by the police jury to provide employees with affordable insurance. The self insurance plan is a medical insurance benefit plan with reinsurance managed by a third party. The aggregate premium for January 1, through December 31, 2004 was \$2,247,905. Contribution rates for group insurance are equal to 79% employer and 21% employees, respectively.

The Insurance Loss Reserve, Reserve Workers' Compensation Funds, were established by the Ouachita Parish Police Jury to provide a means of self-funding potential insurance losses, resulting from increased policy deductible amounts for property and fleet vehicle insurance, self funding of workers' compensation and the absence of comprehensive liability coverage. The self-insured plan is administered by a third party, with claims under the self-insured amount of \$100,000 paid by the Internal Service Funds. Consistent with the provisions of GASB Statement No. 10, *"Accounting and Financial Reporting for Risk Financing and Related Insurance Issues"*, the Police Jury uses the funds mentioned above to account for its risk financing activities. At December 31, 2004, the balance available to pay such liabilities if and when they arise is \$1,055,729. An analysis of the changes in the claims liability for the year ended December 31, 2004 is as follows:

	Balance, 12/31/2003	Changes in Estimates	Benefits & Claims	Balance, 12/31/2004
Health and Dental	\$ 637,195	\$ 2,106,117	\$ (1,980,550)	\$ 762,762
Insurance Loss Reserve	\$ 1,151,793	\$ 719,956	\$ (953,941)	\$ 917,808
Workers' Compensation	\$ 552,360	\$ 1,348,883	\$ (1,070,928)	\$ 830,315

Note 12 DEFINED BENEFIT PENSION PLANS

The Police Jury provides retirement, death and disability benefits to the majority of its employees through four cost-sharing multiple-employer public employee retirement system pension plans administered by other governmental entities. As discussed below, state statutes provide that a percentage of property taxes collected in Ouachita Parish be remitted to the Parochial Employees Retirement System, the District Attorney's Retirement System and the Registrar of Voter's Retirement System as part of the funding for pension benefits under those retirement systems. On-behalf payments recorded as revenues and expenditures in the 2004 financial statements of the Police Jury pertaining to those plans are \$720,252. The retirement plans are:

A. PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA

Substantially all employees of the Ouachita Parish Police Jury except fire department personnel and the District Attorney and his assistants are members of the Parochial Employees Retirement System of Louisiana (System), a cost-sharing, multiple-

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employer, defined benefit 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 Police Jury are members of Plan A. All permanent employees working at least 28 hours per week 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 3 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 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.

Funding Policy. State statute requires employees covered by Plan A to contribute 9.50% of their annual covered salary and the Ouachita Parish Police Jury is required to contribute at an actuarially determined rate. The current actuarially determined rate is 11.75% of annual covered payroll. Contributions to the System include one-fourth of one per cent of the taxes shown to be collectible by the tax rolls of each parish, except Orleans and East Baton Rouge Parishes. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the Ouachita Parish Police Jury are established 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 Ouachita Parish Police Jury's contributions to the System under Plan A for the years ending December 31, 2004, 2003, and 2002, were \$1,149,046; \$759,804; and \$745,473, respectively, equal to the required contributions for each year.

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 (225) 928-1361.

B. FIREFIGHTERS' RETIREMENT SYSTEM

The Firefighters' Retirement System is a defined benefit pension plan covering firefighters employed by any municipality, parish, or fire protection district of the

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State of Louisiana under the provisions of Louisiana Revised Statutes 11:2252 through 2269 effective January 1, 1980. The Plan covers substantially all members of the Parish's fire department. All new employees of the fire department must join this plan except for employees performing unrelated fire duties.

Employees with 20 years or more of service who have attained age 50 or employees with 12 years of service who have attained age 55 or 25 years of service at any age are entitled to annual pension benefits equal to 3 1/3% of their average final compensation based on the 36 consecutive months of highest pay multiplied by their total years of service, not to exceed 100%. Employees may elect to receive their pension benefits in the form of a joint and survivor annuity. If employees terminate before rendering 12 years of service, they forfeit the right to receive the portion of their accumulated plan benefits attributable to their employer's contributions. 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 Firefighters' Retirement System also provides death and disability benefits. Benefits are established by state statute.

Funding Policy. State statute requires employees to contribute 8% of their salary to the retirement system. The Police Jury is required to contribute 24% of covered employees' salaries. The contribution requirements of plan members and the Ouachita Parish Police Jury are established by state statute. As provided by Louisiana Revised Statute 11:2252 through 2269, 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 Ouachita Parish Police Jury's contributions to the Firefighters' Retirement System for the years ending December 31, 2004, 2003, and 2002, were \$1,375,386; \$973,606; and \$603,847, respectively, equal to the required contributions for each year.

The Firefighters' Retirement System issues an annual publicly available financial report that includes financial statements and required supplementary information for the retirement system. That report may be obtained by writing to the Firefighters' Retirement System, 2051 Silverside Drive, Suite 10, Baton Rouge, Louisiana 70808-4136, or by calling (225) 925-4060.

C. DISTRICT ATTORNEY'S RETIREMENT SYSTEM

The district attorney and assistant district attorneys are members of the Louisiana District Attorney's Retirement System (System), a multiple-employer (cost-sharing), public employee retirement system (PERS), controlled and administered by a separate board of trustees.

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Assistant district attorneys who earn, as a minimum, the amount paid by the state for assistant district attorneys and are under the age of 60 at the time of original employment and all district attorneys are required to participate in the System. For members who joined the system before July 1, 1990, and who elected not to be covered by the new provisions, the following applies: Any member with 23 or more years of creditable service regardless of age may retire with a 3% benefit reduction for each year below age 55, provided that no reduction is applied if the member has 30 or more years of service. Any member with at least 18 years of service may retire at age 55 with a 3% benefit reduction for each year below age 60. In addition, any member with at least 10 years of service may retire at age 60 with a 3% benefit reduction for each year retiring below the age of 62. The retirement benefit is equal to 3% of the member's final average compensation, defined by L.R.S. 11:1581(5), multiplied by the number of years of his membership service, not to exceed 100% of average final compensation.

For members who joined the System after July 1, 1990, or who elected to be covered by the new provisions the following applies: Members are eligible to receive normal retirement benefits if they are age 60 and have 10 years of service credit, are age 55 and have 24 years of service credit, or have 30 years of service credit regardless of age. The normal retirement benefit is equal to 3.5% of the member's final-average compensation multiplied by years of membership service. A member is eligible for early retirement if he is age 55 and has 18 years of service credit. The early retirement benefit is equal to the normal retirement benefit reduced 3% for each year the member retires in advance of normal retirement age. Benefits may not exceed 100 percent of average final compensation. The System also provides death and disability benefits. Benefits are established by state statute.

Funding Policy. Contributions to the System include 0.2% of the ad valorem taxes collected throughout the state and revenue sharing funds as appropriated by the Louisiana legislature. The 0.2% is the statutory established rate that can be adjusted by the Public Retirement Systems' Actuarial Committee. State statute requires covered employees to contribute 7% of their salaries to the System. The Ouachita Parish Police Jury is required to contribute 3.75% to the District Attorney's Retirement System.

The District Attorney's Retirement System issues an annual publicly available financial report that includes financial statements and required supplementary information for the retirement system. That report may be obtained by writing to the District Attorney's Retirement System, 2109 Decatur Street, New Orleans, Louisiana 70116-2012, or by calling (504) 947-5551.

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D. REGISTRARS OF VOTERS RETIREMENT SYSTEM

The registrar of voters, their deputies and their permanent employees are members of the Registrars of Voters Retirement System (System), a multiple-employer (cost-sharing), public employee retirement system (PERS), controlled and administered by a separate board of trustees. The plan operates under the provisions of Louisiana Revised Statutes 11:2031 through 2144.

Any member is eligible for normal retirement after 20 years of creditable service and is age 60. Any member with 30 years of creditable service regardless of age is entitled to retire. Regular retirement benefits are equal to 3% of the final average compensation multiplied by the number of years of creditable service, not to exceed 100% of the final average compensation. Any member whose withdrawal from service prior to attaining the age of 60 years, who shall have completed twelve or more years of creditable service and shall not have received a refund of the members accumulated contributions, shall become eligible for a deferred allowance upon attaining the age of 60 years. The System also provides death and disability benefits. Benefits are established by state statute.

In lieu of terminating employment and accepting a service retirement allowance any member with eleven or more years of service at age 61, twenty one or more years of service at age 56, or thirty one or more years of service at any age may elect to participate in the Deferred Retirement Option Plan (DROP) for up to three years and defer the receipt of benefits.

Funding Policy. Contributions to the system include one-sixteenth of one percent of the ad valorem taxes shown to be collectible by the tax rolls of each parish. Under the provision of LRS 11:2135(E) currently the Police Jury is required to contribute 7% of covered salaries. Member contributions are established by state statute and are equal to 3.25% of each employee's salary. The Police Jury's contributions to the Registrars of Voters Retirement System for the years ending December 31, 2004, 2003 and 2002 were \$2,949; \$808 and none, respectively, equal to the required contributions for each year.

The Registrars of Voters Retirement System issues an annual publicly available financial report that includes financial statements and required supplementary information for the retirement system. That report may be obtained by writing to the Registrars of Voters Retirement System, PO Box 57, Jennings, Louisiana 70546, or by calling (337) 824-0834.

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Note 13 OTHER POSTEMPLOYMENT BENEFITS

The Police Jury provides certain continuing health care and life insurance benefits, provided through an insurance company, to substantially cover all employees that reach normal retirement age while working for the Police Jury. The Police Jury contributed \$212,437, which is equal to 79 per cent of the premiums for health care insurance. Retirees participating in the program contributed \$56,471, the remaining 21 per cent of the premium. Premiums for any available life insurance are paid 100 per cent by the retirees. The Police Jury provides postemployment health insurance benefits for 40 retired employees.

Note 14 SEGMENT INFORMATION

The Police Jury's enterprise funds provide sewer services to the public. As provided by GASB Codification 2500.107, the following table presents segment information for the Police Jury's enterprise funds.

	West Ouachita Sewerage District No. 9	Green Acres Sewerage District No. 13	Southeast Sewerage District No. 3	Eastern Forest Sewerage District No. 14	Total
Operating revenues	\$141,411	\$7,993	\$ -	\$ -	\$149,404
Depreciation and amortization	34,424	6,252	110,493	12,652	163,821
Operating income (loss)	346	(6,816)	(56,671)	(7,045)	(70,186)
Non-operating revenue(expenses)	2,782	916	3	288	3,989
Net income (loss)	3,129	(5,900)	(56,668)	(6,757)	(66,196)
Net working capital	146,566	52,274	9,988	18,474	227,302
Total assets	1,307,887	153,722	1,285,878	171,163	2,918,650
Total equity	686,585	136,796	1,285,878	171,163	2,280,422

Note 15 UNCERTAINTIES AND CONTINGENCIES

The Police Jury is the defendant in several lawsuits. The outcome of these lawsuits is uncertain however, the management for the Police Jury does not believe they will materially affect the Police Jury's financial statements.

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The Federal Emergency Management Agency (FEMA) under Homeland Security is investigating grants received from the agency. The purpose of their investigation is to determine if any funds were used to purchase nonqualifying property. Over the past four years the Police Jury has received and expended approximately \$5.5 million from FEMA in connection with these grants. It is the Police Jury's understanding that the close out of these grants across Louisiana has resulted in claims by FEMA against the Louisiana Office of Homeland Security/Emergency Preparedness (LOHS-EP). If LOHS-EP seeks to pass FEMA's reimbursement claims through to the local governments around the state, and is successful, these claims could have a material and adverse impact on the financial condition of the Ouachita Parish Police Jury. The parish engineer has estimated the possible liability to be in a range from \$870,000 to \$1,360,000. However, because the outcome of this investigation is unknown, no liability has been recorded in the Police Jury's financial statements.

Note 16 IMPLEMENTATION OF WIRELESS 911 SYSTEM

The 911 Communication District received \$512,007 from landline phone providers and \$824,104 from wireless phone providers for a total of \$1,340,111 in emergency telephone service charges for 2004. In compliance with FCC order no. 94-102, the district has been implementing the wireless 911 system in two phases. Phase I displays the wireless 911 caller's telephone number, active tower address and the direction of the caller from the wireless tower being utilized. Phase II is intended to display the wireless 911 callers location on a digital map display with a 125 meter accuracy level. Phase I has been fully implemented. Phase II implementation is scheduled to be completed in 2005. \$49,740 was spent on the implementation of phase II services in 2004. The landline service has been fully implemented in prior years. The total of expenditures related to the district is \$1,028,218 which, other than those mentioned above, has been used solely for operation of the implemented services.

Note 17 SUBSEQUENT EVENT

In May 2005, the Police Jury sold the old Health Unit building located in West Monroe for \$950,000. The proceeds from this sale are being used to eliminate the deficit that existed at December 31, 2004 in the Health Unit Special Revenue Fund.

**REQUIRED SUPPLEMENTAL INFORMATION
(PART B)**

OUACHITA PARISH POLICE JURY
Monroe, Louisiana
General Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2004

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
Budgetary fund balance at beginning of year	\$ 311,069	\$ 785,720	\$ 785,720	\$ -
Resources				
Taxes:				
Ad valorem	1,650,000	1,765,000	1,882,823	117,823
Other taxes	1,020,470	1,083,575	1,195,852	112,277
Total taxes	<u>2,670,470</u>	<u>2,848,575</u>	<u>3,078,675</u>	<u>230,100</u>
Licenses and permits	480,624	495,624	508,587	12,963
Intergovernmental revenues:				
Federal grants	-	-	-	-
Other state funds	164,358	581,278	615,930	34,652
Local funds	<u>162,827</u>	<u>168,932</u>	<u>180,292</u>	<u>11,360</u>
Total intergovernmental	<u>327,185</u>	<u>750,210</u>	<u>796,222</u>	<u>46,012</u>
Fees, charges, and commissions for services	35,750	36,655	33,419	(3,236)
Fines and forfeitures	1,000	1,000	2,306	1,306
Use of money and property	10,690	9,120	11,888	2,768
Other revenues	486,450	559,150	619,448	60,298
Other sources:				
Sale of assets	-	431,159	472,361	41,202
Amounts available for appropriations	<u>4,323,238</u>	<u>5,917,213</u>	<u>6,308,626</u>	<u>391,413</u>
Charges to appropriations				
Current:				
General government:				
Legislative	213,314	206,038	191,041	14,997
Judicial	1,824,032	1,851,650	1,847,998	3,652
Elections	120,039	126,972	98,175	28,797
Finance and administration	382,545	422,512	426,583	(4,071)
Other general government	<u>625,958</u>	<u>796,153</u>	<u>819,157</u>	<u>(23,004)</u>
Total general government	<u>3,165,888</u>	<u>3,403,325</u>	<u>3,382,954</u>	<u>20,371</u>
Public safety	33,100	101,350	105,499	(4,149)
Public works	5,404	175,648	173,063	2,585
Health and welfare	100	166,818	166,511	307
Culture and recreation	126,039	42,522	43,563	(1,041)
Economic development	222,307	303,307	300,288	3,019
Capital outlay	274,400	36,079	18,071	18,008
Transfers out	<u>445,985</u>	<u>395,599</u>	<u>395,599</u>	<u>-</u>
Total charges to appropriations	<u>4,273,223</u>	<u>4,624,648</u>	<u>4,585,548</u>	<u>39,100</u>
Budgetary fund balance at end of year	\$ <u>50,015</u>	\$ <u>1,292,565</u>	\$ <u>1,723,078</u>	\$ <u>430,513</u>

OUACHITA PARISH POLICE JURY
Monroe, Louisiana
Public Works Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2004

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
Budgetary fund balance at beginning of year	\$ 1,320,096	\$ 1,320,096	\$ 1,320,096	\$ -
Resources				
Taxes:				
Sales	4,998,600	4,998,600	5,013,569	14,969
Other taxes	2,050	2,183	-	(2,183)
Total taxes	<u>5,000,650</u>	<u>5,000,783</u>	<u>5,013,569</u>	<u>12,786</u>
Licenses, permits and assessments	8,000	8,000	8,392	392
Intergovernmental revenues:				
Federal grants	-	-	9,471	9,471
Total intergovernmental	<u>-</u>	<u>-</u>	<u>9,471</u>	<u>9,471</u>
Fees, charges, and commissions for services	245,000	155,326	117,405	(37,921)
Use of money and property	5,000	10,000	14,817	4,817
Other revenues	1,000	12,835	13,430	595
Other sources:				
Sale of assets	232,000	152,846	152,846	-
Transfers in	5,000	104,302	104,302	-
Amounts available for appropriations	<u>6,816,746</u>	<u>6,764,188</u>	<u>6,754,328</u>	<u>(9,860)</u>
Charges to appropriations				
Current:				
Public works	5,001,672	4,802,480	4,274,872	527,608
Debt service	128,560	172,318	172,318	-
Capital outlay	535,000	521,500	524,528	(3,028)
Transfers out	75,000	481,000	481,000	-
Total charges to appropriations	<u>5,740,232</u>	<u>5,977,298</u>	<u>5,452,718</u>	<u>524,580</u>
Budgetary fund balance at end of year	\$ <u>1,076,514</u>	\$ <u>786,890</u>	\$ <u>1,301,610</u>	\$ <u>514,720</u>

OUACHITA PARISH POLICE JURY
Monroe, Louisiana
Fire Protection District No. 1 Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2004

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
Budgetary fund balance at beginning of year	\$ 6,604,613	\$ 6,604,613	\$ 6,604,613	\$ -
Resources				
Taxes:				
Ad valorem	4,400,000	4,664,917	5,001,933	337,016
Sales	5,100,000	5,000,000	5,013,555	13,555
Total taxes	<u>9,500,000</u>	<u>9,664,917</u>	<u>10,015,488</u>	<u>350,571</u>
Intergovernmental revenues:				
Federal grants		-	84,414	84,414
Other state funds	347,000	347,000	384,573	37,573
Local funds	-	9,100	12,172	3,072
Total intergovernmental	<u>347,000</u>	<u>356,100</u>	<u>481,159</u>	<u>125,059</u>
Fees, charges, and commissions for services	-	26,000	8	(25,992)
Use of money and property	60,000	50,000	63,656	13,656
Other revenues	-	10,980	39,315	28,335
Amounts available for appropriations	<u>16,511,613</u>	<u>16,712,610</u>	<u>17,204,239</u>	<u>491,629</u>
Charges to appropriations				
Current:				
Public safety	11,512,388	11,533,141	11,203,848	329,293
Debt service	224,400	224,400	224,400	-
Capital outlay	192,930	167,930	187,843	(19,913)
Total charges to appropriations	<u>11,929,718</u>	<u>11,925,471</u>	<u>11,616,091</u>	<u>309,380</u>
Budgetary fund balance at end of year	\$ <u>4,581,895</u>	\$ <u>4,787,139</u>	\$ <u>5,588,148</u>	\$ <u>801,009</u>

OUACHITA PARISH POLICE JURY
Monroe, Louisiana
Public Library Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2004

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
Budgetary fund balance at beginning of year	\$ 9,935,061	\$ 9,935,061	\$ 9,935,061	\$ -
Resources				
Taxes:				
Ad valorem	<u>4,674,792</u>	<u>4,674,792</u>	<u>4,955,616</u>	<u>280,824</u>
Intergovernmental revenues:				
Other state funds	<u>385,787</u>	<u>384,087</u>	<u>386,663</u>	<u>2,576</u>
Total intergovernmental	<u>385,787</u>	<u>384,087</u>	<u>386,663</u>	<u>2,576</u>
Fees, charges, and commissions for services	56,900	55,900	57,454	1,554
Fines and forfeitures	100,000	87,000	89,538	2,538
Use of money and property	100,000	90,000	129,758	39,758
Other revenues	44,003	31,303	44,246	12,943
Other sources:				
Sale of assets	<u>-</u>	<u>1,000</u>	<u>-</u>	<u>(1,000)</u>
Amounts available for appropriations	<u>15,296,543</u>	<u>15,259,143</u>	<u>15,598,336</u>	<u>339,193</u>
Charges to appropriations				
Current:				
Culture and recreation	4,512,721	4,554,615	4,209,654	344,961
Capital outlay	<u>2,098,200</u>	<u>1,567,200</u>	<u>1,497,854</u>	<u>69,346</u>
Total charges to appropriations	<u>6,610,921</u>	<u>6,121,815</u>	<u>5,707,508</u>	<u>414,307</u>
Budgetary fund balance at end of year	<u>\$ 8,685,622</u>	<u>\$ 9,137,328</u>	<u>\$ 9,890,828</u>	<u>\$ 753,500</u>

OUACHITA PARISH POLICE JURY
Monroe, Louisiana
Green Oaks Detention Center Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2004

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
Budgetary fund balance at beginning of year	\$ 6,178,416	\$ 6,178,416	\$ 6,178,416	\$ -
Resources				
Taxes:				
Ad valorem	1,823,082	1,823,082	1,965,296	142,214
	1,823,082	1,823,082	1,965,296	142,214
Intergovernmental revenues:				
Federal grants	2,500	2,500	2,938	438
Other state funds	100,000	100,000	121,091	21,091
Total intergovernmental	102,500	102,500	124,029	21,529
Fees, charges, and commissions for services	75	80,075	113,282	33,207
Use of money and property	75,000	75,000	89,444	14,444
Other revenues	4,500	4,500	4,897	397
Amounts available for appropriations	<u>8,183,573</u>	<u>8,263,573</u>	<u>8,475,364</u>	<u>211,791</u>
		2,085,157		
Charges to appropriations				
Current:				
Public safety	2,140,959	2,184,934	2,074,479	110,455
Capital outlay	130,000	13,000	8,900	4,100
Total charges to appropriations	<u>2,270,959</u>	<u>2,197,934</u>	<u>2,083,379</u>	<u>114,555</u>
Budgetary fund balance at end of year	\$ <u>5,912,614</u>	\$ <u>6,065,639</u>	\$ <u>6,391,985</u>	\$ <u>326,346</u>

OUACHITA PARISH POLICE JURY
Monroe, Louisiana
Correctional Center Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2004

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
Budgetary fund balance at beginning of year	\$ 8,786,581	\$ 8,786,581	\$ 8,786,581	\$ -
Resources				
Taxes:				
Ad valorem	<u>4,797,500</u>	<u>4,797,500</u>	<u>5,527,900</u>	<u>730,400</u>
Intergovernmental revenues:				
Federal grants				-
Other state funds	<u>27,000</u>	<u>20,000</u>	<u>17,858</u>	<u>(2,142)</u>
Total intergovernmental	<u>27,000</u>	<u>20,000</u>	<u>17,858</u>	<u>(2,142)</u>
Fees, charges, and commissions for services	2,083,000	1,577,800	2,118,668	540,868
Use of money and property	95,000	80,700	98,602	17,902
Other revenues	104,000	75,700	116,913	41,213
Other sources:				
Sale of assets	<u>-</u>	<u>-</u>	<u>20,205</u>	<u>20,205</u>
Amounts available for appropriations	<u>15,893,081</u>	<u>15,338,281</u>	<u>16,686,727</u>	<u>1,348,446</u>
Charges to appropriations				
Current:				
Public safety	6,907,781	7,174,636	7,807,438	(632,802)
Capital outlay	<u>202,260</u>	<u>28,794</u>	<u>36,449</u>	<u>(7,655)</u>
Total charges to appropriations	<u>7,110,041</u>	<u>7,203,430</u>	<u>7,843,887</u>	<u>(640,457)</u>
Budgetary fund balance at end of year	<u>\$ 8,783,040</u>	<u>\$ 8,134,851</u>	<u>\$ 8,842,840</u>	<u>\$ 707,989</u>

OUACHITA PARISH POLICE JURY

NOTES TO BUDGETARY COMPARISON SCHEDULES FOR THE YEAR ENDED DECEMBER 31, 2004

Budgetary Policies: Preliminary budgets for the ensuing year, prepared on the modified accrual basis of accounting, are prepared annually by the Treasurer. During the months of September through November, the budget committee reviews the proposed budgets with the department heads and makes changes as it deems appropriate. Notice of the location and availability of the proposed budgets for public inspection and the date of the public hearings to be conducted on the budgets are then advertised in the official journal of the Police Jury. Prior to the selected December meeting, the Police Jury conducts a public hearing on the proposed budget(s) in order to receive comments from residents. Changes are made to the proposed budgets based on the public hearing and the desires of the Police Jury as a whole. The budgets are then adopted during the Police Jury's selected December meeting, and a notice of adoption which includes a summary of the budget is published in the official journal of the parish.

During the year, the Police Jury receives monthly budget comparison statements that are used as a tool to control parish operations. The Police Jury exercises budgetary control at the fund level. Within departments, the treasurer has the authority to make adjustments as necessary. However, the treasurer does not have the authority to increase or decrease overall revenue and/or expenditure amounts.

State law requires the Police Jury to amend its budgets when revenues plus projected revenues within a fund are expected to fall short than budgeted revenues by five percent or more and when expenditures and other uses of a fund are expected to exceed budgeted amounts by five percent or more. All governmental fund budgets are prepared on the modified accrual basis of accounting.

Encumbrance accounting, under which purchase orders are recorded to reserve that portion of the applicable appropriation, is employed. Outstanding purchase orders are taken into consideration before expenditures are incurred to assure that applicable appropriations are not exceeded.

OTHER SUPPLEMENTAL INFORMATION

NON-MAJOR GOVERNMENTAL FUNDS

OUACHITA PARISH POLICE JURY
Monroe, Louisiana
Combining Balance Sheet
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2004

	SPECIAL REVENUE FUNDS TOTAL	DEBT SERVICE FUNDS TOTAL	CAPITAL PROJECTS FUNDS TOTAL	TOTAL
ASSETS				
Cash & cash equivalents	\$ 6,157,233	\$ 11,347	\$ 2,184,295	\$ 8,352,875
Receivables				
Ad valorem taxes	1,197,089	2,551,922	-	3,749,011
Special assessments	284,837	-	-	284,837
Other receivables	291,677	-	-	291,677
Due from other governmental units	867,772	-	-	867,772
Prepays & other assets	129,139	-	-	129,139
Inventories	39,807	-	-	39,807
TOTAL ASSETS	\$ 8,967,554	\$ 2,563,269	\$ 2,184,295	\$ 13,715,118
LIABILITIES AND FUND EQUITY				
Liabilities:				
Current liabilities:				
Accounts payable & accrued expenses	\$ 491,186	\$ -	\$ 67,664	\$ 558,850
Due to other funds	995,731	2,333,538	-	3,329,269
Deferred revenues	197,355	87,088	-	284,443
Deposits held	5,550	-	-	5,550
Total liabilities	1,689,822	2,420,626	67,664	4,178,112
Fund Equity:				
Fund balance:				
Reserved for capital improvement	-	-	1,198,185	1,198,185
Reserved for debt service	-	142,643	-	142,643
Unreserved/undesignated	7,277,732	-	918,446	8,196,178
Total fund equity	7,277,732	142,643	2,116,631	9,537,006
TOTAL LIABILITIES AND FUND EQUITY	\$ 8,967,554	\$ 2,563,269	\$ 2,184,295	\$ 13,715,118

OUACHITA PARISH POLICE JURY
Monroe, Louisiana
Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2004

	SPECIAL REVENUE FUNDS TOTAL	DEBT SERVICE FUNDS TOTAL	CAPITAL PROJECTS FUNDS TOTAL	TOTAL
Revenues:				
Taxes:				
Ad valorem	\$ 1,329,338	\$ 2,797,876	\$ -	\$ 4,127,214
Other	1,340,111	-	-	1,340,111
Licenses, permits, and assessments	181,523	-	-	181,523
Intergovernmental:				
Federal grants	6,771,707	-	-	6,771,707
State revenue sharing	58,698	9,036	-	67,734
Other state revenue	1,806,601	-	-	1,806,601
Fees, charges, and commissions for services	2,522,191	-	-	2,522,191
Fines and forfeitures	1,960,192	-	-	1,960,192
Use of money and property	236,627	1,531	4,574	242,732
Other Revenues	182,856	-	1,000,000	1,182,856
Total Revenues	<u>16,389,844</u>	<u>2,808,443</u>	<u>1,004,574</u>	<u>20,202,861</u>
Expenditures:				
Current:				
General government:				
Judicial	3,036,608	-	-	3,036,608
Elections	50,094	-	-	50,094
Finance and administration	1,219,575	85,104	1,240	1,305,919
Public safety	1,071,287	-	-	1,071,287
Public works	453,554	-	-	453,554
Health and welfare	1,064,512	-	-	1,064,512
Culture and recreation	101,016	-	-	101,016
Economic development	5,668,946	-	-	5,668,946
Debt service	13,068	14,277	12,768	40,113
Capital expenditures	3,161,911	721	54,394	3,217,026
Total expenditures	<u>15,840,571</u>	<u>100,102</u>	<u>68,402</u>	<u>16,009,075</u>
Excess of revenues over expenditures	549,273	2,708,341	936,172	4,193,786
Other financing sources/(uses)				
Sale of assets	272,500	-	-	272,500
Transfers in	1,058,357	-	2,773,703	3,832,060
Transfers out	(286,060)	(2,773,703)	-	(3,059,763)
Total other financing sources/(uses)	<u>1,044,797</u>	<u>(2,773,703)</u>	<u>2,773,703</u>	<u>1,044,797</u>
Excess (deficiency) of revenues over expenditures and other uses	1,594,070	(65,362)	3,709,875	5,238,583
Fund balances (deficits) at beginning of year	<u>5,683,662</u>	<u>208,005</u>	<u>(1,593,244)</u>	<u>4,298,423</u>
FUND BALANCES AT END OF YEAR	<u>\$ 7,277,732</u>	<u>\$ 142,643</u>	<u>\$ 2,116,631</u>	<u>\$ 9,537,006</u>

NON-MAJOR SPECIAL REVENUE FUNDS

OUACHITA PARISH POLICE JURY
Monroe, Louisiana
Combining Balance Sheet
SPECIAL REVENUE FUNDS (Non Major)
December 31, 2004

	ANIMAL PROTECTION & CONTROL FUND	CRIMINAL COURT FUND	HEALTH UNIT FUND	ROAD LIGHTING DISTRICT FUNDS	COURT FEES FUND
ASSETS					
Cash & cash equivalents	\$ 56,731	\$ -	\$ -	\$ 85,080	\$ 54,838
Receivables:					
Ad valorem taxes	153,552	-	306,042	20,862	-
Special assessments	-	-	-	226,794	-
Other receivables	3,763	461	-	-	-
Due from other governmental units	2,560	208,877	-	-	-
Prepaid expenses & other assets	-	-	-	-	-
Inventories	-	-	-	-	-
TOTAL ASSETS	\$ 216,606	\$ 209,338	\$ 306,042	\$ 332,736	\$ 54,838
LIABILITIES AND FUND EQUITY					
Liabilities:					
Accounts payable and accrued expenses	\$ 8,179	\$ 76,451	\$ 8,389	\$ 7,570	\$ 1,450
Due to other funds	-	132,843	709,277	37,540	-
Deferred revenues	4,404	-	18,777	13,501	-
Deposits held	-	-	-	-	-
Total liabilities	12,583	209,294	736,443	58,611	1,450
Fund Equity:					
Fund balance (deficit):					
Unreserved/undesignated	204,023	44	(430,401)	274,125	53,388
Total fund balance	204,023	44	(430,401)	274,125	53,388
TOTAL LIABILITIES AND FUND EQUITY	\$ 216,606	\$ 209,338	\$ 306,042	\$ 332,736	\$ 54,838

Schedule 9

CRIMINAL JUROR FEES FUND	PERMIT OFFICE FUND	ADMINISTRATIVE FUND	W. OUACHITA INDUSTRIAL DEVELOPMENT MAINTENANCE FUND	BUSINESS DEVELOPMENT FUND	CHENIERE LAKE PARK FUND	EAGLE LAKE SUBDIVISION ROAD FUND
\$ 16,339	\$ 16,432	\$ 185,335	\$ 661,716	\$ -	\$ 56,889	\$ 7,193
-	-	-	-	-	-	-
-	-	-	1,080	-	-	-
-	-	1,338	-	3,746	250	-
-	-	9,226	-	-	-	-
-	-	-	-	124,639	-	-
-	-	-	-	-	-	-
<u>\$ 16,339</u>	<u>\$ 16,432</u>	<u>\$ 195,899</u>	<u>\$ 662,796</u>	<u>\$ 128,385</u>	<u>\$ 57,139</u>	<u>\$ 7,193</u>
-	\$ 3,822	\$ 45,944	\$ 380	\$ -	\$ 4,133	-
-	-	-	-	942	-	-
-	-	-	-	-	-	-
-	-	-	-	-	5,550	-
-	3,822	45,944	380	942	9,683	-
<u>16,339</u>	<u>12,610</u>	<u>149,955</u>	<u>662,416</u>	<u>127,443</u>	<u>47,456</u>	<u>7,193</u>
<u>16,339</u>	<u>12,610</u>	<u>149,955</u>	<u>662,416</u>	<u>127,443</u>	<u>47,456</u>	<u>7,193</u>
<u>16,339</u>	<u>\$ 16,432</u>	<u>\$ 195,899</u>	<u>\$ 662,796</u>	<u>\$ 128,385</u>	<u>\$ 57,139</u>	<u>\$ 7,193</u>

(Continued)

OUACHITA PARISH POLICE JURY
Monroe, Louisiana
Combining Balance Sheet
SPECIAL REVENUE FUNDS (Non Major)
December 31, 2004

	CAPITAL OUTLAY PROGRAMS				COMMUNICATIONS
	ROAD	DRAINAGE	URBAN	COUNCIL	DISTRICT 911
	PROGRAM	PROGRAM	SYSTEM	ON AGING	SERVICE
	FUND	FUND	FUND	FUND	FUND
ASSETS					
Cash & cash equivalents	\$ 1,259,270	\$ 806,574	\$ 471,681	\$ -	\$ 1,410,631
Receivables:					
Ad valorem taxes	-	-	-	-	-
Special assessments	56,963	-	-	-	-
Other receivables	13,578	-	-	-	232,148
Due from other governmental units	158,242	40,824	252,015	41,816	20
Prepaid expenses & other assets	-	4,500	-	-	-
Inventories	-	-	-	-	-
TOTAL ASSETS	\$ 1,488,053	\$ 851,898	\$ 723,696	\$ 41,816	\$ 1,642,799
LIABILITIES AND FUND EQUITY					
Liabilities:					
Accounts payable and accrued expenses	\$ -	\$ -	\$ 94,667	\$ -	\$ 56,372
Due to other funds	-	-	-	41,813	-
Deferred revenues	-	41,671	-	-	-
Deposits held	-	-	-	-	-
Total liabilities	-	41,671	94,667	41,813	56,372
Fund Equity:					
Fund balance (deficit):					
Unreserved/undesignated	1,488,053	810,227	629,029	3	1,586,427
Total fund balance	1,488,053	810,227	629,029	3	1,586,427
TOTAL LIABILITIES AND FUND EQUITY	\$ 1,488,053	\$ 851,898	\$ 723,696	\$ 41,816	\$ 1,642,799

Schedule 9

WORK FORCE INVESTMENT ACT			STEP PROGRAM	SECTION 8 HOUSING CHOICE VOUCHER FUND	LOUISIANA JOB EMPLOYMENT TRAINING FUND	MOSQUITO ABATEMENT DISTRICT FUND
ADULT PROGRAM FUND	YOUTH PROGRAM FUND	DISLOCATED WORKER FUND				
\$ -	\$ 50,017	\$ 48,298	\$ -	\$ 556,741	\$ 4,962	\$ 272,604
-	-	-	-	-	-	716,633
-	-	-	7,463	183	-	-
138,108	-	-	-	-	13,839	-
-	-	-	-	-	-	-
-	-	-	-	-	-	39,807
<u>\$ 138,108</u>	<u>\$ 50,017</u>	<u>\$ 48,298</u>	<u>\$ 7,463</u>	<u>\$ 556,924</u>	<u>\$ 18,801</u>	<u>\$ 1,029,044</u>
\$ 52,502	\$ 16,391	\$ 22,257	\$ 5,160	\$ 53,322	\$ 9,714	\$ 9,757
55,190	-	-	2,303	254	-	-
30,416	33,626	26,041	-	-	-	20,044
-	-	-	-	-	-	-
138,108	50,017	48,298	7,463	53,576	9,714	29,801
-	-	-	-	503,348	9,087	999,243
-	-	-	-	503,348	9,087	999,243
<u>\$ 138,108</u>	<u>\$ 50,017</u>	<u>\$ 48,298</u>	<u>\$ 7,463</u>	<u>\$ 556,924</u>	<u>\$ 18,801</u>	<u>\$ 1,029,044</u>

(Continued)

OUACHITA PARISH POLICE JURY
Monroe, Louisiana
Combining Balance Sheet (Concluded)
SPECIAL REVENUE FUNDS (Non Major)
December 31, 2004

	BLOCK GRANT FUNDS				
	LCDBG SEWER IMPROVEMENT FUND	LCDBG METALFORMS/ SUPERLIFT FUND	LLEBG CODE ENFORCEMENT FUND	HUMPHRIES/ GARRETT ROAD SUBDIVISION FUND	ENTERPRISE COMMUNITY FUND
ASSETS					
<i>Cash & cash equivalents</i>	\$ 31,440	\$ 441	\$ 2,489	\$ 56,822	\$ -
Receivables:					
Ad valorem taxes	-	-	-	-	-
Special assessments	-	-	-	-	-
Other receivables	-	-	1,025	672	-
Due from other					
governmental units	-	-	-	-	-
Prepaid expenses & other assets	-	-	-	-	-
Inventories	-	-	-	-	-
TOTAL ASSETS	<u>\$ 31,440</u>	<u>\$ 441</u>	<u>\$ 3,514</u>	<u>\$ 57,494</u>	<u>\$ -</u>
LIABILITIES AND FUND EQUITY					
Liabilities:					
Accounts payable and accrued expenses	\$ -	\$ -	\$ 1,671	\$ -	\$ -
Due to other funds	-	-	-	-	-
Deferred revenues	-	-	-	-	-
Deposits held	-	-	-	-	-
Total liabilities	-	-	1,671	-	-
Fund Equity:					
Fund balance (deficit):					
Unreserved/undesignated	31,440	441	1,843	57,494	-
Total fund balance	<u>31,440</u>	<u>441</u>	<u>1,843</u>	<u>57,494</u>	<u>-</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 31,440</u>	<u>\$ 441</u>	<u>\$ 3,514</u>	<u>\$ 57,494</u>	<u>\$ -</u>

Schedule 9

EMPG LA O.E.P. FUND	HMEP LA O.E.P. FUND	F.E.M.A. BUY OUT FUND	LITTLE THEATER MONROE FUND	WEST OUACHITA SEWERAGE DISTRICT NO. 16	LAKE PARK DRAINAGE FUND	FAMILY JUSTICE CENTER	TOTAL
\$ 32	\$ 12	\$ 18,000	\$ -	\$ 26,628	\$ 38	\$ -	\$ 6,157,233
-	-	-	-	-	-	-	1,197,089
-	-	-	-	-	-	-	284,837
-	-	2,005	-	3,201	-	21,844	291,677
-	-	-	2,245	-	-	-	867,772
-	-	-	-	-	-	-	129,139
-	-	-	-	-	-	-	39,807
<u>\$ 32</u>	<u>\$ 12</u>	<u>\$ 20,005</u>	<u>\$ 2,245</u>	<u>\$ 29,829</u>	<u>\$ 38</u>	<u>\$ 21,844</u>	<u>\$ 8,967,554</u>
\$ -	\$ -	\$ -	\$ -	\$ 4,485	\$ 50	\$ 8,520	\$ 491,186
-	-	-	2,245	-	-	13,324	995,731
-	-	8,875	-	-	-	-	197,355
-	-	-	-	-	-	-	5,550
-	-	8,875	2,245	4,485	50	21,844	1,689,822
<u>32</u>	<u>12</u>	<u>11,130</u>	<u>-</u>	<u>25,344</u>	<u>(12)</u>	<u>-</u>	<u>7,277,732</u>
<u>32</u>	<u>12</u>	<u>11,130</u>	<u>-</u>	<u>25,344</u>	<u>(12)</u>	<u>-</u>	<u>7,277,732</u>
<u>\$ 32</u>	<u>\$ 12</u>	<u>\$ 20,005</u>	<u>\$ 2,245</u>	<u>\$ 29,829</u>	<u>\$ 38</u>	<u>\$ 21,844</u>	<u>\$ 8,967,554</u>

OUACHITA PARISH POLICE JURY
Monroe, Louisiana
Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances
SPECIAL REVENUE FUNDS (Non Major)
For the Year Ended December 31, 2004

	ANIMAL PROTECTION & CONTROL FUND	CRIMINAL COURT FUND	HEALTH UNIT FUND	ROAD LIGHTING DISTRICT FUNDS	COURT FEES FUND
Revenues:					
Taxes:					
Ad valorem	\$ 167,566	\$ -	\$ 355,437	\$ 22,495	\$ -
Other	-	-	-	-	-
Total taxes	<u>167,566</u>	<u>-</u>	<u>355,437</u>	<u>22,495</u>	<u>-</u>
Licenses, permits and assessments	-	-	-	96,618	-
Intergovernmental:					
Federal grants	-	-	-	-	-
Parish transportation funds	-	-	-	-	-
Other state revenue	10,133	852,295	44,580	3,986	-
Total intergovernmental	<u>10,133</u>	<u>852,295</u>	<u>44,580</u>	<u>3,986</u>	<u>-</u>
Fees, charges and commissions for services	46,964	4,173	5	-	-
Fines and forfeitures	7,373	1,951,819	-	-	1,000
Use of money and property	1,829	300	126,124	1,628	1,487
Other revenues	31,406	-	-	-	-
Total revenue	<u>265,271</u>	<u>2,808,587</u>	<u>526,146</u>	<u>124,727</u>	<u>2,487</u>
Expenditures:					
Current:					
General government:					
Judicial	-	2,808,587	-	-	65,321
Elections	16,207	-	33,887	-	-
Finance and administration	-	-	-	-	-
Total general government	<u>16,207</u>	<u>2,808,587</u>	<u>33,887</u>	<u>-</u>	<u>65,321</u>
Public safety	-	-	-	-	-
Public works	-	-	-	95,000	-
Health and welfare	215,900	-	256,623	-	-
Culture and recreation	-	-	-	-	-
Economic development	-	-	-	-	-
Debt service	-	-	13,068	-	-
Capital outlay	-	-	-	-	-
Total expenditures	<u>232,107</u>	<u>2,808,587</u>	<u>303,578</u>	<u>95,000</u>	<u>65,321</u>
Excess (deficiency) of revenues over expenditures	33,164	-	222,568	29,727	(62,834)
Other financing sources (uses)					
Sale of assets	-	-	272,500	-	-
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>272,500</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	33,164	-	495,068	29,727	(62,834)
Fund balances beginning of year	170,859	44	(925,469)	244,398	116,222
FUND BALANCES AT END OF YEAR	\$ 204,023	\$ 44	\$ (430,401)	\$ 274,125	\$ 53,388

CRIMINAL JUROR FEES FUND	PERMIT OFFICE FUND	ADMINISTRATIVE FUND	W. OUACHITA INDUSTRIAL DEVELOPMENT MAINTENANCE FUND	BUSINESS DEVELOPMENT FUND	CHENIERE LAKE PARK FUND	EAGLE LAKE SUBDIVISION - ROAD FUND
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	84,905	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
182,618	-	1,358,271	-	-	31,054	-
-	-	-	-	-	-	-
49	446	1,676	11,396	7,257	532	439
-	-	-	4,320	-	8	-
182,667	85,351	1,359,947	15,716	7,257	31,594	439
162,700	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	1,160,946	-	-	-	-
162,700	-	1,160,946	-	-	-	-
-	-	-	-	-	-	-
-	101,849	-	-	-	-	50,403
-	-	-	-	-	-	-
-	-	-	-	-	101,016	-
-	-	-	17,552	168	-	-
-	-	-	-	-	-	-
-	-	76,645	23,368	-	-	-
162,700	101,849	1,237,591	40,920	168	101,016	50,403
19,967	(16,498)	122,356	(25,204)	7,089	(69,422)	(49,964)
-	-	-	-	-	-	-
-	-	-	-	-	100,000	-
-	-	-	-	-	-	-
-	-	-	-	-	100,000	-
19,967	(16,498)	122,356	(25,204)	7,089	30,578	(49,964)
(3,628)	29,108	27,599	687,620	120,354	16,878	57,157
\$ 16,339	\$ 12,610	\$ 149,955	\$ 662,416	\$ 127,443	\$ 47,456	\$ 7,193

(Continued)

OUACHITA PARISH POLICE JURY
Monroe, Louisiana
Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances
SPECIAL REVENUE FUNDS (Non Major)
For the Year Ended December 31, 2004

	CAPITAL OUTLAY PROGRAMS				COMMUNICATIONS
	ROAD	DRAINAGE	URBAN	COUNCIL	DISTRICT 911
	PROGRAM	PROGRAM	SYSTEM	ON AGING	SERVICE
	FUND	FUND	FUND	FUND	FUND
Revenues:					
Taxes:					
<i>Ad valorem</i>	\$ -	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-	1,340,111
Total taxes	-	-	-	-	1,340,111
Licenses, permits and assessments	-	-	-	-	-
Intergovernmental:					
Federal grants	-	-	1,850,646	-	-
Parish transportation funds	954,305	-	-	-	-
Other state revenue	-	-	-	-	-
Total intergovernmental	954,305	-	1,850,646	-	-
Fees, charges and commissions for services	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Use of money and property	22,790	12,841	1,998	3	22,365
Other revenues	133,374	5	-	-	-
Total revenue	1,110,469	12,846	1,852,644	3	1,362,476
Expenditures:					
Current:					
General government:					
Judicial	-	-	-	-	-
Elections	-	-	-	-	-
Finance and administration	18,139	-	-	-	-
Total general government	18,139	-	-	-	-
Public safety	-	-	-	-	1,024,226
Public works	23,000	78,571	66,034	-	-
Health and welfare	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Economic development	-	-	-	-	-
Debt service	-	-	-	-	-
Capital outlay	425,664	106,303	2,400,460	-	3,992
Total expenditures	466,803	184,874	2,466,494	-	1,028,218
Excess (deficiency) of revenues over expenditures	643,666	(172,028)	(613,850)	3	334,258
Other financing sources (uses)					
Sale of assets	-	-	-	-	-
Transfers in	75,000	230,000	606,000	-	-
Transfers out	(286,060)	-	-	-	-
Total other financing sources (uses)	(211,060)	230,000	606,000	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	432,606	57,972	(7,850)	3	334,258
Fund balances beginning of year	1,055,447	752,255	636,879	-	1,252,169
FUND BALANCES AT END OF YEAR	\$ 1,488,053	\$ 810,227	\$ 629,029	\$ 3	\$ 1,586,427

WORK FORCE INVESTMENT ACT			STEP PROGRAM	SECTION 8 HOUSING CHOICE VOUCHER FUND	LOUISIANA JOB EMPLOYMENT TRAINING FUND	MOSQUITO ABATEMENT DISTRICT FUND
ADULT PROGRAM FUND	YOUTH PROGRAM FUND	DISLOCATED WORKER FUND				
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 783,840
-	-	-	-	-	-	-
-	-	-	-	-	-	783,840
-	-	-	-	-	-	-
782,529	434,303	764,460	44,506	2,480,232	174,103	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
782,529	434,303	764,460	44,506	2,480,232	174,103	-
-	-	-	-	857,127	-	-
-	-	-	-	-	-	-
-	-	-	-	6,460	-	7,432
-	-	-	-	-	-	4,161
782,529	434,303	764,460	44,506	3,343,819	174,103	795,433
-	-	-	-	-	-	-
-	-	-	-	-	-	-
37,407	2,387	-	-	-	-	-
37,407	2,387	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	591,989
-	-	-	-	-	-	-
718,456	431,766	671,964	43,393	3,357,703	208,860	-
-	-	-	-	-	-	-
26,666	150	92,496	1,113	3,924	-	1,130
782,529	434,303	764,460	44,506	3,361,627	208,860	593,119
-	-	-	-	(17,808)	(34,757)	202,314
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	(17,808)	(34,757)	202,314
-	-	-	-	521,156	43,844	796,929
\$ -	\$ -	\$ -	\$ -	\$ 503,348	\$ 9,087	\$ 999,243

(Continued)

OUACHITA PARISH POLICE JURY
Monroe, Louisiana
Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances (Concluded)
SPECIAL REVENUE FUNDS (Non Major)
For the Year Ended December 31, 2004

	BLOCK GRANT FUNDS					HUMPHRIES/ GARRETT ROAD SUBDIVISION FUND	ENTERPRISE COMMUNITY FUND
	LCDBG SEWER IMPROVEMENT FUND	LCDBG METALFORMS/ SUPERLIFT FUND	LLEBG CODE ENFORCEMENT FUND				
Revenues:							
Taxes:							
Ad valorem	\$ -	\$ -	\$ -	\$ -	\$ -		
Other	-	-	-	-	-		
Total taxes	-	-	-	-	-		
Licenses, permits and assessments	-	-	-	-	-		
Intergovernmental:							
Federal grants	-	-	-	-	-		219,084
Parish transportation funds	-	-	-	-	-		-
Other state revenue	-	-	-	-	-		-
Total intergovernmental	-	-	-	-	-		219,084
Fees, charges and commissions for services	-	-	-	-	-		-
Fines and forfeitures	-	-	-	-	-		-
Use of money and property	-	-	17	-	923		-
Other revenues	-	-	-	-	5,772		-
Total revenue	-	-	17	-	6,695		219,084
Expenditures:							
Current:							
General government:							
Judicial	-	-	-	-	-		-
Elections	-	-	-	-	-		-
Finance and administration	-	-	-	-	-		-
Total general government	-	-	-	-	-		-
Public safety	-	-	16,930	-	-		-
Public works	185	-	-	-	3		-
Health and welfare	-	-	-	-	-		-
Culture and recreation	-	-	-	-	-		-
Economic development	-	-	-	-	-		219,084
Debt service	-	-	-	-	-		-
Capital outlay	-	-	-	-	-		-
Total expenditures	185	-	16,930	-	3		219,084
Excess (deficiency) of revenues over expenditures	(185)	-	(16,913)		6,692		-
Other financing sources (uses)							
Sale of assets	-	-	-	-	-		-
Transfers in	31,625	-	15,000	-	-		-
Transfers out	-	-	-	-	-		-
Total other financing sources (uses)	31,625	-	15,000	-	-		-
Excess (deficiency) of revenues and other sources over expenditures and other uses	31,440	-	(1,913)		6,692		-
Fund balances beginning of year	-	441	3,756		50,802		-
FUND BALANCES AT END OF YEAR	\$ 31,440	\$ 441	\$ 1,843		\$ 57,494		\$ -

Schedule 10

EMPG LA O.E.P FUND	HMEP LA O.E.P. FUND	F.E.M.A. BUY OUT FUND	LITTLE THEATER MONROE FUND	WEST OUACHITA SEWERAGE DISTRICT NO. 16	LAKE PARK DRAINAGE FUNDS	FAMILY JUSTICE CENTER	TOTAL
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	1,329,338
-	-	-	-	-	-	-	1,340,111
-	-	-	-	-	-	-	2,669,449
-	-	-	-	-	-	-	181,523
-	-	-	-	-	-	21,844	6,771,707
-	-	-	-	-	-	-	954,305
-	-	-	-	-	-	-	910,994
-	-	-	-	-	-	21,844	8,637,006
-	-	-	-	41,979	-	-	2,522,191
-	-	-	-	-	-	-	1,960,192
4,028	4,196	-	-	411	-	-	236,627
-	-	3,810	-	-	-	-	182,856
4,028	4,196	3,810	-	42,390	-	21,844	16,389,844
-	-	-	-	-	-	-	3,036,608
-	-	-	-	-	-	-	50,094
-	-	-	-	638	58	-	1,219,575
-	-	-	-	638	58	-	4,306,277
4,026	4,195	66	-	-	-	21,844	1,071,287
-	-	-	-	37,777	732	-	453,554
-	-	-	-	-	-	-	1,064,512
-	-	-	-	-	-	-	101,016
-	-	-	-	-	-	-	5,668,946
-	-	-	-	-	-	-	13,068
-	-	-	-	-	-	-	3,161,911
4,026	4,195	66	-	38,415	790	21,844	15,840,571
2	1	3,744	-	3,975	(790)	-	549,273
-	-	-	-	-	-	-	272,500
-	-	-	-	-	732	-	1,058,357
-	-	-	-	-	-	-	(286,060)
-	-	-	-	-	732	-	1,044,797
2	1	3,744	-	3,975	(58)	-	1,594,070
30	11	7,386	-	21,369	46	-	5,683,662
\$ 32	\$ 12	\$ 11,130	\$ -	\$ 25,344	\$ (12)	\$ -	\$ 7,277,732

NON-MAJOR DEBT SERVICE FUNDS

OUACHITA PARISH POLICE JURY
Monroe, Louisiana
Combining Balance Sheet
DEBT SERVICE FUNDS (Non Major)
December 31, 2004

	<u>CORRECTIONAL CENTER</u>	<u>DETENTION HOME</u>	<u>TOTAL</u>
ASSETS			
Cash	\$ -	\$ 11,347	\$ 11,347
Receivables:			
Ad valorem taxes	<u>2,551,922</u>	<u>-</u>	<u>2,551,922</u>
TOTAL ASSETS	<u>\$ 2,551,922</u>	<u>\$ 11,347</u>	<u>\$ 2,563,269</u>
LIABILITIES AND FUND EQUITY			
Liabilities:			
Due to other funds	2,333,538	-	2,333,538
Deferred revenues	<u>75,854</u>	<u>11,234</u>	<u>87,088</u>
Total liabilities	2,409,392	11,234	2,420,626
Fund equity:			
Fund balance:			
Reserved for debt service	<u>142,530</u>	<u>113</u>	<u>142,643</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 2,551,922</u>	<u>\$ 11,347</u>	<u>\$ 2,563,269</u>

OUACHITA PARISH POLICE JURY
Monroe, Louisiana
Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances
DEBT SERVICE FUNDS (Non Major)
For the Year Ended December 31, 2004

	<u>CORRECTIONAL CENTER</u>	<u>DETENTION HOME</u>	<u>TOTAL</u>
Revenues:			
Taxes:			
Ad valorem	\$ 2,797,876	\$ -	\$ 2,797,876
Intergovernmental:			
State revenue sharing	9,036	-	9,036
Use of money and property	1,232	299	1,531
Total revenues	<u>2,808,144</u>	<u>299</u>	<u>2,808,443</u>
Expenditures:			
Current:			
General government:			
Finance and administration	85,104	-	85,104
Debt service	14,277	-	14,277
Capital expenditures	721	-	721
Total expenditures	<u>100,102</u>	<u>-</u>	<u>100,102</u>
Excess of revenues over expenditures	2,708,042	299	2,708,341
Other financing uses			
Transfers out	(2,766,517)	(7,186)	(2,773,703)
Total other financing uses	<u>(2,766,517)</u>	<u>(7,186)</u>	<u>(2,773,703)</u>
Deficiency of revenues and other sources over expenditures and other uses	(58,475)	(6,887)	(65,362)
Fund balances at beginning of year	<u>201,005</u>	<u>7,000</u>	<u>208,005</u>
FUND BALANCES AT END OF YEAR	<u>\$ 142,530</u>	<u>\$ 113</u>	<u>\$ 142,643</u>

NON-MAJOR CAPITAL PROJECTS FUNDS

OUACHITA PARISH POLICE JURY
Monroe, Louisiana
Combining Balance Sheet
CAPITAL PROJECTS FUNDS (Non Major)
December 31, 2004

	CORRECTIONAL CENTER FUND	DETENTION HOME FUND	LIBRARY FUND	TOTAL
ASSETS				
Cash and cash equivalents	\$ 986,110	\$ 198,185	\$ 1,000,000	\$ 2,184,295
TOTAL ASSETS	<u>\$ 986,110</u>	<u>\$ 198,185</u>	<u>\$ 1,000,000</u>	<u>\$ 2,184,295</u>
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$ 67,664	\$ -	\$ -	\$ 67,664
Total liabilities	67,664	-	-	67,664
Fund equity:				
Fund balance:				
Reserved for capital improvement	-	198,185	1,000,000	1,198,185
Unreserved/undesignated	918,446	-	-	918,446
Total fund balance	<u>918,446</u>	<u>198,185</u>	<u>1,000,000</u>	<u>2,116,631</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 986,110</u>	<u>\$ 198,185</u>	<u>\$ 1,000,000</u>	<u>\$ 2,184,295</u>

OUACHITA PARISH POLICE JURY
Monroe, Louisiana
Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances
CAPITAL PROJECTS FUNDS (Non Major)
For the Year Ended December 31, 2004

	<u>CORRECTIONAL CENTER FUND</u>	<u>DETENTION HOME FUND</u>	<u>LIBRARY FUND</u>	<u>TOTAL</u>
Revenues				
Use of money and property	\$ 1,335	\$ 3,239	\$ -	\$ 4,574
Other revenue	-	-	1,000,000	1,000,000
Total revenues	<u>1,335</u>	<u>3,239</u>	<u>1,000,000</u>	<u>1,004,574</u>
Expenditures:				
Current:				
General government:				
Finance and administration	1,163	77	-	1,240
Debt service	12,768	-	-	12,768
Capital outlay	54,394	-	-	54,394
Total expenditures	<u>68,325</u>	<u>77</u>	<u>-</u>	<u>68,402</u>
Excess (deficiency) of revenues over expenditures	(66,990)	3,162	1,000,000	936,172
Other financing sources				
Transfers in	2,766,517	7,186	-	2,773,703
Total other financing sources	<u>2,766,517</u>	<u>7,186</u>	<u>-</u>	<u>2,773,703</u>
Excess of revenues and other sources over expenditures	2,699,527	10,348	1,000,000	3,709,875
Fund balances (deficits) at beginning of year	<u>(1,781,081)</u>	<u>187,837</u>	<u>-</u>	<u>(1,593,244)</u>
FUND BALANCES AT END OF YEAR	<u>\$ 918,446</u>	<u>\$ 198,185</u>	<u>\$ 1,000,000</u>	<u>\$ 2,116,631</u>

NON-MAJOR ENTERPRISE FUNDS

OUACHITA PARISH POLICE JURY
Monroe, Louisiana
Combining Schedule of Net Assets
ENTERPRISE FUNDS (Non Major)
December 31, 2004

	<u>GREEN ACRES SEWERAGE DISTRICT NO. 13</u>	<u>SOUTHEAST SEWERAGE DISTRICT NO. 3</u>	<u>EASTERN FOREST SEWERAGE DISTRICT NO. 14</u>	<u>TOTAL</u>
ASSETS				
Cash	\$ 65,126	\$ 308	\$ 17,350	\$ 82,784
Receivables - trade	4,074	3,937	1,124	9,135
Prepays & other assets	-	5,744	-	5,744
Property, plant & equipment, net	<u>84,522</u>	<u>1,275,889</u>	<u>152,689</u>	<u>1,513,100</u>
TOTAL ASSETS	<u>\$ 153,722</u>	<u>\$ 1,285,878</u>	<u>\$ 171,163</u>	<u>\$ 1,610,763</u>
LIABILITIES AND NET ASSETS				
Liabilities:				
Current liabilities:				
Accounts payable and accrued expenses	\$ 16,876	\$ -	\$ -	\$ 16,876
Current liabilities payable from restricted assets:				
Customer deposits payable	<u>50</u>	<u>-</u>	<u>-</u>	<u>50</u>
Total liabilities	<u>16,926</u>	<u>-</u>	<u>-</u>	<u>16,926</u>
Net Assets:				
Invested in capital assets	84,522	1,275,889	152,689	1,513,100
Unrestricted	<u>52,274</u>	<u>9,989</u>	<u>18,474</u>	<u>80,737</u>
Total net assets	<u>136,796</u>	<u>1,285,878</u>	<u>171,163</u>	<u>1,593,837</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 153,722</u>	<u>\$ 1,285,878</u>	<u>\$ 171,163</u>	<u>\$ 1,610,763</u>

OUACHITA PARISH POLICE JURY
Monroe, Louisiana
Combining Schedule of Revenues, Expenses,
and Changes in Net Assets
ENTERPRISE FUNDS (Non Major)
For the Year Ended December 31, 2004

	GREEN ACRES SEWERAGE DISTRICT NO. 13	SOUTH EAST SEWERAGE DISTRICT NO. 3	EASTERN FOREST SEWERAGE DISTRICT NO. 14	TOTAL
Operating revenues				
Sewer service charges	\$ 7,993	\$ -	\$ -	\$ 7,993
Operating expenses				
Depreciation	3,486	56,482	7,045	67,013
Utilities	119	-	-	119
Indirect cost allocation	736	162	-	898
Insurance	413	-	-	413
Treatment fees	10,051	-	-	10,051
Miscellaneous	4	27	-	31
Total operating expenses	<u>14,809</u>	<u>56,671</u>	<u>7,045</u>	<u>78,525</u>
Operating loss	(6,816)	(56,671)	(7,045)	(70,532)
Non-operating revenues				
Interest earned	<u>916</u>	<u>3</u>	<u>288</u>	<u>1,207</u>
Net decrease in net assets	(5,900)	(56,668)	(6,757)	(69,325)
Net assets at beginning of year	<u>142,696</u>	<u>1,342,546</u>	<u>177,920</u>	<u>1,663,162</u>
NET ASSETS AT END OF YEAR	<u>\$ 136,796</u>	<u>\$ 1,285,878</u>	<u>\$ 171,163</u>	<u>\$ 1,593,837</u>

OUACHITA PARISH POLICE JURY
Monroe, Louisiana
Combining Schedule of Cash Flows
ENTERPRISE FUNDS (Non Major)
For the Year Ended December 31, 2004

	Green Acres Sewerage District No. 13	Southeast Sewerage District No. 3	Eastern Forest Sewerage District No. 14	Total
Cash flows from operating activities:				
Receipts from customers	\$ 7,409	\$ -	\$ -	\$ 7,409
Payments to suppliers for goods and services	(9,408)	(189)	-	(9,597)
Net cash (used) by operating activities	(1,999)	(189)	-	(2,188)
Cash flows from investing activities:				
Interest earnings	916	3	289	1,208
Net cash provided by investing activities	916	3	289	1,208
Net increase (decrease) in cash and cash equivalents	(1,083)	(186)	289	(980)
Cash at beginning of year	66,209	494	17,061	83,764
CASH AT END OF YEAR	<u>\$ 65,126</u>	<u>\$ 308</u>	<u>\$ 17,350</u>	<u>\$ 82,784</u>
Reconciliation of operating income to net cash used by operating activities				
Operating loss	\$ (6,816)	\$ (56,671)	\$ (7,045)	\$ (70,532)
Adjustments to reconcile operating loss to net cash provided by operating activities:				
Depreciation	3,486	56,482	7,045	67,013
Change in assets and liabilities				
Receivables	(584)	-	-	(584)
Accounts payable	1,915	-	-	1,915
Net cash (used) by operating activities	<u>\$ (1,999)</u>	<u>\$ (189)</u>	<u>\$ -</u>	<u>\$ (2,188)</u>
Cash shown on statement of net assets	<u>\$ 65,126</u>	<u>\$ 308</u>	<u>\$ 17,350</u>	<u>\$ 82,784</u>

NON-MAJOR INTERNAL SERVICE FUNDS

OUACHITA PARISH POLICE JURY
Monroe, Louisiana
Combining Statement of Net Assets
INTERNAL SERVICE FUNDS (Non Major)
December 31, 2004

	<u>HEALTH AND DENTAL INSURANCE FUND</u>	<u>INSURANCE / GEN LIABILITY RESERVE LOSS FUND</u>	<u>WORKERS' COMPENSATION RESERVE FUND</u>	<u>TOTAL</u>
ASSETS				
Cash	\$ 191,419	\$ 634,828	\$ -	\$ 826,247
Investments at market value	-	-	750,000	750,000
Receivables - other	180,436	142,523	115,548	438,507
Due from other governmental units		1,516	10,000	11,516
Due from other funds	-	59,758	935,719	995,477
Prepaid Expenses	-	570,778	93,911	664,689
TOTAL ASSETS	\$ <u>371,855</u>	\$ <u>1,409,403</u>	\$ <u>1,905,178</u>	\$ <u>3,686,436</u>
LIABILITIES AND NET ASSETS				
Liabilities:				
Accounts payable and accrued expenses	\$ 27,674	\$ 42,770	\$ 48,210	\$ 118,654
Deposits Held	-	1,168	-	1,168
Other noncurrent liabilities	762,762	917,808	830,315	2,510,885
Total liabilities	790,436	961,746	878,525	2,630,707
Net assets				
Restricted for Insurance Claims	(418,581)	447,657	1,026,653	1,055,729
Total net assets	(418,581)	447,657	1,026,653	1,055,729
TOTAL LIABILITIES AND NET ASSETS	\$ <u>371,855</u>	\$ <u>1,409,403</u>	\$ <u>1,905,178</u>	\$ <u>3,686,436</u>

OUACHITA PARISH POLICE JURY
Monroe, Louisiana
Combining Schedule of Revenues, Expenses,
and Changes in Net Assets
INTERNAL SERVICE FUNDS (Non Major)
For the Year Ended December 31, 2004

	HEALTH AND DENTAL INSURANCE FUND	INSURANCE / GEN LIABILITY RESERVE LOSS FUND	WORKERS' COMPENSATION RESERVE FUND	TOTAL
Operating Revenues:				
Premiums	\$ 2,293,480	\$ 1,505,935	\$ 602,190	\$ 4,401,605
Operating Expenses:				
Administrative expenses	372,213	15,790	21,378	409,381
Benefit payments and reinsurance	1,980,550	953,941	1,070,928	4,005,419
Total expenditures	<u>2,352,763</u>	<u>969,731</u>	<u>1,092,306</u>	<u>4,414,800</u>
Operating income (loss)	(59,283)	536,204	(490,116)	(13,195)
Nonoperating revenues:				
Interest income	3,697	16,097	29,216	49,010
Other income	-	-	10,176	10,176
Total nonoperating revenues	<u>3,697</u>	<u>16,097</u>	<u>39,392</u>	<u>59,186</u>
Changes in net assets	(55,586)	552,301	(450,724)	45,991
Net assets at beginning of year	<u>(362,995)</u>	<u>(104,644)</u>	<u>1,477,377</u>	<u>1,009,738</u>
NET ASSETS AT END OF YEAR	<u>\$ (418,581)</u>	<u>\$ 447,657</u>	<u>\$ 1,026,653</u>	<u>\$ 1,055,729</u>

OUACHITA PARISH POLICE JURY
Monroe, Louisiana
Combining Schedule of Cash Flows
INTERNAL SERVICE FUNDS (Non Major)
For the Year Ended December 31, 2004

	HEALTH AND DENTAL INSURANCE FUND	INSURANCE/ GEN LIABILITY RESERVE LOSS FUND	WORKERS' COMPENSATION RESERVE FUND	Total
Cash flows from operating activities:				
Premiums received	\$ 2,149,998	\$ 1,586,703	\$ 577,816	\$ 4,314,517
Payments to suppliers for goods and services	(344,539)	(582,488)	(126,026)	(1,053,053)
Payments for claims	(1,854,983)	(1,187,926)	(792,973)	(3,835,882)
Net cash (used) by operating activities	(49,524)	(183,711)	(341,183)	(574,418)
Cash flows from capital and related financing activities:				
Payments from other governmental units	-	-	(10,000)	(10,000)
Payments to other funds	-	344,623	311,791	656,414
Net cash provided by capital and related operating activities	-	344,623	301,791	646,414
Cash flows from investing activities:				
Interest earnings	3,697	16,097	29,216	49,010
Other cash receipts	-	-	10,176	10,176
Net cash provided by investing activities	3,697	16,097	39,392	59,186
Net increase (decrease) in cash	(45,827)	177,009	-	131,182
Cash at beginning of year	237,246	457,819	-	695,065
CASH AT END OF YEAR	<u>\$ 191,419</u>	<u>\$ 634,828</u>	<u>\$ -</u>	<u>\$ 826,247</u>
Reconciliation of operating income to net cash provided (used) by operating activities				
Operating income (loss)	\$ (59,283)	\$ 536,204	\$ (490,116)	\$ (13,195)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Change in assets and liabilities:				
Receivables	(143,482)	80,768	(24,375)	(87,089)
Accounts payable	27,674	(566,698)	(104,647)	(643,671)
Noncurrent liabilities	125,567	(233,985)	277,955	169,537
Net cash provided (used) by operating activities	(49,524)	(183,711)	(341,183)	(574,418)
Cash shown on statement of net assets	<u>\$ 191,419</u>	<u>\$ 634,828</u>	<u>\$ -</u>	<u>\$ 826,247</u>

OUACHITA PARISH POLICE JURY
Monroe, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULES

For the Year Ended December 31, 2004

***COMPENSATION PAID POLICE JURORS
AND OTHER BOARDS***

The schedule of compensation paid to police jurors (and members of other boards) is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the police jurors is included in the legislative expenditures of the General Fund. In accordance with Louisiana Revised Statute 33:1233, the Police Jury has elected the monthly payment method of compensation. Under this method, the jurors receive \$1,200 per month.

Schedule 21**OUACHITA PARISH POLICE JURY**

Monroe, Louisiana

SCHEDULE OF POLICE JUROR COMPENSATION

For the Year Ended December 31, 2004

		SALARY
Berry, Daryll	District D	\$ 830
Blade, Dorth	District D	13,570
Caldwell, Walt	District C	13,570
Calhoun, Hugh "Mack"	District B	14,400
Dawson, King	District F	14,400
Elkin, Roger	District C	830
Golden, Kimberly, President	District E	14,400
Hargrove, Paul	District A	<u>14,400</u>
TOTAL		\$ <u><u>86,400</u></u>

**SCHEDULE OF PROPRIETARY FUND BOARD COMPENSATION
WEST OUACHITA SEWERAGE DISTRICT No. 9**

For the Year Ended December 31, 2004

Beaird, David Lane	\$ 400
Dans, Steven L	400
Ginn, David	<u>550</u>
TOTAL	\$ <u><u>1,350</u></u>

**REPORTS REQUIRED BY GOVERNMENT AUDITING STANDARDS
AND OMB CIRCULAR A-133**

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

**Ouachita Parish Police Jury
Monroe, Louisiana**

We have audited the financial statements of the **Ouachita Parish Police Jury** (the Jury) as of and for the year ended December 31, 2004, and have issued our report thereon dated June 24, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Jury's 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*. However, we noted certain immaterial instances of noncompliance that we have reported to management of the Police Jury in a separate letter dated June 24, 2005.

Internal Control over Financial Reporting

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

**Ouachita Parish Police Jury
Monroe, Louisiana**

accompanying Schedule of Findings and Questioned Costs as items 04-01, 04-02 and 04-03.

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. 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 reportable conditions and accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we consider the reportable conditions, 04-01, 04-02 and 04-03 described above to be material weaknesses. We also noted other matters involving the internal control over financial reporting which we have reported to management of the Police Jury in a separate letter dated June 24, 2005.

This report is intended for the information of management of the Jury, federal awarding agencies and pass-through entities, other entities granting funds to the Jury and the Legislative Auditor for the State of Louisiana and is not intended to be used and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



(A Professional Accounting Corporation)

June 24, 2005

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

**Ouachita Parish Police Jury
Monroe, Louisiana**

Compliance

We have audited the compliance of the **Ouachita Parish Police Jury** (the 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 Jury's major Federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major Federal programs is the responsibility of the Jury's management. Our responsibility is to express an opinion on the Jury's compliance based on our audit.

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

In our opinion, the 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.

**Ouachita Parish Police Jury
Monroe, Louisiana**

Internal Control Over Compliance

Management of the 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 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.

We noted a certain matter involving the internal control over compliance and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect the Jury's ability to administer a major federal program in accordance with the applicable requirements of laws, regulations, contracts and grants. The reportable condition is described in the accompanying Schedule of Findings and Questioned Costs as item 04-03.

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

This report is intended for the information of management of the Jury, Federal awarding agencies and pass-through entities, other entities granting funds to the Jury and the Legislative Auditor for the state of Louisiana and is not intended to be used and should not be used by anyone other than these specified parties. However, under provisions of Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



(A Professional Accounting Corporation)

June 24, 2005

OUACHITA PARISH POLICE JURY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2004

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	CFDA No.	Pass-Through Grantor ID No.	Expenditures
Department of Labor			
Passed Through the Louisiana Department of Labor:			
Workforce Investment Act (WIA):			
Adult Program	17.258	474-401189	\$ 782,529
Youth Program	17.259	474-401189	434,303
Dislocated Worker Program	17.260	474-401189	764,460
Total WIA Cluster			<u>1,981,292</u>
STEP Worker Program	17.260	474-401523	44,506
Total Department of Labor			<u>2,025,798</u>
Department of Housing and Urban Development (HUD)			
Direct Programs:			
Section 8 Voucher	14.871	N/A	<u>2,480,232</u>
Passed Through Louisiana Division of Administration -			
Community Development Block Grant:			
Empowerment Zones Program	93.667	531265	219,084
Total Department of Housing and Urban Development			<u>2,699,316</u>
Department of Health and Human Services			
Passed Through the La. Dept of Social Services:			
State Administrative Matching Grants for Food Stamp Program	10.561	355-301409	<u>174,103</u>
Department of Transportation			
Passed Through the Louisiana Department of Transportation and Development:			
Highway Planning and Construction	20.205	742-37-005	773,403
Highway Planning and Construction	20.205	742-37-006	379,931
Highway Planning and Construction	20.205	742-37-007	697,312
Total Department of Transportation			<u>1,850,646</u>
Department of Justice			
Direct Program:			
Grants to Encourage Arrest Policies and Enforcement of Protection Orders	16.590	N/A	21,844
Department of Homeland Security			
Passed Through State of Louisiana Office of			
Homeland Security and Emergency Preparedness:			
Public Assistance Grants	97.039	FEMA 1548 DR-LA	1,270
State Domestic Preparedness Equipment Support Grant	97.004	2002-TE-CX-022	174
State Domestic Preparedness Equipment Support Grant	97.004	2002-TE-CX-0148	389
State Domestic Preparedness Equipment Support Grant	97.004	2003-TE-CX-0001	2,113
State Homeland Security Program (SHSP)	97.073	2003-TE-TX-0163	45,670
State Homeland Security Program (SHSP)	97.073	2003-MU-T3-0022	37,474
State Homeland Security Program (SHSP)	97.073	2003-MU-T3-0022	6,795
Total Federal Emergency Management Agency			<u>93,885</u>
Department of Agriculture			
Passed Through Louisiana Department of Education:			
Special Milk Program for Children	10.556	N/A	<u>2,938</u>
Total Federal Awards Expended			<u>\$ 6,868,530</u>

See Notes to Schedule of Expenditures of Federal Awards

**OUACHITA PARISH POLICE JURY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2004**

Note 1 - General

The accompanying Schedule of Expenditures of Federal Awards presents the activities of all Federal awards of the Ouachita Parish Police Jury (the Police Jury). The Police Jury primary government reporting entity is defined in Note 1 to the police jury's financial statements. All Federal awards received directly from Federal agencies as well as Federal awards passed through other government agencies are included on the schedule.

Note 2 - Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the Police Jury's primary government financial statements.

Note 3 - Loans Outstanding

The Police Jury has loans outstanding under Federal loan or loan guarantee award programs of was \$124,639 at December 31, 2004.

Note 4 - Relationship of the Schedule of Expenditures of Federal Awards to the Primary Government Financial Statements

Intergovernmental revenues – Federal Grants totaling \$6,868,530 recorded in the Governmental Funds represent the Federal Awards expended by the Police Jury for the year ended December 31, 2004.

Note 5 - Funds Provided to Subrecipients

The Police Jury provided Federal awards reflected on the accompanying Schedule of Expenditures of Federal Awards to subrecipients as follows:

CFDA No. 14.244	Empowerment Zones	\$219,084
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**OUACHITA PARISH POLICE JURY
MONROE, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2004**

Section I. Summary of Auditors' Report

Financial Statements

Type of auditors' report issued: adverse of discretely presented component units; unqualified on all other opinion units

Internal control over financial reporting:

- Material weaknesses identified? X Yes No
- Reportable conditions identified that are not considered to be material weaknesses? Yes X No

Noncompliance material to financial statements noted? Yes X No

Federal Awards

- Material weaknesses identified? X Yes No
- Reportable conditions identified that are not considered to be material weaknesses? Yes X No

Type of auditors' report 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? X Yes No

**OUACHITA PARISH POLICE JURY
MONROE, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2004**

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
14.871	Section 8 Housing Voucher
17.258	WIA – Adult
17.259	WIA – Youth
17.260	WIA – Dislocated Worker

Dollar threshold used to distinguish between Type A and Type B programs was \$300,000

Auditee qualified as low-risk auditee? ☐ Yes ☒ No

Section II. Findings related to the financial statements that are required to be reported under *Government Auditing Standards*:

04-01 Capital Assets

Finding –

During the course of the audit, we noted that some of the depreciation schedules had clerical errors as well as errors where the 2004 beginning balances did not agree with the 2003 ending balances.

Further work was also required to convert schedules that were by departments to schedules that were by function. For reporting purposes, assets are reported by function.

It should be also noted that some of the depreciation schedules were not received until June 24, 2005. Part of the delay can be attributed to a computer failure that occurred in mid June 2005. However, we believe these schedules should have been completed before that time.

Recommendation –

The Police Jury should ensure that the depreciation schedules are clerically correct. Schedules should be prepared by function or be convertible into a schedule by function.

Management's Corrective Action Plan –

Management concurs with the finding. We will use a local CPA firm to help with the preparation of the depreciation schedules in the future. We will also ensure that these schedules are prepared on an ongoing basis throughout the year and will be available for audit within a reasonable time.

**OUACHITA PARISH POLICE JURY
MONROE, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2004**

04-02 Receivables-Road Lighting Districts

Finding -

Road lighting districts are administered in 28 separate funds and are collectively shown as one fund in the Nonmajor Special Revenue Funds. Currently, the chief accountant bills the owners of the properties within each district once each year the self-assessed amount which had been passed by the voters of each district. These billings, varying by district, occur during March, June, July, September and December. Payments are received in the Treasurer's Office and are deposited after updating the receivables listing. Property owners who do not pay are not further pursued for collection since it would not be cost effective to do so.

In 2004, the Treasure's Office billed \$119,113 to the property owners in these districts. At December 31, 2004, the districts have receivables totaling \$247,656 which represents approximately 2 years of outstanding billings. Nineteen of the districts have receivables greater than one year's billings, with 8 of those districts being greater than 2 years' billings. (The Pine Bayou Road Lighting District has just over 6 years of billings outstanding)

It should also be noted that 4 of these districts have fund deficits totaling \$3,510. However, if receivables are taken out, this number increases to 10 districts with fund deficits totaling \$39,716 with one of those districts (Pine Bayou) accounting for \$20,281.

Recommendation -

Given the cost associated with filing liens against property owners for nonpayment exceeds the benefits as well as the collection resulting from the liens would take years, we recommend that these assessments be added to the property tax bill issued by the Tax Assessors' office. Nonpayment of the property tax bill would then result in foreclosure and collection would occur at the time of the sale of the property.

Management's Corrective Action Plan -

The Police Jury recognizes the significance of the outstanding receivables. Unfortunately, the total outstanding receivables reflect the accumulation of many years and the collection of those assessments more than three years old is barred by liberative prescription pursuant to Article 7 Section 16 of the Louisiana Constitution. The Police Jury will write off the uncollectible balances during 2005.

As recognized by the auditors, collecting these assessments in a cost effective manner is difficult. However, the Police Jury will exercise its available options under Louisiana Revised Statute 48:1309 for collection of past due assessments and aggressively collect future assessments as they become delinquent. In addition, the Police Jury will pursue legislation to allow these assessments to be billed and collected with the land owners' annual property tax bill.

**OUACHITA PARISH POLICE JURY
MONROE, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2004**

Section III. Findings or questioned costs for Federal awards, including those specified by OMB Circular A-133:

**04-03 CFDA 17.258, 17.259 and 17.260 Workforce Investment Act –
Federal Financial Reporting**

Finding –

Monthly Request for Payment on Letter of Credit and Status of Funds Reports report, among other things, the amount of funds being requested for qualifying expenditures. A related Expenditure Report is prepared for the Adult, Youth and Dislocated Worker Programs that includes the monthly expenditures for which reimbursement is being requested. The amount of funds requested should agree with the current month's expenditures.

We noted differences in the amounts reported on the Requests for Payment and the corresponding Expenditure Reports for all three programs. In the Adult Program, Expenditure Reports for the year exceeded Requests by approximately \$45,000. Requests for Payment in the Youth Program exceeded Expenditure Reports by approximately \$700 and in the Dislocated Worker Program Requests exceeded Expenditure Reports by approximately \$19,600. In several instances two or more expenditure reports had to be combined to agree to a Request for Payment and visa versa, making it extremely difficult to determine which expenditures were supporting which requests.

As the Workforce Investment Programs are reimbursement grants, the revenues should equal the expenditures for the year. However, expenditures recorded in the general ledger exceeded revenues in the Adult Program by some \$138,000 and revenues exceeded expenditures by approximately \$33,600 in the Youth Program and \$26,000 in the Dislocated Worker Program. It appears that these differences are due, in part, to the method used to report expenditures. The Police Jury prepares expenditure reports at varying intervals throughout the year instead of at the end of each month. Therefore, when the books are closed at year end the expenditures recorded in the general ledger do not agree to the expenditure reports used to request reimbursement.

In preparing its Requests for Payment, the Police Jury uses the year to date expenditures at whatever date the requests are being prepared less the amount of funds received to that point to determine the amount to request. For example, for the year ended December 31, 2004, the last request was based on transactions through December 21, 2004. The files request in 2005 was for expenditures from January 1, 2005 through February 17, 2005. Therefore, it appears that costs recorded from December 22, 2004 through the end of the year may have not been included in either of the Requests for Payment.

**OUACHITA PARISH POLICE JURY
MONROE, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2004**

In addition, the Expenditure Reports for administrative costs do not distinguish costs associated with the various programs. This makes it difficult to determine if the amounts requested for reimbursement are being applied to the proper program and recorded in the correct fund.

Recommendation –

The Police Jury should review its method for recording costs incurred in the Workforce Investment Programs and reconcile the Monthly Expense Reports to the Request for Payment on Letter of Credit and Status of Funds Reports to ensure that all requests are for current expenditures and that all expenditures are included in the requests. In addition, the requests should be prepared based on monthly expenditures after any necessary accruals have been made. Supporting workpapers should also be prepared to support the administrative costs being charged to each program for reimbursement.

Management's Corrective Action Plan –

The Police Jury has hired an accountant for the Workforce Investment Board, and is in the process of training the accountant to process the Monthly Expense Reports and the Monthly Request for Payment on Letter of Credit and Status Report to insure that all funds are received in a timely manner. The requests will be prepared based on monthly expenditures after any necessary accruals have been made. Supporting workpapers will also be prepared to support the administrative costs being charged to each program for reimbursement.

**OUACHITA PARISH POLICE JURY
MONROE, LOUISIANA
SUMMARY STATUS OF PRIOR AUDIT FINDINGS**

The following is a summary of the status of the prior year findings included in Luffey, Huffman, & Monroe CPA's audit report dated June 25, 2004 covering the examination of the primary government financial statements of the Ouachita Parish Police Jury (the Police Jury) as of and for the year ended December 31, 2003.

03-01 Capital Assets

Finding

The Police Jury should ensure that the depreciation schedules are clerically correct with only depreciable items being depreciated. Schedules should be prepared by function or be convertible into a schedule by function. The Police Jury should review its coding procedures for setting up capital outlay expenditures and if it does meet the criteria for inclusion as a capital outlay expenditure that it is then included in the account range used to designate a capital expenditure.

Status

The depreciation schedules contained additional clerical errors in 2004. The Police Jury will use a local CPA firm to help with the schedules during 2005 to ensure accuracy.

03-02 Section 8 Housing

Finding

The Police Jury should maintain a subsidiary rent ledger that contains sufficient information to determine the amount due from outside housing authorities.

Status

The Section 8 Housing Department started utilizing a subsidiary rent ledger during 2004.

**OUACHITA PARISH POLICE JURY
MONROE, LOUISIANA
SUMMARY STATUS OF PRIOR AUDIT FINDINGS**

Section III. Findings or questioned costs for Federal awards, including those specified by OMB Circular A-133:

03-03 CFDA 17.258 – Workforce Investment Act - Facilities Lease

Finding

1. The Police Jury should have an appraisal prepared to determine the fair rental value of the space being used by The Workforce Investment Board.
2. The Workforce Investment Board and the Police Jury should prepare a sublease agreement for the space that is being used by the Board specifying the terms and fair market rental value of the square footage being used.
3. The monthly rent paid to the outside lessor should be paid by the Police Jury and the Workforce Investment Board should pay the Police Jury for the space they are using.
4. It should be determined if the Workforce Investment Board has been reimbursed through their pass-through grant with the Louisiana Department of Labor for any rent expense in excess of the fair market value of the space being used.

Status

The Police Jury obtained a Broker's Opinion to determine the fair rental value of the subject property. A sublease was executed November 16, 2004. The Workforce Investment Board was overcharged rent in the amount of \$68,518 and has ceased rent payments to the Police Jury until August 2005 in order to offset the amount overcharged.

**03-04 CFDA 17.258, 17.259, and 17.260 Workforce Investment Act –
Federal Financial Reporting**

Finding

The Police Jury should review its method of recording expenses incurred for these programs and reconcile the Monthly Expense Reports to the Monthly Request for Payment on Letter of Credit and Status Report to insure that all funds are received in a timely manner.

Status

This will be a repeat finding in 2004. However, the Police Jury has hired an accountant for the Workforce Investment Board, and is in the process of training the accountant to process the Monthly Expense Reports and the Monthly Request for Payment on Letter of Credit and Status Report to insure that all funds are received in a timely manner.

West Ouachita Sewerage District No. 9
(A Component Unit of Ouachita Parish Police Jury)
For the Year Ended December 31, 2004

Board Member	Expiration of Term
Lane Beaird	02/18/2006
Steven L. Dans	Indefinite
David Ginn	Indefinite

Schedule 24

**West Ouachita Sewerage District No. 9
(A Component Unit of Ouachita Parish Police Jury)
For the Year Ended December 31, 2004**

Number of Customers

Residential	376
Commercial	<u>1</u>
Total	<u><u>377</u></u>

West Ouachita Sewerage District No. 9
(A Component Unit of Ouachita Parish Police Jury)
For the Year Ended December 31, 2004

Company	Risk Covered	Limits of Coverage	Expiration Date
St. Paul Fire & Marine Ins. Co.	General Liability	\$1 Million per occurrence \$2 Million in aggregate	01/01/2005
	Automobile Liability	\$1 Million	01/01/2005
	Employee Theft	\$50,000	01/01/2005



Francis I. Huffman, CPA
L. Fred Monroe, CPA
Esther Atteberry, CPA

John L. Luffey, MBA, CPA (1963-2002)

MANAGEMENT LETTER

**Members of the Police Jury
Ouachita Parish Police Jury
Ouachita Parish, Louisiana**

In planning and performing our audit of the primary government financial statements of the **Ouachita Parish Police Jury** (the Police Jury) as of and for the year ended December 31, 2004, we considered its internal control structure in order to determine our auditing procedures for purposes of expressing our opinion on the basic financial statements and not to provide assurance on the internal control structure or overall compliance with laws and regulations.

However, during our audit we became aware of certain matters that are opportunities for strengthening internal controls and the overall environment for compliance with laws and regulations. This letter will summarize our comments and suggestions regarding those matters. This letter does not affect our report dated June 24, 2005 on the basic financial statements of the Police Jury.

**1. Vending machines located on premises owned by the
Ouachita Parish Police Jury**

Finding:

There are no rental or commission agreements for vending machines that are placed on parish property. Therefore, the Police Jury is not receiving any compensation for use of its property which constitutes a donation of public funds that is prohibited by Article VII, Section 14 (1974) of the Louisiana Constitution.

Recommendation:

Management should inventory all vending machines that are located within and upon its public facilities and determine which ones are owned by the Police Jury. For those that are not owned by the Police Jury, management should contact each vendor and/or owner and explain the necessity of having a written rental or commission agreement for each vending machine. Written agreements should be obtained from each vendor and/or owner as may be required to be in compliance with all applicable provisions of the Louisiana Constitution.

**Ouachita Parish Police Jury
Ouachita Parish, Louisiana
Management Letter**

Management's Corrective Action Plan:

Management will charge the Treasurer with contacting each vendor and/or owner and negotiating a written rental or commission agreement for each vending machine.

2. All cash collected from vending machines at Ouachita Correctional Center (OCC) is not being deposited in tact

Finding:

Cash collected from the vending machines at the OCC is not dually counted or controlled. Also, cash collections that exceed the cost to restock the vending machines are not forwarded to the Police Jury Business Office for deposit. This excess cash is retained at OCC and used for benevolent and social occasions.

Recommendation:

All cash collections from the vending machines should be performed and processed for deposit by more than one person. Also, OCC should enter into an agreement with the Police Jury pursuant to which its benevolent fund provides a rental payment to the Police Jury for the space utilized by the vending machines at OCC.

Management's Corrective Action Plan:

Since the Ouachita Parish Sheriff's Department operates the Correctional Facility, the Police Jury will advise the Sheriff of the recommendation and request that the procedure be implemented. In addition, we will contract with the Benevolent Fund for a rental payment to the Police Jury for the space utilized by the vending machines at the OCC.

3. Compliance with Local Government Budget

Finding:

The Local Government Budget Act provides, among other things, for the amendment of the budget when actual expenditures exceed budgeted amounts by 5 per cent or more. For the year ended December 31, 2004, the Correctional Center Fund had a negative expenditure variance of 8.2 per cent.

**Ouachita Parish Police Jury
Ouachita Parish, Louisiana
Management Letter**

Recommendation

We recommend that the budgets be closely monitored and that a budget amendment be adopted when expenditures exceed anticipated expenditures by more the 5 per cent.

Management's Corrective Action Plan

Even though the Police Jury allows the Sheriff to operate the Correctional Center and budget for its operations, we are responsible for adopting the budget and monitoring the expenditures. We will work more closely with the Sheriff on the budget and monitoring of expenditures and, if necessary, adopt an amended budget before year end where expenditures will not exceed the budget by more than 5 per cent.

A handwritten signature in black ink, appearing to read "Luffey Hoffman & Hensel". The signature is written in a cursive, flowing style.

(A Professional Accounting Corporation)

June 24, 2005