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Bossier Parish Police Jury
Benton, Louisiana
Primary Government Financial Statements
As of and For the Year Ended December 31, 2003
With Supplemental Information Schedules

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

Release Date 7-7-04

Bossier Parish Police Jury
Benton, Louisiana

Table of Contents

	<u>Page</u>
Independent Auditors' Report	1 – 2
Required Supplementary Information: Management's Discussion and Analysis	3 – 10
Basic Financial Statements:	
<i>Government-wide Financial Statements:</i>	
Statement of Net Assets	11
Statement of Activities	12
<i>Fund Financial Statements:</i>	
Balance Sheet – Governmental Funds	13
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets	14
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	15
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	16 – 17
Notes to the Financial Statements	18 – 42
Required Supplementary Information:	
<i>Budgetary Comparison Schedules:</i>	
General Fund	43
Highway Fund	44
Library Fund	45

(Continued)

Bossier Parish Police Jury
Benton, Louisiana

Table of Contents
(Continued)

	<u>Page</u>
Note to Required Supplementary Information	46
Other Supplementary Information:	
Supplementary Information Schedules – Combining Schedules for Non-Major Funds	47 – 49
Combining Balance Sheet – Nonmajor Governmental Funds	50 – 52
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	53 – 55
Schedule of Compensation Paid Police Jurors	56
Schedule of Expenditures of Federal Awards	57
Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	58 – 59
Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance With OMB Circular A-133	60 – 61
Summary Schedule of Prior Audit Findings	62
Schedule of Findings and Questioned Costs	62
Schedules For Louisiana Legislative Auditor	
Summary Schedule of Prior Year Audit Findings	63
Corrective Action Plan For Current Year Audit Findings	63

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Independent Auditors' Report

Bossier Parish Police Jury
Benton, Louisiana

We have audited the accompanying primary government financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Bossier Parish Police Jury, as of and for the year ended December 31, 2003, as listed in the table of contents. These financial statements are the responsibility of the Bossier Parish 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 applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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.

A primary government is a legal entity or body politic and includes all funds, organizations, institutions, agencies, departments, and offices that are not legally separate. Such legally separate entities are referred to as component units. In our opinion, the primary government financial statements present fairly, in all material respects, the financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the primary government of the Bossier Parish Police Jury, as of December 31, 2003, and the respective changes in financial position, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

However, the primary government financial statements, because they do not include the financial data of component units of the Bossier Parish Police Jury, do not purport to, and do not, present fairly the financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Bossier Parish Police Jury, as of December 31, 2003, and the respective changes in financial position, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated May 18, 2004 on our consideration of the Bossier Parish 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 described in Note 1 to the basic financial statements, the Bossier Parish Police Jury has implemented a new financial reporting model, as required by the provisions of Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – For State and Local Governments* as of January 1, 2003.

The management’s discussion and analysis and budgetary comparison information on pages 3–10 and on pages 43–46, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was made for the purpose of forming an opinion on the primary government financial statements taken as a whole. The accompanying supplemental information schedules listed in the table of contents and shown on pages 47–56, are presented for the purpose of additional analysis and are not a required part of the primary government financial statements of the Bossier Parish Police Jury. The accompanying schedule of expenditures of federal awards, shown on page 57, is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A–133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the primary government financial statements of the Bossier Parish Police Jury. Such information has been subjected to the auditing procedures applied in the audit of the primary government financial statements and, in our opinion, is fairly stated in all material respects in relation to the primary government financial statements taken as a whole.



Cook & Morehart
Certified Public Accountants
May 18, 2004

BOSSIER PARISH POLICE JURY

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the Bossier Parish Police Jury's financial performance provides an overview of the Police Jury's financial activities for the fiscal year ended December 31, 2003. Please read it in conjunction with our financial statements, which begin on page 11.

FINANCIAL HIGHLIGHTS

- The assets of the Police Jury exceeded its liabilities at the close of 2003 by \$60,363,181. Of this amount, \$4,472,907 (unrestricted net assets) may be used to meet the ongoing obligations to citizens and creditors in accordance with the Police Jury's fund designation and fiscal policies.
- The Police Jury's net assets increased by \$13,501,691, or 29%.
- The Police Jury's total general and program revenues were \$33,802,546 in 2003 compared to \$26,889,419 in 2002.
- During the year ended December 31, 2003, the Police Jury had total expenses, excluding depreciation, of \$19,067,482.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities (on pages 11-12) provide information about the activities of the Police Jury as a whole and present a longer-term view of the Police Jury's finances. Fund financial statements start on page 13. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Police Jury's operations in more detail than the government-wide statements by providing information about the Police Jury's most significant funds.

Reporting the Police Jury as a Whole

Our analysis of the Police Jury as a whole begins on page 11. One of the most important questions asked about the Police Jury's finances is "Is the Police Jury as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities

report information about the funds maintained by the Police Jury as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. Accrual of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Police Jury's *net assets* and changes in them. You can think of the Police Jury's net assets – the difference between assets and liabilities – 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 are one indicator of whether its *financial health* is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the Police Jury's property tax base, to assess the overall health of the Police Jury.

In the Statement of Net Assets and the Statement of Activities, we record the funds maintained by the Police Jury as governmental activities:

Governmental activities – all of the expenses paid from the funds maintained by the Police Jury are reported here which consists primarily of personal services, materials and supplies, travel, repairs and maintenance and other program services. Ad valorem taxes and sales taxes finance most of these activities.

Reporting the Police Jury's Most Significant Funds

Our analysis of the major funds maintained by the Police Jury begins on page 13. The fund financial statements begin on page 13 and provide detailed information about the most significant funds maintained by the Police Jury – not the Police Jury as a whole. The Police Jury's *governmental funds* use the following accounting approaches:

Governmental funds – All of the Police Jury's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using the *modified accrual* accounting method, 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 general government operations and the expenses paid from those funds. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance certain Police Jury expenses. 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 a reconciliation at the bottom of the fund financial statements.

THE POLICE JURY AS A WHOLE

The Police Jury's total net assets changed from a year ago, increasing from \$46,861,490 to \$60,363,181. The December 31, 2003 year was the first period that GASB Statement 34 was applied. The Police Jury was not required to restate the prior periods for purposes of providing comparative data. However, our analysis below will focus on key elements of the total governmental funds for the December 31, 2003 year. In future years, when prior year information is available, a comparative analysis of the funds maintained by the Police Jury will be presented.

**Table 1
Net Assets**

	Governmental Activities <u>2003</u>
Current and other assets	\$66,395,224
Capital assets	<u>38,867,634</u>
Total assets	<u>105,262,858</u>
Current liabilities	4,056,067
Long-term liabilities	<u>40,843,610</u>
Total liabilities	<u>44,899,677</u>
Net assets:	
Investments in capital assets, net of related debt	27,777,274
Restricted	28,113,000
Unrestricted	<u>4,472,907</u>
Total net assets	<u>\$60,363,181</u>

Net assets of the Police Jury's governmental activities increased by \$13,501,691 or 29%. Unrestricted net assets, the part of net assets that can be used to finance Police Jury expenses without constraints or other legal requirements, increased from \$3,876,825 at December 31, 2002 to \$4,472,907 at December 31, 2003.

Table 2
Change in Net Assets

	Governmental Activities <u>2003</u>
Revenues	
Program revenues	
Charges for services	\$1,263,820
Operating grants & contributions	7,824,708
Capital grants & contribution	915,578
General Revenues	
Ad valorem taxes	7,163,065
Sales taxes	10,280,841
Franchise taxes	214,624
Investment earnings	719,864
Gaming tax revenues	2,156,382
State revenue sharing	468,059
Miscellaneous revenues	<u>2,795,605</u>
Total revenues	<u>33,802,546</u>
Expenses	
General government	4,729,194
Public safety	3,101,303
Public works	4,615,583
Health and welfare	2,490,351
Culture and recreation	3,036,626
Economic development	325,455
Capital outlay	29,301
Interest on long-term debt	<u>1,973,042</u>
	<u>20,300,855</u>
Increases in net assets	<u>\$13,501,691</u>

Total revenues increased \$6,913,127 (26%) from total revenues in the year ended December 31, 2002 of \$26,889,419 to total revenues of \$33,802,546 in the year ended December 31, 2003.

A large part of the increase was due to an increase in sales and property taxes, and to additional gaming tax revenues received due to the placement of gaming devices at the local racetrack facility.

THE POLICE JURY'S FUNDS

As the Police Jury completed the year, its governmental funds (as presented in the balance sheet on page 13) reported a *combined* fund

balance of \$62,088,727, which is lower than last year's fund balance of \$67,632,307. The primary reason for the decrease in fund balance is the expenditure, during 2003, of approximately \$9,000,000 for the courthouse addition/renovation project and the jail construction project.

General Fund Budgetary Highlights

The Police Jury adopted a budget for its General Fund for the year ended December 31, 2003, and amended the budget one time during the year. The budgetary comparison is presented as required supplementary information and shown on page 43. Highlights for the year are as follows:

- Ad valorem tax revenue was originally budgeted based on preliminary taxable valuation figures. An increase in final valuation, plus the recovery of back taxes from prior years, resulted in higher property tax revenues.
- Revenue from licenses and permits increased substantially due to the installation of gaming devices at the local horse racing facility, and the subsequent imposition of a tax on gaming proceeds, one-half of which is retained by the Police Jury general fund.
- Intergovernmental revenue increased due to reimbursement from federal funds of prior year expenses for flood mitigation.
- The budgeting of sales tax revenue for emergency medical services accounts for an additional increase in intergovernmental revenue, which is offset by the budgeted public safety expenditure representing disbursement of these funds to the emergency medical services district.
- Low interest rates resulted in 33% less in investment income than expected.
- Revenues from mineral leases accounted for a 44% increase in other revenues.
- Generally, expenditures for legislative administration were in line with the original budget. Judicial administration expenditures were less than budgeted due to a reduction in salary supplements paid to district attorney assistants, brought about by a change in administration.
- Finance and administration expenses increased because of the addition of new employees.
- The public safety expenditure budget was increased for the transfer of emergency medical services sales tax to the EMS district.
- Economic development budget was adjusted upward to account for the payment of one-half the slot machine revenues generated by the racetrack to the towns of Benton, Haughton and Plain Dealing.

The Police Jury's General Fund balance of \$3,764,775 reported on page 13 differs from the General Fund's *budgetary* fund balance of \$2,656,588, reported in the budgetary comparison schedule on page 43. This is primarily due to the Police Jury budgeting on the cash basis of accounting.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of December 31, 2003, the Police Jury had invested \$38,867,634 in capital assets. (see table 3 below)

Table 3
Capital Assets At Year End
(Net of Depreciation)

	Governmental Activities <u>2003</u>
Land	\$ 3,751,846
Construction in progress	13,871,305
Buildings	8,752,794
Infrastructure	8,256,475
Equipment, furnishings, vehicles	3,208,801
Library books and information materials	<u>1,026,413</u>
Total	<u>\$38,867,634</u>

This year's major additions included:

Infrastructure	
Roads improvements	\$ 909,647
New subdivisions	4,550,000
Flood control structure	796,335
Construction in progress	
Jail construction project	\$7,983,989
Courthouse addition project	976,475
Airline Drive utility relocation	332,922
Renovations to parish buildings	96,719
Recreation park construction	88,788

More detailed information about the capital assets is presented in Note 7 to the financial statements.

Debt

During the year ended December 31, 2003, the Police Jury refinanced two Certificate of Indebtedness issues in a total amount of \$1,825,000, thereby saving money in interest and allowing repayment in 2005 rather than 2006. Other outstanding debt of the Police Jury is \$38,885,000, which was issued in 2002 for funding of the courthouse addition/renovation and jail construction projects.

**Table 4
Outstanding Debt At Year End**

	Governmental Activities <u>2003</u>
Certificates of indebtedness, Series 1996 (backed by sales tax revenue in the Highway Fund)	\$ 1,380,000
Certificates of indebtedness, Series 1996A (backed by ad valorem tax revenue in the Library Fund)	\$ 445,000
Certificated of indebtedness, Series 2002 (backed by sales tax revenue in Capital Improvements Fund)	\$38,885,000

State law restricts the amount of debt that the Police Jury may issue. The aggregate principal amount of debt may not exceed 10% of the assessed valuation for property tax purposes of all real and personal property located within the parish. The Police Jury's total debt outstanding at year-end was well below this limitation.

Other obligations include accrued vacation pay and special assessment debt relating to paving of Valerie Lane in Bossier Parish. More detailed information about the debt is presented in Note 11 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The Police Jury's management considered many factors when setting a fiscal year December 31, 2004 budget. Amounts available for appropriation in the governmental funds are expected to increase due to an increase in sales tax and gaming tax revenues. Ad valorem tax revenues will increase following reassessment of property values, as required by state law.

Expenditures in 2004 include additional funds for employer contributions to the various retirement systems in which police jury employees are enrolled. The majority of employees belong to the Parochial Employees' Retirement System, which required an additional employer contribution of 4% of gross salaries for 2004, with an additional 1% to be levied in 2005.

In addition, increasing costs for general liability, property insurance, and workers' compensation insurance will continue to impact all Police Jury operating funds.

CONTACTING THE POLICE JURY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens and taxpayers with a general overview of the finances for those funds maintained by the Police Jury and to show the Police Jury's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Bossier Parish Police Jury, P. O. Box 70, Benton, Louisiana 71006.

Bossier Parish Police Jury
Benton, Louisiana
Statement of Net Assets
December 31, 2003

	<u>Governmental Activities</u>
Assets	
Cash and cash equivalents	\$ 15,685,026
Investments	40,621,636
Receivables	9,526,791
Prepaid expenses	423,477
Special assessments receivable - current	579
Special assessments receivable - deferred	22,925
Deferred bond issuance costs	114,790
Capital assets, net	38,867,634
Total assets	<u>105,262,858</u>
Liabilities	
Accounts payable and accrued expenses	4,033,141
Deferred revenue	22,926
Long-term liabilities:	
Due within one year	1,387,085
Due in more than one year	39,456,525
Total liabilities	<u>44,899,677</u>
Net Assets	
Invested in capital assets, net of related debt	27,777,274
Restricted for:	
Debt Service	547,859
Capital Projects	14,438,771
Public Works	6,234,566
Culture and recreation	4,139,189
Other purposes	2,752,615
Unrestricted	4,472,907
Total net assets	<u>\$ 60,363,181</u>

The accompanying notes are an integral part of this statement.

Bossier Parish Police Jury
Benton, Louisiana
Statement of Activities
For the Year Ended December 31, 2003

Functions / Programs:	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities					
General government:					
Legislative	\$ 310,222	\$	\$	\$	(310,222)
Judicial	1,598,973	907,149			(691,824)
Elections	94,270				(94,270)
Finance and administrative	1,109,943				(1,109,943)
Other	1,615,786	63,240			(1,552,546)
Public safety	3,101,303	179,610	238,374		(2,683,319)
Public works	4,615,583		4,743,121		127,538
Health and welfare	2,490,351		2,838,036		347,685
Culture and recreation	3,036,626	41,561	5,177		(2,989,888)
Economic development	325,455	72,260			(253,195)
Capital outlay	29,301			915,578	886,277
Interest on long-term debt	1,973,042				(1,973,042)
Total governmental activities	20,300,855	1,263,820	7,824,708	915,578	(10,296,749)
		General revenues:			
					7,163,065
					10,280,841
					2,156,382
					214,624
					719,864
					468,059
					2,795,605
					23,798,440
					Change in net assets 13,501,691
					Net assets - beginning 46,861,490
					Net assets - ending \$ 60,363,181

The accompanying notes are an integral part of this statement.

Bossier Parish Police Jury
 Benton, Louisiana
 Balance Sheet
 Governmental Funds
 December 31, 2003

	General	Highway	Library	Capital Improvements	Courthouse / Jail Construction	Other Governmental Funds	Total Governmental Funds
Assets							
Cash and cash equivalents	\$ 2,191,942	\$ 3,089,302	\$ 291,858	\$ 811,677	\$ 568,744	\$ 8,731,503	\$ 15,685,026
Investments	464,646	1,424,914	743,434	2,708,231	34,815,765	464,646	40,621,636
Receivables	1,308,386	1,824,362	3,221,313	1,062,377	91,150	1,707,165	9,214,753
Special assessments receivable - current						579	579
Due from other fund	102,699	19,205				25,578	147,482
Special assessments receivable - deferred						22,925	22,925
Total assets	\$ 4,067,673	\$ 6,357,783	\$ 4,256,605	\$ 4,582,285	\$ 35,475,659	\$ 10,952,396	\$ 65,692,401
Liabilities and Fund Balances							
Liabilities:							
Accounts payable	\$ 257,453	\$ 148,379	\$ 210,180	\$ 40,964	\$ 1,907,524	\$ 556,831	\$ 3,121,331
Due to other fund		63,760		11,300		72,422	147,482
Deferred revenue	45,445	42,800	153,998			92,618	334,861
Total liabilities	302,898	254,939	364,178	52,264	1,907,524	721,871	3,603,674
Fund balances:							
Reserved - debt service						1,459,669	1,459,669
Unreserved	3,764,775	6,102,844	3,892,427	4,530,021	33,568,135		51,858,202
Unreserved, reported in nonmajor:							
Special revenue funds						2,752,613	2,752,613
Capital projects funds						6,018,243	6,018,243
Total fund balances	3,764,775	6,102,844	3,892,427	4,530,021	33,568,135	10,230,525	62,088,727
Total liabilities and fund balances	\$ 4,067,673	\$ 6,357,783	\$ 4,256,605	\$ 4,582,285	\$ 35,475,659	\$ 10,952,396	\$ 65,692,401

The accompanying notes are an integral part of this statement.

Bossier Parish Police Jury
Benton, Louisiana
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Assets
December 31, 2003

Fund balances - total governmental funds	\$ 62,088,727
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Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	38,867,634
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Deferred bond issuance costs are capitalized and amortized over the life of the bond issue for the government-wide statements, but are reported as expenditures in the governmental funds.	114,790
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Long-term liabilities, including bonds payable and accrued interest payable, are not due and payable in the current period and therefore are not reported in the funds.	(41,755,420)
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Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.	623,973
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The nonallocation method of accounting for prepayments is used in the fund statements, since the prepayment does not provide expendable financial resources.	<u>423,477</u>
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Net assets of governmental activities	<u><u>\$ 60,363,181</u></u>
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The accompanying notes are an integral part of this statement.

Bossier Parish Police Jury
Benton, Louisiana
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2003

Revenues:	General	Highway	Library	Capital Improvements	Courthouse / Jail Construction	Other Governmental Funds	Total Governmental Funds
Ad valorem taxes	\$ 986,944	\$ 942,156	\$ 3,389,281	\$	\$	\$ 1,532,749	\$ 6,851,130
Sales tax	772,479	3,984,425		5,523,938			10,280,842
Licenses and permits	387,783						387,783
Intergovernmental revenues	1,525,071	1,463,127	136,856			4,145,912	7,270,966
Fees, charges, and commissions for services	550,835		17,487			1,610,740	2,179,062
Fines and forfeitures			24,074			722,784	746,858
Investment earnings	29,467	33,756	20,198	47,877	522,438	63,303	717,039
Miscellaneous	198,395	110,127	7,411			181,815	498,748
Total revenues	<u>4,451,974</u>	<u>6,533,591</u>	<u>3,595,307</u>	<u>5,571,815</u>	<u>522,438</u>	<u>8,257,303</u>	<u>28,932,428</u>
Expenditures:							
Current:							
General government:							
Legislative	310,222						310,222
Judicial	201,459					1,385,634	1,587,093
Elections	94,270						94,270
Finance and administrative	938,905	55,139	104,706			18,372	1,117,122
Other	412,110			606,116	10,006	425,626	1,453,858
Public safety	804,003					2,159,875	2,963,878
Public works	93,351	3,857,376		5,356		193,121	4,149,204
Health and welfare	73,500					2,413,281	2,486,781
Culture and recreation	65,430		2,320,406			26,371	2,412,207
Economic development	323,020					2,435	325,455
Capital outlay	13,265	1,257,823	928,297		8,960,464	2,117,626	13,277,475
Debt service:							
Principal retirement						2,438,164	2,438,164
Interest and other charges						2,053,246	2,053,246
Total expenditures	<u>3,329,535</u>	<u>5,170,338</u>	<u>3,353,409</u>	<u>611,472</u>	<u>8,970,470</u>	<u>13,233,751</u>	<u>34,668,975</u>
Excess (deficiency) of revenues over expenditures	<u>1,122,439</u>	<u>1,363,253</u>	<u>241,898</u>	<u>4,960,343</u>	<u>(8,448,032)</u>	<u>(4,976,448)</u>	<u>(5,736,547)</u>
Other financing sources (uses):							
Proceeds from sale of park land						104,811	104,811
Proceeds from special assessment debt						57,988	57,988
Refunding bonds issued						1,825,000	1,825,000
Debt service - principal						(1,761,836)	(1,761,836)
Transfers in	109,013				2,000,000	6,138,767	8,247,780
Transfers out	(671,550)	(799,996)	(388,100)	(6,347,470)		(40,664)	(8,247,780)
Total other financing sources (uses)	<u>(562,537)</u>	<u>(799,996)</u>	<u>(388,100)</u>	<u>(6,347,470)</u>	<u>2,000,000</u>	<u>6,324,066</u>	<u>225,963</u>
Excess (deficiency) of revenues and other over expenditures and other uses	<u>559,902</u>	<u>563,257</u>	<u>(146,202)</u>	<u>(1,387,127)</u>	<u>(6,448,032)</u>	<u>1,347,618</u>	<u>(5,510,584)</u>
Fund balances at beginning of year, restated	<u>3,204,873</u>	<u>5,539,587</u>	<u>4,038,629</u>	<u>5,917,148</u>	<u>40,016,167</u>	<u>8,882,907</u>	<u>67,599,311</u>
Fund balances at end of year	<u>\$ 3,764,775</u>	<u>\$ 6,102,844</u>	<u>\$ 3,892,427</u>	<u>\$ 4,530,021</u>	<u>\$ 33,568,135</u>	<u>\$ 10,230,525</u>	<u>\$ 62,088,727</u>

The accompanying notes are an integral part of this statement.

Bossier Parish Policy Jury
 Benton, Louisiana
 Reconciliation of the Statement of Revenues, Expenditures, and Changes in
 Fund Balances of Governmental Funds to the Statement of Activities
 For the Year Ended December 31, 2003

Net change in fund balances - total governmental funds \$ (5,510,584)

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

Governmental funds report capital outlays as expenditures. However,
 in the statement of activities, the cost of those assets is allocated over
 their estimated useful lives and reported as depreciation expense.
 This is the amount by which capital outlays (\$13,277,474) exceeded
 depreciation (\$1,233,373) in the current period. 12,044,101

The net effect of various transactions involving capital assets (sales, trade-
 ins, donated infrastructure, etc.) is to increase net assets. 4,189,332

Bond issuance costs are capitalized and amortized over the life of the bond
 issue for the government-wide statements, but are reported as expenditures
 in the governmental funds. (6,377)

Some expenses reported in the statement of activities do not require the use
 of current financial resources and therefore are not reported as expenditures
 in the governmental funds. (5,194)

Bond proceeds provide current financial resources to governmental funds,
 but issuing debt increases long-term liabilities in the statement of
 net assets. This is the amount by which principal payments on debt, including
 payments on refunded debt, exceeded proceeds received from refunded debt. 2,317,012

The nonallocation method of accounting for prepayments is used in the fund
 statements, since the prepayment does not provide expendable financial
 resources. 423,477

Revenues in the statement of activities that do not provide current financial
 resources are not reported as revenues in the funds. 623,973

See accompanying notes to the basic financial statements.

(Continued)

Bossier Parish Policy Jury
Benton, Louisiana
Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2003
(Continued)

Accrued interest expense on long-term debt is reported in the government-wide statement of activities and changes in net assets, but does not require the use of current financial resources; therefore, accrued interest expense is not reported as expenditures in governmental funds. (911,810)

With the implementation of GASB Statement 34, certain revenues and expenses were recognized on the full-accrual basis for the first time this year. This is the net effect of prior-year receivables on the adjustment to arrive at beginning net assets. 337,761

Change in net assets of governmental activities \$ 13,501,691

See accompanying notes to the basic financial statements.

Bossier Parish Police Jury
Benton, Louisiana
Notes to Financial Statements
December 31, 2003

INTRODUCTION

The Bossier Parish Police Jury is the governing authority for Bossier Parish and is a political subdivision of the State of Louisiana. The Police Jury is governed by 12 jurors representing the various districts within the parish. The jurors serve four-year terms that expire in December 2003.

Louisiana Revised Statute (R.S.) 33:1236 gives the police jury various powers in regulating and directing the affairs of the parish and its inhabitants. The more notable of those are the power to make regulations for its own government; to regulate the construction and maintenance of roads, bridges, and drainage systems; and to provide for the health and welfare of the poor, disadvantaged, and unemployed in the parish. Funding to accomplish these tasks is provided by ad valorem taxes, sales tax, beer and alcoholic beverage permits, state revenue sharing, gaming tax revenues, and various other state and federal grants.

(1) Summary of Significant Accounting Policies

The Bossier Parish Police Jury's financial statements are prepared in conformity with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the Bossier Parish Police Jury are discussed below.

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. Certain significant changes in the Statement include the following:

For the first time the financial statements include:

- A Management Discussion and Analysis (MD&A) section providing an analysis of the Bossier Parish Police Jury's overall financial position and results of operations.
- Financial statements prepared using full accrual accounting for all of the Bossier Parish Police Jury's activities.
- A change in the fund financial statements to focus on the major funds.

These and other changes are reflected in the accompanying financial statements (including notes to financial statements). The Bossier Parish Police Jury has elected to implement the general provisions of the Statement in the current year.

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Notes to Financial Statements
December 31, 2003
(Continued)

A. Reporting Entity

As the governing authority of the parish, for reporting purposes, the Bossier Parish Police Jury is the financial reporting entity for Bossier Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with 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 Bossier Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the 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 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.

Blended Component Unit – Component units that are legally separate from the police jury, but are so intertwined with the police jury that they are, in substance, the same as the police jury are blended component units. For a component unit to be blended, the organization's board and the police jury must be substantively the same, or the organization must provide services entirely or almost entirely to the police jury. The following component unit is reported as part of the police jury and *blended* with the appropriate police jury funds:

Bossier Parish Library. Bossier Parish Library does not possess all the corporate powers necessary to make them a legally separate entity and the police jury holds the Library's corporate powers. Therefore, we conclude that they are part of the police jury and their financial statements should be blended with those of the police jury.

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Notes to Financial Statements
December 31, 2003
(Continued)

Discrete Component Units – Component units that are legally separate from the police jury, but are financially accountable to the police jury, or whose relationship with the police jury are such that exclusion would cause the police jury's financial statements to be misleading or incomplete are discretely presented. The police jury has identified the following discrete component units:

Bossier Parish Sheriff's Office, Bossier Parish Clerk of Court, Bossier Parish Tax Assessor, and the District Attorney for the Twenty-Sixth Judicial District. Even though these are independently elected officials and are legally separate from the police jury, they are fiscally dependent on the police jury. The officials are fiscally dependent because the police jury has approval authority over the officials' capital budget. The police jury has approval authority over the officials' capital budget because the office space for the officials is furnished by the police jury, major capital purchases for the officials are included in the police jury's overall budget, and title to real property is in the name of the police jury. By using the fiscal dependency criterion, we conclude that these organizations are component units of the police jury.

Bossier Parish Communications District Number One. This entity was created by the police jury. The Communications District is governed by a Board of Commissioners which are appointed by the police jury. The police jury is financially accountable for the communication district because it appoints a voting majority of the governing board and has the ability to impose its will on them.

Other Special Districts

There are a number of special districts located in Bossier Parish (fire and ambulance) that each provide services to a limited number of parish citizens. The police jury appoints all board members of those districts which do not include a municipality within their boundaries. Therefore, the police jury can impose its will on these districts. While these districts are responsible for obtaining voter approval for the levy of taxes or debt issuance, all related Louisiana State Bond Commission approvals must be obtained through the police jury. The police jury appoints two of the five board members of those districts which include a municipality and therefore cannot impose its will on these entities. However, it would be misleading to include some like districts in the financial statements while excluding others. These agencies are:

- East-Central Bossier Parish Fire Protection District No. 1
- South Bossier Parish Fire Protection District No. 2
- Ivan Fire Protection District No. 3
- Benton Fire Protection District No. 4
- Northeast Bossier Parish Fire Protection No. 5
- Bossier Parish Emergency Medical Services District
- Bossier Parish Fire District No. 6
- Fire Protection District No. 7, Parish of Bossier

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Notes to Financial Statements
December 31, 2003
(Continued)

Complete financial statements of the individual component units may be obtained from their respective administration offices or from the Bossier Parish Police Jury at the Bossier Parish Courthouse in Benton, Louisiana.

The police jury has chosen to issue financial statements of the primary government (police jury) only; therefore, none of the previously listed discrete component units are included in the accompanying financial statements.

GASB Statement No. 14 provides for the issuance of primary government financial statements that are separate from those of the reporting entity. However, the primary government's (police jury) financial statements are not a substitute for the reporting entity's financial statements. The accompanying primary government financial statements have been prepared in conformity with generally accepted accounting principles as applied to governmental units. These financial statements are not intended to and do not report on the reporting entity but rather are intended to reflect only the financial statements of the primary government (police jury).

Other Related Organizations

Considered in the determination of component units of the reporting entity were the following:

Cypress-Black Bayou Recreation and Water Conservation District and Shreveport-Bossier Convention and Tourist Bureau. The police jury appoints only one (1) board member and has no significant contact or influence to the recreation district and tourist bureau.

The police jury appoints two (2) of seven (7) board members of the Caddo-Bossier Port Commission but has no significant contact or influence within the Port Commission.

The police jury appoints the board members of the Industrial Development Board of the Parish of Bossier, Inc., but does not have the ability to impose its will and no financial benefit/burden relationship exists between them.

It was determined that these governmental entities are not component units of the Bossier Parish Police Jury reporting entity because of the reasons listed above.

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Notes to Financial Statements
December 31, 2003
(Continued)

B. Basic Financial Statements – Government-Wide Statements

The Bossier Parish Police Jury's basic financial statements include both government-wide (reporting the funds maintained by the Bossier Parish Police Jury as a whole) and fund financial statements (reporting the Bossier Parish Police Jury's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. All of the Bossier Parish Police Jury's activities are categorized as governmental activities. The Bossier Parish Police Jury does not have any business-type activities.

In the government-wide Statement of Net Assets, the governmental activities column is presented on a consolidated basis and is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables, as well as long-term debt and obligations. The Bossier Parish Police Jury's net assets are reported in three parts – invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets.

The government-wide Statement of Activities reports both the gross and net cost of each of the Bossier Parish Police Jury's functions. The functions are also supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating, and capital grants. Program revenues must be directly associated with the function. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function) are normally covered by general revenue (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.).

This government-wide focus is more on the sustainability of the Bossier Parish Police Jury as an entity and the change in the Bossier Parish Police Jury's net assets resulting from the current year's activities.

C. Basic Financial Statements – Fund Financial Statements

The financial transactions of the Bossier Parish Police Jury are recorded in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Notes to Financial Statements
December 31, 2003
(Continued)

The following fund types are used by the Bossier Parish Police Jury:

Governmental Funds – the focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Bossier Parish Police Jury:

- a. **General fund** is the general operating fund of the Bossier Parish Police Jury. It is used to account for all financial resources except those required to be accounted for in another fund.
- b. **Special revenue funds** is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.
- c. **Debt service funds** are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt.
- d. **Capital projects funds** are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

The emphasis in fund financial statements is on the major funds in the governmental category. Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues, or expenditures/expenses of fund category) for the determination of major funds.

The following major funds are presented in the fund financial statements:

General Fund – accounts for all financial resources except those required to be accounted for in another fund.

Highway Fund - accounts for the maintenance of parish highways, streets, and bridges.

Library Fund - accounts for the operation and maintenance of the parish libraries.

Capital Improvements Fund - accounts for the sales taxes received for capital improvement purposes including a maximum security jail and courthouse facilities.

Courthouse / Jail Construction Fund - accounts for the construction/improvement of the Bossier Parish Courthouse and a new jail in Bossier Parish.

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Notes to Financial Statements
December 31, 2003
(Continued)

D. Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

1. Accrual:

The governmental funds in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual:

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under modified accrual basis of accounting, revenues are recorded when susceptible to accrual: i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

E. Budgets

The Policy Jury uses the following budget practices:

Proposed budgets for the ensuing year are prepared by the Secretary-Treasurer during October of each year. During the month of November, the finance committee reviews the proposed budgets and makes changes as it deems appropriate. The availability of the proposed budgets for public inspection and the date of the public hearing on the budgets are then advertised in the official journal. Prior to its regular December meeting, the police jury holds a public hearing on the proposed budgets in order to receive comments from the public and other interested parties. 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 regular December meeting or a special meeting held no later than 15 days prior to the beginning of the fiscal year, and notice is published in the official journal.

The police jury receives periodic budget comparison statements during the year that are used as a tool to control the operations of the parish. The Secretary-Treasurer presents necessary budget amendments to the police jury during the year when, in their judgment, actual operations differ materially from those anticipated in the original budgets. During a regular or special meeting, the police jury reviews the proposed amendments, makes changes as it feels necessary, and formally adopts the amendments. The adoption of the amendments is included in the police jury minutes published in the official journal.

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Notes to Financial Statements
December 31, 2003
(Continued)

The police jury exercises budgetary control at the functional level. Within functions, the Secretary-Treasurer has the authority to make amendments of up to 5%, as necessary. Unexpended appropriations lapse at year end and must be reappropriated in the next year's budget to be expended.

The availability of proposed budgets and the date of the public hearing for the 2003 budgets were published in the official journal on November 21, 2002. The 2003 budget hearings were held, and the budgets adopted at the jury meeting on December 4, 2002. Notice of adoption of the budgets was subsequently advertised in the official journal.

For the year ended December 31, 2003, the police jury adopted budgets on a cash basis for the general fund, all special revenue funds, all debt service funds, and all capital projects funds.

F. Cash, Cash Equivalents, and Investments

Cash includes amounts in petty cash, demand deposits, interest bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. 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 or any other state of the United States, or under the laws of the United States.

Investments are limited by R.S. 33:2955 and the police jury's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

G. Deferred Bond Issuance Cost

In conjunction with the issuance of certificates of indebtedness for courthouse improvements / renovations and construction of a new maximum security jail, bond issuance costs were incurred. These costs are capitalized in the government-wide financial statements and amortized on a straight line basis over the term of the new bond issue. Included in interest expense for the year ended December 31, 2003 was amortization of \$6,377.

H. Capital Assets

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Notes to Financial Statements
December 31, 2003
(Continued)

Buildings	40-75 years
Infrastructure	10-50 years
Furniture	5-10 years
Equipment	2-30 years
Vehicles	7-25 years
Library books and information	5 years

GASBS No. 34 requires the police jury to report and depreciate new infrastructure assets effective with the beginning of the current year. Infrastructure assets include roads, bridges, traffic signals, etc. These infrastructure assets are likely to be the largest asset class of the police jury. Neither their historical cost nor related depreciation has historically been reported in the financial statements. The retroactive reporting of infrastructure is subject to an extended implementation period and is first effective for fiscal years ending in 2007. The police jury has elected to implement the general provisions of GASBS No. 34 in the current year and delay the implementation of retroactive reporting of infrastructure.

I. Revenues

Ad valorem taxes and the related state revenue sharing are recorded in the year the taxes are assessed. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected in December of the current year and January and February of the ensuing year. Sales tax revenues are recorded in the period in which the underlying exchange has occurred. Gaming tax revenues are recorded in the period during which the exchange transactions on which the tax is imposed occur. Fines, forfeitures, fees, and court costs are recognized in the period they are collected by the Bossier Parish Sheriff. Interest income on demand and time deposits is recorded when earned.

Federal and state grants are recorded when the police jury is entitled to the funds, except for certain federal grants which require funds not expended to be returned to the funding source. On those grants revenue is recognized only upon expending those funds. Grant funds received but not expended is reflected in the financial statements as deferred revenue.

J. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the government-wide financial statements.

K. Deferred Revenue

Deferred revenues arise when assets are recognized before the revenue recognition criteria have been satisfied. On governmental fund financial statements, receivables that were not collected within the available period are recorded as deferred revenue.

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Notes to Financial Statements
December 31, 2003
(Continued)

L. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consist of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation adopted by the police jury or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The police jury's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

M. Sales Taxes

During 1995 a special election was held in which a 1 ½% sales tax was passed in the Rural Sales Tax District of the Parish of Bossier, State of Louisiana. The sales tax is to be used for opening, operating, constructing and maintaining the public roads, bridges and drainage facilities.

During 1999, a special election was held in which a ¼% sales tax was passed in the Sales Tax District No. 1 of Bossier Parish, State of Louisiana. The sales tax is to be used for constructing, improving, acquiring, operating and maintaining facilities and equipment, ambulance service and otherwise paying the cost of ambulance service for the residents of Bossier Parish.

During 2000, a special election was held in which a ½% sales tax was passed in the Parish of Bossier, State of Louisiana. The sales tax is to be allocated 70% to the Bossier Parish Police Jury and 30% to the Law Enforcement District of the Parish of Bossier, represented by the Sheriff of Bossier Parish. The parish's share is to be used for capital improvement purposes including a maximum security jail and courthouse facilities.

N. Compensated Absences

Employees of the police jury earn from 5 to 15 days of vacation leave each year, depending on their lengths of service. Employees may carry no more than one-half of their normal yearly benefit forward to the next benefit year. Upon termination of employment, employees will be paid for unused vacation time that they are eligible for according to the police jury policy.

Employees of the police jury will accrue sick leave benefits which are calculated on the basis of a "benefit year" at the rate of 6 days per year. Unused sick leave will be allowed to accumulate without limit. Unused sick leave benefits will not be paid to employees while they are employed or upon termination of employment.

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Notes to Financial Statements
December 31, 2003
(Continued)

Employees of the library earn from 6 to 24 days of vacation leave each year, depending on their professional status. Three days of vacation leave may be carried forward into the following year. Employees have the option of receiving compensation or credit applied to retirement for days carried forward and any current-year unused vacation leave. Employees earn 12 days of sick leave each year that may be accumulated to a maximum of 48 days. Accumulated sick leave is used in the employee's retirement benefit computation. Accumulated sick leave is forfeited upon termination of employment.

The current portion of compensated absences payable (the amount estimated to be used during the period of availability) is recorded as a liability in the fund financial statements. The entire balance of compensated absences payable is recognized as a liability in the government-wide financial statements. The non-current portion represents a reconciling item between the fund and government-wide statements.

O. Interfund Activity

Interfund activity is reported as either loans, reimbursements, or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

P. Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Actual results could differ from those estimates.

Q. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities in the statement of net assets. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of related debt.

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

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Notes to Financial Statements
December 31, 2003
(Continued)

(2) Change in Accounting Principles and Restatement of Fund Equity

A. Change in Accounting Principle

For 2003, the police jury has implemented Governmental Accounting Standards Board (GASB) Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions"; GASB Statement No. 34, "Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments"; GASB Statement No. 36, "Recipient Reporting for Certain Shared Nonexchange Revenues"; GASB Statement No. 37, "Basic Financial Statements and Management's Discussion Analysis for State and Local Governments: Omnibus"; GASB Statement No. 38, "Certain Financial Statement Note Disclosures"; and GASB Interpretation No. 6, "Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements.

For 2003, the police jury has increased the threshold amount for capitalizing fixed assets to \$5,000.

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Notes to Financial Statements
December 31, 2003
(Continued)

B. Restatement of Fund Equity

The restatement due to the implementation of the above statements and interpretation had the following effects on fund equity of the major and nonmajor funds of the police jury as they were previously reported.

	General	Highway	Library	Capital Improvements	Courtthouse/ Jail Construction	Other Governmental Funds	Total
Fund balance, December 31, 2002	\$ 3,450,387	\$ 5,313,427	\$ 4,436,801	\$ 5,389,626	\$ 40,016,167	\$ 9,025,899	\$ 67,632,307
GASB Interpretation No. 6 Adjustment— Compensated absences payable	(3,826)	(10,242)	(8,672)	-	-	(2,563)	(25,303)
GASB Statement 33/36 Adjustment— Property taxes	(91,565)	(83,128)	(299,030)	-	-	(135,300)	(609,023)
State revenue sharing	(98,126)	(86,726)	(90,470)	-	-	(28,532)	(303,854)
Misc. revenues	(24,670)	-	-	-	-	(19,008)	(43,678)
Sales taxes	-	406,257	-	527,523	-	15,082	948,862
Fund balance, December 31, 2002, restated	3,232,200	5,539,588	4,038,629	5,917,149	40,016,167	8,855,578	67,599,311

(Continued)

Bossier Parish Police Jury
 Benton, Louisiana
 Notes to Financial Statements
 December 31, 2003
 (Continued)

	General	Highway	Library	Capital Improvements	Courthouse/ Jail Construction	Other Governmental Funds	Total
GASB 34							
Adjustment to Net Assets-							
Prepaid insurance						356,776	
Accrued interest						(998,391)	
Debt						(43,155,429)	
Deferred bond issuance costs						121,168	
State revenue sharing						303,854	
Capital assets, net						<u>22,634,201</u>	
Government Activities							
Net Assets, December 31, 2002						<u>\$ 46,861,490</u>	

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Notes to Financial Statements
December 31, 2003
(Continued)

(3) Levied Taxes

The following is a summary of authorized and levied ad valorem taxes for the primary government for the year ended December 31, 2003:

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Parishwide taxes:			
General maintenance:			
Outside municipalities	4.00	3.54	Statutory
Within municipalities	2.00	1.77	Statutory
Road maintenance	2.48	2.31	2007
Library	8.31	8.31	2005
Health unit maintenance	.82	.76	2007
Correctional facilities	3.00	3.00	2011

The differences between authorized and levied millages are the result of the reassessment of taxable property required by Article 7, Section 23 of the Louisiana Constitution of 1974.

(4) Cash and Cash Equivalents

At December 31, 2003, the police jury has cash and cash equivalents (book balances) totaling \$15,685,026 as follows:

Petty cash	\$ 500
Interest-bearing demand deposits	3,840,526
Time deposits	<u>11,844,000</u>
	<u>\$ 15,685,026</u>

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

At December 31, 2003, the police jury has \$16,387,014 in deposits (collected bank balances). These deposits are secured from risk by \$ 780,000 of federal deposit insurance and \$15,607,014 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Notes to Financial Statements
December 31, 2003
(Continued)

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

(5) **Investments**

Investments are categorized into these three categories of credit risk:

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
3. Uninsured and unregistered, with securities, held by the counterpart, or by its trust department or agent but not in the police jury's name

At December 31, 2003, the police jury had investments totaling \$2,708,231 in Louisiana Asset Management Pool (LAMP). The investments are registered in the name of LAMP and are held in the custodial bank's trust account at the Federal Reserve. Because the investments are held by the custodian in the name of LAMP, the investments are considered Category 1 in applying the credit risk of GASB Codification Section 150.125. The market value of this particular type of investment is not materially different from its carrying amount.

At December 31, 2003, the police jury had investments totaling \$37,913,405 consisting of U.S. Treasury Bills and Notes with maturity dates in January through April, 2004. The market value of this particular type of investment is not materially different from its carrying amount. The investments are in the name of the police jury and are held by the police jury's fiscal agent. The investments are considered category 1 in applying the credit risk of GASB.

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Notes to Financial Statements
December 31, 2003
(Continued)

(6) Receivables

The following is a summary of receivables at December 31, 2003:

<u>Class of Receivable</u>	
Ad valorem taxes	\$ 6,503,131
Sales and use taxes	1,955,274
Intergovernmental	311,581
Grants	16,351
Fees, charges, and commissions for services	61,698
Gaming	163,979
Accrued interest receivable	130,268
Other	<u>72,471</u>
 Total – fund statements	 <u>9,214,753</u>
 Reconciliations of balances in fund statements to government-wide statements:	
 Intergovernmental	 <u>312,038</u>
 Total – government-wide statements	 <u>\$ 9,526,791</u>

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Notes to Financial Statements
December 31, 2003
(Continued)

(7) Capital Assets

Capital asset activity for the year ended December 31, 2003, was as follows:

	<u>Balance at Jan. 1, 2003</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at Dec. 31, 2003</u>
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 3,626,123	\$ 230,534	\$ (104,811)	\$ 3,751,846
Construction in progress	<u>3,824,421</u>	<u>10,046,884</u>	<u> -</u>	<u>13,871,305</u>
Total capital assets, not being depreciated	<u>7,450,544</u>	<u>10,277,418</u>	<u>(104,811)</u>	<u>17,623,151</u>
Capital assets, being depreciated:				
Buildings	15,175,841	-	-	15,175,841
Infrastructure	1,933,365	6,380,747	-	8,314,112
Furniture, equipment, & vehicles	5,615,334	1,126,464	(300,011)	6,441,787
Library books and information materials	<u>2,101,662</u>	<u>283,938</u>	<u>(196,939)</u>	<u>2,188,661</u>
Total capital assets, being depreciated, at historical cost	<u>24,826,202</u>	<u>7,791,149</u>	<u>(496,950)</u>	<u>32,120,401</u>
Less accumulated depreciation:				
Buildings	(6,100,285)	(322,762)	-	(6,423,047)
Infrastructure	-	(57,637)	-	(57,637)
Furniture, equipment, & vehicles	(2,692,348)	(540,638)	-	(3,232,986)
Library books and information materials	<u>(849,912)</u>	<u>(312,336)</u>	<u> -</u>	<u>(1,162,248)</u>
Total accumulated depreciation	<u>(9,642,545)</u>	<u>(1,233,373)</u>	<u> -</u>	<u>(10,875,918)</u>
 Total capital assets, being depreciated, net	 <u>15,183,657</u>	 <u>6,557,776</u>	 <u>(496,950)</u>	 <u>21,244,483</u>
 Governmental activities capital assets, net	 <u>\$22,634,201</u>	 <u>\$16,835,194</u>	 <u>\$(601,761)</u>	 <u>\$38,867,634</u>

(Continued)

Bossier Parish Police Jury
 Benton, Louisiana
 Notes to Financial Statements
 December 31, 2003
 (Continued)

Depreciation expense was charged to Governmental Activities as follows:

Judicial	\$ 5,374
Public safety	148,430
Public works	420,104
Health and welfare	6,097
Culture and recreation	440,516
Capital projects	8,168
General government – other	<u>204,684</u>
	<u>\$ 1,233,373</u>

No prior accumulated depreciation was calculated on capital assets disposed of as of January 1, 2003, for purposes of GASB 34 conversion.

(8) Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses at December 31, 2003, consisted of the following:

<u>Class of Payable</u>	
Salaries and benefits	\$ 153,852
Accounts	2,917,404
Compensated absences	<u>50,075</u>
Total – fund statements	<u>3,121,331</u>
Accrued interest	<u>911,810</u>
Total – government-wide statements	<u>\$ 4,033,141</u>

(9) Interfund balances, on the fund statements, at December 31, 2003 consisted of the following:

<u>Due To</u>	<u>Due From</u>			<u>Total</u>
	<u>Highway</u>	<u>Capital Improvements</u>	<u>Non-Major Governmental Funds</u>	
General	\$ 63,760	\$ 11,300	\$ 27,639	\$ 102,699
Highway	-	-	19,205	19,205
Non-Major Governmental Funds	<u>-</u>	<u>-</u>	<u>25,578</u>	<u>25,578</u>
Total	<u>\$ 63,760</u>	<u>\$ 11,300</u>	<u>\$ 72,422</u>	<u>\$ 147,482</u>

(Continued)

Bossier Parish Police Jury
 Benton, Louisiana
 Notes to Financial Statements
 December 31, 2003
 (Continued)

The interfund balances are the result of entries needed to correct posting of amounts between Valerie Lane Debt Service Fund and Valerie Lane Construction Fund, and balances resulting from the time lag between dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

(10) Interfund transfers for the year ended December 31, 2003 consisted of the following:

Transfer To	Transfer From				Non-Major Governmental Funds	Total
	General	Highway	Library	Improvements		
General	\$ -	\$ 75,000	\$ -	\$ -	\$ 34,013	\$ 109,013
Courthouse/Jail Construction	-	-	-	2,000,000	-	2,000,000
Non-Major Governmental Funds	<u>671,550</u>	<u>724,996</u>	<u>388,100</u>	<u>4,347,470</u>	<u>6,651</u>	<u>6,138,767</u>
	<u>\$ 671,550</u>	<u>\$ 799,996</u>	<u>\$ 388,100</u>	<u>\$ 6,347,470</u>	<u>\$ 40,664</u>	<u>\$ 8,247,780</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Notes to Financial Statements
December 31, 2003
(Continued)

(11) Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2003, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Certificate of Indebtedness:					
Certificates of Indebtedness, Series 1996 (Highway) \$	2,265,000	\$ -	\$ (2,265,000)	\$ -	\$ -
Certificates of Indebtedness, Series 1996 A (Library)	820,000	-	(820,000)	-	-
Certificates of Indebtedness, Series 2002 (Capital Improvements)	40,000,000	-	(1,115,000)	38,885,000	1,180,000
Refunding Certificates of Indebtedness, Series 2003 (Highway)	-	1,380,000	-	1,380,000	145,000
Refunding Certificates of Indebtedness, Series 2003 (Library)	-	445,000	-	445,000	-
Total Certificates of Indebtedness	<u>43,085,000</u>	<u>1,825,000</u>	<u>4,200,000</u>	<u>40,710,000</u>	<u>1,325,000</u>
Other long-term liabilities:					
Special Assessment Debt— Paving Certificates	-	57,988	-	57,988	6,443
Compensated Absences	70,429	55,268	-	125,697	105,717
Total other long-term liabilities	<u>70,429</u>	<u>113,256</u>	<u>-</u>	<u>183,685</u>	<u>112,160</u>
Governmental Activities long-term liabilities	<u>\$ 43,155,429</u>	<u>\$ 1,938,256</u>	<u>\$ (4,200,000)</u>	<u>\$ 40,893,685</u>	<u>\$ 1,437,160</u>
Less amounts due within period of availability— recorded in accounts payable				(50,075)	(50,075)
Total long-term liabilities, government-wide statements				<u>\$ 40,843,610</u>	<u>\$ 1,387,085</u>

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Notes to Financial Statements
December 31, 2003
(Continued)

Certificates of indebtedness are comprised of the following issues:

Series 2003, original amount \$1,380,000 – refunding certificates – for rural road construction due in annual installments of \$145,000 to \$620,000, through January 1, 2006; interest rates range from 1.25% to 1.85%; repayment of debt is paid from sales tax revenue from the Highway Fund	\$ 1,380,000
Series 2003, original amount \$445,000 – refunding certificates – for construction of a Library History Center, due in annual installments of \$220,000 to \$225,000 through March 1, 2006; interest rates range from 1.50% to 1.85%; repayment of debt is paid from ad valorem taxes from the Library Fund	445,000
Series 2003, original amount \$40,000,000 for courthouse improvement / renovations and a new maximum security jail; due in annual installments of \$2,981,881 to \$3,391,500 through July 1, 2022; interest rates range from 3.5% to 5.625%; repayment of debt is paid from sales tax revenue from the Capital Improvements Fund	<u>38,885,000</u>
	<u>\$ 40,710,000</u>

Payments on long-term debt –certificates of indebtedness are made from debt service funds. Compensated absences liability will be liquidated through various governmental funds. The liability for compensated absences at December 31, 2003, was allocated to the following funds: General fund (17%), Highway fund (56%), Non-Major Governmental funds (27%). Payments on special assessment debt is made from collections of liens on assessed property.

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Notes to Financial Statements
December 31, 2003
(Continued)

Debt service requirements at December 31, 2003, were as follows:

Certificate of Indebtedness			
Fiscal Year	Principal	Interest	Total
2004	\$ 1,325,000	\$ 1,832,947	\$ 3,157,947
2005	2,085,000	1,771,076	3,856,076
2006	2,165,000	1,713,248	3,878,248
2007	1,395,000	1,655,931	3,050,931
2008	1,475,000	1,600,131	3,075,131
2009-2013	8,765,000	6,982,319	15,747,319
2014-2018	11,590,000	4,746,760	16,336,760
2019-2022	11,910,000	1,530,000	13,440,000
	\$ 40,710,000	\$ 21,832,412	\$ 62,542,412

Special Assessment Debt			
Fiscal Year	Principal	Interest	Total
2004	\$ 6,443	\$ 2,948	\$ 9,391
2005	6,443	3,092	9,535
2006	6,443	2,706	9,149
2007	6,443	2,320	8,763
2008	6,443	1,933	8,376
2009-2013	25,773	3,866	29,639
	\$ 57,988	\$ 16,865	\$ 74,853

(12) Pension Plan

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

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Notes to Financial Statements
December 31, 2003
(Continued)

All permanent employees working at least 28 hours per week who are paid wholly or in part from parish funds 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% of their final-average salary for each year of creditable service. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information 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.

Funding Policy. State statute requires covered employees to contribute a percentage of their salaries to the plan. As provided by R.S. 11:103, the employer contributions are determined by an actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. Under Plan A, members are required by state statute to contribute 9.5% of their annual covered salary and the Bossier Parish Police Jury is required to contribute at an actuarially determined rate. The current rate is 7.75% of annual covered payroll. Contributions to the System include one-fourth of one percent (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The Bossier Parish Police Jury's contributions to the System under Plan A for the years ending December 31, 2003, 2002, and 2001, were \$382,098, \$350,901, and \$317,128, respectively, equal to the required contributions for each year.

(13) Other Postemployment Benefits

The Bossier Parish Police Jury provides certain continuing health care benefits for its retired employees. Substantially all of the police jury's employees become eligible for these benefits if they reach normal retirement age while working for the police jury. These benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid jointly by the employee and the police jury. The police jury recognizes the cost of providing these benefits as an expenditure when paid during the year.

The premiums paid to the insurance company for group hospitalization coverage in 2003 were \$1,311,779. Of this amount, \$915,092 (68%) was paid by the police jury. Of this expenditure, \$115,759 was for 30 retirees, with the remaining \$799,333 paid for active employees.

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Notes to Financial Statements
December 31, 2003
(Continued)

(14) Criminal Court Fund

R.S. 15:571.11 requires that one-half of any balance remaining in the criminal court fund at year-end be transferred to the parish General Fund. The following details the amount due at December 31, 2003:

Balance due at January 1, 2003	\$	26,473
Amount due for 2003		<u>34,012</u>
Total		60,485
Remitted during 2003		<u>(26,473)</u>
Balance due at December 31, 2003	\$	<u><u>34,012</u></u>

(15) Risk Management

The police jury purchases commercial insurance to provide workers compensation coverage and general liability and property insurance. There were no significant reductions in insurance coverage from the previous year.

(16) Litigation and Claims

At December 31, 2003 the police jury is involved in numerous lawsuits. In the opinion of legal counsel for the police jury, the potential loss on all claims and lawsuits will not be significant to the police jury's financial statements.

(17) Commitments

The police jury has entered into a contract for the construction of a new jail facility for \$22,575,700. Total estimated costs of the project are \$28,800,000. The police jury has entered into a contract for the construction of a courthouse improvements and renovations project for \$22,453,000. Total estimated costs of the project are \$28,400,000.

Funding for both projects will be made from bond proceeds received during 2002 as recorded in the Courthouse/Jail Construction capital projects fund.

The police jury entered into a contract on May 17, 2004 for utility relocation and bridge replacements in conjunction with the Airline Drive 5-Lane Expansion project - Phase II, in the amount of \$1,568,091. Funding is provided by proceeds received from riverboat gaming taxes.

Bossier Parish Policy Jury
 Benton, Louisiana
 Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund
 For the Year Ended December 31, 2003

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Ad valorem taxes	\$ 835,000	\$ 915,000	\$ 933,312	\$ 18,312
Sales tax		753,000	766,959	13,959
Licenses and permits	308,500	785,500	843,539	58,039
Intergovernmental revenues	1,176,000	1,406,000	1,452,911	46,911
Fees, charges, and commissions for services	105,500	100,500	96,080	(4,420)
Use of money and property	45,000	31,000	33,362	2,362
Other revenues	140,910	166,910	240,739	73,829
Total revenues	2,610,910	4,157,910	4,366,902	208,992
Expenditures:				
Current:				
General government:				
Legislative	321,300	327,300	308,534	18,766
Judicial	250,925	219,925	205,997	13,928
Elections	119,600	104,600	93,660	10,940
Finance and administrative	853,100	923,600	913,570	10,030
Other	383,640	402,640	397,814	4,826
Public safety	24,600	783,600	798,483	(14,883)
Public works	107,850	100,100	93,351	6,749
Health and welfare	58,416	73,916	73,427	489
Culture and recreation	60,000	62,500	60,919	1,581
Capital projects		1,500	1,500	
Economic development	48,370	296,745	320,468	(23,723)
Total expenditures	2,227,801	3,296,426	3,267,723	28,703
Excess (deficiency) of revenues over expenditures	383,109	861,484	1,099,179	237,695
Other financing sources (uses):				
Operating transfers out	(788,900)	(671,550)	(671,550)	
Total other financing sources (uses)	(788,900)	(671,550)	(671,550)	
Excess (deficiency) of revenues and other sources over expenditures and other uses	(405,791)	189,934	427,629	237,695
Fund balances at beginning of year	2,040,376	2,225,000	2,228,959	3,959
Fund balances at end of year	\$ 1,634,585	\$ 2,414,934	\$ 2,656,588	\$ 241,654

See accompanying note to the required supplementary schedule.

Bossier Parish Policy Jury
 Benton, Louisiana
 Required Supplementary Information
 Budgetary Comparison Schedule
 Highway Fund
 For the Year Ended December 31, 2003

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Ad valorem taxes	\$ 845,000	\$ 880,000	\$ 896,674	\$ 16,674
Sales tax	3,500,000	3,770,000	3,895,446	125,446
Intergovernmental revenues	820,000	1,147,000	1,151,204	4,204
Use of money and property	50,000	36,000	42,409	6,409
Other revenues	2,400	204,600	460,313	255,713
Total revenues	5,217,400	6,037,600	6,446,046	408,446
Expenditures:				
Current:				
General government:				
Finance and administrative	135,500	135,500	129,213	6,287
Public works	5,606,500	5,773,700	5,096,524	677,176
Total expenditures	5,742,000	5,909,200	5,225,737	683,463
Excess (deficiency) of revenues over expenditures	(524,600)	128,400	1,220,309	1,091,909
Other financing sources (uses):				
Operating transfers out	(625,000)	(725,000)	(724,996)	4
Total other financing sources (uses)	(625,000)	(725,000)	(724,996)	4
Excess (deficiency) of revenues and other sources over expenditures and other uses	(1,149,600)	(596,600)	495,313	1,091,913
Fund balances at beginning of year	3,392,850	4,065,000	4,018,902	(46,098)
Residual equity transfer				
Fund balances at end of year	\$ 2,243,250	\$ 3,468,400	\$ 4,514,215	\$ 1,045,815

See accompanying note to the required supplementary schedule.

Bossier Parish Policy Jury
 Benton, Louisiana
 Required Supplementary Information
 Budgetary Comparison Schedule
 Library Fund
 For the Year Ended December 31, 2003

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Ad valorem taxes	\$ 3,130,000	\$ 3,130,000	\$ 3,225,666	\$ 95,666
Intergovernmental revenues	133,000	133,000	136,856	3,856
Fees, charges, and commissions for services	16,000	16,000	17,487	1,487
Fines and forfeitures	26,000	26,000	24,074	(1,926)
Use of money and property	26,000	26,000	24,371	(1,629)
Other revenues	36,700	62,700	7,415	(55,285)
Total revenues	<u>3,367,700</u>	<u>3,393,700</u>	<u>3,435,869</u>	<u>42,169</u>
Expenditures:				
Current:				
General government:				
Finance and administrative	99,900	99,900	101,375	(1,475)
Culture and recreation	3,463,600	3,482,600	3,298,720	183,880
Total expenditures	<u>3,563,500</u>	<u>3,582,500</u>	<u>3,400,095</u>	<u>182,405</u>
Excess (deficiency) of revenues over expenditures	<u>(195,800)</u>	<u>(188,800)</u>	<u>35,774</u>	<u>224,574</u>
Other financing sources (uses):				
Operating transfers out	(235,000)	(388,000)	(388,100)	(100)
Total other financing sources (uses)	<u>(235,000)</u>	<u>(388,000)</u>	<u>(388,100)</u>	<u>(100)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(430,800)</u>	<u>(576,800)</u>	<u>(352,326)</u>	<u>224,474</u>
Fund balances at beginning of year	<u>1,108,597</u>	<u>1,385,000</u>	<u>1,387,618</u>	<u>2,618</u>
Fund balances at end of year	<u>\$ 677,797</u>	<u>\$ 808,200</u>	<u>\$ 1,035,292</u>	<u>\$ 227,092</u>

See accompanying note to the required supplementary schedule.

Bossier Parish Police Jury
 Benton, Louisiana
 Note to Required Supplementary Information
 December 31, 2003

Budget comparison statements included in the accompanying financial statements include the original adopted budgets and all subsequent amendments. The following schedule reconciles excess (deficiency) of revenues and other sources over expenditures and other uses on the statement of revenues, expenditures and changes in fund balances (budget basis) with the amounts shown on the statement of revenues, expenditures and changes in fund balances (GAAP basis):

	<u>General Fund</u>	<u>Highway Fund</u>	<u>Library Fund</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses (budget basis)	\$ 427,629	\$ 495,313	\$ (352,326)
Adjustments:			
Revenue accruals – net	55,330	366,746	(76,059)
Expenditures accruals – net	(141,244)	(72,643)	(115,989)
Prior period Adjustment– restatement	<u>218,187</u>	<u>(226,159)</u>	<u>398,172</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses (GAAP basis)	<u>\$ 559,902</u>	<u>\$ 563,257</u>	<u>\$ (146,202)</u>

Bossier Parish Police Jury
Benton, Louisiana
Supplemental Information Schedules –
Combining Schedules for Non-Major Funds
As of and for the Year Ended December 31, 2003

Health Unit Fund

The Health Unit Fund accounts for the maintenance and operation of the parish health unit. Financing is provided by a special parishwide ad valorem tax and interest earnings.

Criminal Court Fund

The Criminal Court Fund was created by Section 571.11 of Title 15 of the Louisiana Revised Statutes of 1950, which provides that fines and forfeitures imposed by district courts and district attorney conviction fees in criminal cases be transferred to the parish treasurer and deposited in a special criminal court fund account to be used for the expenses of the criminal court of the parish. Expenditures are made from the fund on motion of the district attorney and approval of the district judge. The statute also requires that one-half of the surplus (fund balance) remaining in the fund at December 31 of each year be transferred to the parish General Fund.

Detention Center Fund

The Detention Center Fund accounts for the maintenance and operation of the detention center, which is a secure confinement facility providing temporary care for children under 17 years of age who are charged with delinquent offenses. These children are held pending their court cases. Financing is provided by the police jury and the City of Bossier City.

Correctional Facilities Fund

The Correctional Facilities Fund accounts for the operation and maintenance of correctional facilities in Bossier Parish, including the furnishing of transportation and medical care for prisoners. Financing is provided by ad valorem tax revenue.

Drug Court Fund

The Drug Court Fund accounts for the administration and operation of three grants, in cooperation with the District Attorney's office.

Section 8 Housing Fund

The Section 8 Fund accounts for the operation of a Section 8 Housing Subsidy Program funded by the United States Department of Housing and Urban Development. The program provides housing assistance payments to participating owners on behalf of eligible tenants to provide decent, safe and sanitary housing for low-income families at rents they can afford. Housing assistance payments are used to make up the difference between the approved rent due to the owner for the dwelling unit and the occupant family's required contribution toward the rent.

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Supplemental Information Schedules –
Combining Schedules for Non-Major Funds
As of and for the Year Ended December 31, 2003
(Continued)

General Capital Projects Fund

The General Capital Projects Fund was created to account for boarding fee funds received from two of the riverboats in Bossier Parish. This money is to be utilized for various Capital Projects.

Industrial Park Construction Fund

The Industrial Park Construction Fund accounts for financial resources used to acquire and construct facilities at the industrial park.

Airline Drive Construction Fund

The Airline Drive Construction Fund was created to account for the construction/improvement of Airline Drive in Bossier Parish.

Valerie Lane Construction Fund

The Valerie Lane Construction Fund was created to account for the improvements to Valerie Lane in Bossier Parish.

Parks and Recreation Fund

The Parks and Recreation Fund was created to account for funds received from mineral leases to be used for the improvement of various parks and recreation facilities in Bossier Parish.

LCDBG Fund

The LCDBG Fund is used to account for a Louisiana Community Development Block Grant obtained from the State of Louisiana Division of Administration for the purpose of fire protection.

Rural Development Grant Fund

The Rural Development Grant fund is used to account for various grants received from the State of Louisiana, Office of Rural Development, for various capital projects.

Highway Certificates of Indebtedness Sinking Fund

The Highway Certificates of Indebtedness Sinking Fund is used to account for the accumulation of resources for and the repayment of debt on certificates of indebtedness issued for purposes of rural road construction.

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Supplemental Information Schedules –
Combining Schedules for Non-Major Funds
As of and for the Year Ended December 31, 2003
(Continued)

Library Certificates of Indebtedness Sinking Fund

The Library Certificates of Indebtedness Sinking Fund is used to account for the accumulation of resources for and the repayment of debt on certificates of indebtedness issued for purposes of construction of a library history center.

Sales Tax Bonds Sinking Fund

The Sales Tax Bonds Sinking Fund is used to account for the accumulation of resources for and the repayment of debt on certificates of indebtedness issued for purposes of courthouse improvements / renovations and construction of a new maximum security jail.

Valerie Lane Debt Service Fund

The Valerie Lane Debt Service Fund is used to account for the accumulation of resources for and the repayment of debt on paving certificates issued for purposes of improvements to Valerie Lane in Bossier Parish.

Bossier Parish Police Jury
 Benton, Louisiana
 Combining Balance Sheet
 Other Governmental Funds
 December 31, 2003

	Health Unit	Criminal Court	Detention Center	Correctional Facilities	Drug Court	Section 8 Housing
Assets						
Cash and cash equivalents	\$ 977,227	\$ 51,749	\$ 44,889	\$ 60,545	\$ (933)	\$ 41,486
Investments	464,646					
Receivables	298,001	56,144	5,554	1,162,241	758	15,593
Special assessments receivable - current		6,373				
Due from other funds						
Special assessments receivable - deferred						
Total assets	\$ 1,739,874	\$ 114,266	\$ 50,443	\$ 1,222,786	\$ (175)	\$ 57,079
Liabilities and Fund Balances						
Liabilities:						
Accounts payable	\$ 15,551	\$ 46,242	\$ 35,583	\$ 191,764	\$	\$ 38,815
Due to other fund		34,012				
Deferred revenue	14,082			55,611		
Total liabilities	29,633	80,254	35,583	247,375		38,815
Fund balances:						
Reserved - debt service						
Unreserved, reported in nonmajor:						
Special revenue funds	1,710,241	34,012	14,860	975,411	(175)	18,264
Capital projects funds						
Total fund balances	1,710,241	34,012	14,860	975,411	(175)	18,264
Total liabilities and fund balances	\$ 1,739,874	\$ 114,266	\$ 50,443	\$ 1,222,786	\$ (175)	\$ 57,079

Bossier Parish Police Jury
 Benton, Louisiana
 Combining Balance Sheet
 Other Governmental Funds
 December 31, 2003
 (Continued)

	General Capital Projects	Industrial Park Construction	Airline Drive Construction	Valerie Lane Construction	Parks & Recreation	LCDBG
Assets						
Cash and cash equivalents	\$ 3,060,875	\$ 513,645	\$ 2,323,707	\$	\$ 180,970	\$
Investments						
Receivables	138,543	1,296	27,296	92	445	
Special assessments receivable - current						
Due from other funds				19,205		
Special assessments receivable - deferred						
Total assets	\$ 3,199,418	\$ 514,941	\$ 2,351,003	\$ 19,297	\$ 181,415	\$
Liabilities and Fund Balances						
Liabilities:						
Accounts payable	\$ 147,047	\$	\$ 47,647	\$	\$ 33,932	\$
Due to other fund				19,205		
Deferred revenue						
Total liabilities	147,047		47,647	19,205	33,932	
Fund balances:						
Reserved - debt service						
Unreserved, reported in nonmajor:						
Special revenue funds						
Capital projects funds	3,052,371	514,941	2,303,356	92	147,483	
Total fund balances	3,052,371	514,941	2,303,356	92	147,483	
Total liabilities and fund balances	\$ 3,199,418	\$ 514,941	\$ 2,351,003	\$ 19,297	\$ 181,415	\$

Bossier Parish Police Jury
 Benton, Louisiana
 Combining Balance Sheet
 Other Governmental Funds
 December 31, 2003
 (Continued)

Assets	Rural Development Grants	Highway Certificates of Indebtedness Sinking Fund	Library Certificates of Indebtedness Sinking Fund	Sales Tax Bonds Sinking Fund	Valerie Lane Debt Service	Total Other Governmental Funds
Cash and cash equivalents	\$	283,040	\$ 121	\$ 1,149,242	\$ 44,940	\$ 8,731,503
Investments						464,646
Receivables		340		550	312	1,707,165
Special assessments receivable - current					579	579
Due from other funds					22,925	25,578
Special assessments receivable - deferred					22,925	22,925
Total assets	<u>\$</u>	<u>283,380</u>	<u>\$ 121</u>	<u>\$ 1,149,792</u>	<u>\$ 68,756</u>	<u>\$ 10,952,396</u>
Liabilities and Fund Balances						
Liabilities:						
Accounts payable	\$	250	\$	\$	\$	\$ 556,831
Due to other fund					19,205	72,422
Deferred revenue					22,925	92,618
Total liabilities		<u>250</u>			<u>42,130</u>	<u>721,871</u>
Fund balances:						
Reserved - debt service		283,130	121	1,149,792	26,626	1,459,669
Unreserved, reported in nonmajor:						
Special revenue funds						2,752,613
Capital projects funds						6,018,243
Total fund balances		<u>283,130</u>	<u>121</u>	<u>1,149,792</u>	<u>26,626</u>	<u>10,230,525</u>
Total liabilities and fund balances	<u>\$</u>	<u>283,380</u>	<u>\$ 121</u>	<u>\$ 1,149,792</u>	<u>\$ 68,756</u>	<u>\$ 10,952,396</u>

Bossier Parish Police Jury
Benton, Louisiana
Special Revenue Funds
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended December 31, 2003

	Health Unit	Criminal Court	Detention Center	Correctional Facilities	Drug Court	Section 8 Housing
Revenues:						
Ad valorem taxes	\$ 309,977	\$	\$	\$ 1,222,772	\$	\$
Intergovernmental revenues	43,159		169,387		238,374	2,618,727
Fees, charges and commissions for service		183,985	2,107	1,696	4,507	
Fine and forfeitures		722,784				
Investment earnings	9,192					2
Miscellaneous				4,752		
Total revenues	362,328	906,769	171,494	1,229,220	242,881	2,618,729
Expenditures:						
Current:						
General government:						
Judicial		1,121,597			264,037	
Finance and administrative	9,576	921				
Other				37,800		365,693
Public safety	78,746		595,163	1,459,103		
Public works						
Health and welfare	130,490					2,282,791
Culture and recreation						
Economic development						
Capital Outlay	71,596					
Debt service:						
Principal retirement						
Interest and other charges						
Total expenditures	290,408	1,122,518	595,163	1,496,903	264,037	2,648,484
Excess (deficiency) of revenues over expenditures	71,920	(215,749)	(423,669)	(267,683)	(21,156)	(29,755)
Other financing sources (uses)						
Proceeds from sale of park land						
Proceeds from special assessment debt						
Refunding bonds issued						
Debt service - principal						
Transfers in		257,300	414,250	330,800		
Transfers out		(34,012)				
Total other financing sources		223,288	414,250	330,800		
Excess (deficiency) of revenues and other sources over expenditures	71,920	7,539	(9,419)	63,117	(21,156)	(29,755)
Fund balances at beginning of year, restated	1,638,321	26,473	24,279	912,294	20,981	48,019
Fund balances at end of year	\$ 1,710,241	\$ 34,012	\$ 14,860	\$ 975,411	\$ (175)	\$ 18,264

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Special Revenue Funds
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended December 31, 2003
(Continued)

	General Capital Projects	Industrial Park Construction	Airline Drive Construction	Valerie Lane Construction	Parks & Recreation	LCDBG
Revenues:						
Ad valorem taxes	\$	\$	\$	\$	\$	\$
Intergovernmental revenues	569,914					313,230
Fees, charges and commissions for service	909,800		508,645			
Fine and forfeitures	20,617	782	17,115		1,466	
Investment earnings		72,260		92	70,802	10,375
Miscellaneous						323,605
Total revenues	<u>1,500,331</u>	<u>73,042</u>	<u>525,760</u>	<u>92</u>	<u>72,268</u>	<u>323,605</u>
Expenditures:						
Current:						
General government:						
Judicial						7,875
Finance and administrative						2,500
Other	19,633					26,863
Public safety						
Public works						
Health and welfare					26,371	
Culture and recreation						
Economic development		2,435				
Capital Outlay	967,661		633,718		158,284	286,367
Debt service:						
Principal retirement						
Interest and other charges						
Total expenditures	<u>987,294</u>	<u>2,435</u>	<u>633,718</u>	<u>92</u>	<u>184,655</u>	<u>323,605</u>
Excess (deficiency) of revenues over expenditures	<u>513,037</u>	<u>70,607</u>	<u>(107,958)</u>	<u>92</u>	<u>(112,387)</u>	
Other financing sources (uses)						
Proceeds from sale of park land		104,811				
Proceeds from special assessment debt				57,988		
Refunding bonds issued						
Debt service - principal				6,651		
Transfers in						
Transfers out						
Total other financing sources		<u>104,811</u>		<u>64,639</u>		
Excess (deficiency) of revenues and other sources over expenditures	<u>513,037</u>	<u>175,418</u>	<u>(107,958)</u>	<u>64,731</u>	<u>(112,387)</u>	
Fund balances at beginning of year, restated	<u>2,539,334</u>	<u>339,523</u>	<u>2,411,314</u>	<u>(64,639)</u>	<u>259,870</u>	
Fund balances at end of year	<u>\$ 3,052,371</u>	<u>\$ 514,941</u>	<u>\$ 2,303,356</u>	<u>\$ 92</u>	<u>\$ 147,483</u>	<u>\$</u>

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Special Revenue Funds
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended December 31, 2003
(Continued)

	Rural Development Grants	Highway Certificates of Indebtedness Sinking Fund	Library Certificates of Indebtedness Sinking Fund	Sales Tax Bonds Sinking Fund	Valerie Lane Debt Service	Total Other Governmental Funds
Revenues:						
Ad valorem taxes	\$	\$	\$	\$	\$	\$ 1,532,749
Intergovernmental revenues	193,121					4,145,912
Fees, charges and commissions for service						1,610,740
Fine and forfeitures						722,784
Investment earnings		3,636	545	6,808	3,140	63,303
Miscellaneous					23,534	181,815
Total revenues	<u>193,121</u>	<u>3,636</u>	<u>545</u>	<u>6,808</u>	<u>26,674</u>	<u>8,257,303</u>
Expenditures:						
Current:						
General government:						
Judicial						1,385,634
Finance and administrative						18,372
Other						425,626
Public safety						2,159,875
Public works	193,121					193,121
Health and welfare						2,413,281
Culture and recreation						26,371
Economic development						2,435
Capital Outlay						2,117,626
Debt service:						
Principal retirement		934,306	388,858	1,115,000		2,438,164
Interest and other charges		144,526	50,650	1,858,070		2,053,246
Total expenditures	<u>193,121</u>	<u>1,078,832</u>	<u>439,508</u>	<u>2,973,070</u>		<u>13,233,751</u>
Excess (deficiency) of revenues over expenditures		<u>(1,075,196)</u>	<u>(438,963)</u>	<u>(2,966,262)</u>	<u>26,674</u>	<u>(4,976,448)</u>
Other financing sources (uses)						
Proceeds from sale of park land						104,811
Proceeds from special assessment debt						57,988
Refunding bonds issued		1,380,000	445,000			1,825,000
Debt service - principal		(1,330,694)	(431,142)			(1,761,836)
Transfers in		724,996	388,100	4,016,670		6,138,767
Transfers out					(6,652)	(40,664)
Total other financing sources		<u>774,302</u>	<u>401,958</u>	<u>4,016,670</u>	<u>(6,652)</u>	<u>6,324,066</u>
Excess (deficiency) of revenues and other sources over expenditures		<u>(300,894)</u>	<u>(37,005)</u>	<u>1,050,408</u>	<u>20,022</u>	<u>1,347,618</u>
Fund balances at beginning of year, restated		<u>584,024</u>	<u>37,126</u>	<u>99,384</u>	<u>6,604</u>	<u>8,882,907</u>
Fund balances at end of year	<u>\$</u>	<u>\$ 283,130</u>	<u>\$ 121</u>	<u>\$ 1,149,792</u>	<u>\$ 26,626</u>	<u>\$ 10,230,525</u>

Bossier Parish Police Jury
Benton, Louisiana
Supplemental Information Schedule -
Schedule of Compensation Paid Policy Jurors
December 31, 2003

	<u>Amount</u>
W. Wayne Hammack	\$ 14,400
Winfred Johnston	14,400
Jerome L. Darby	14,400
Eddy Shell	14,400
Jeff Rogers	14,400
Rick L. Avery	14,400
Brad Cummings	14,350
Jimmy Cochran, President	14,350
Henry Mitchell	14,400
Jessie Williams	14,350
Bill Altimus	14,350
Hank Meachum	14,400
 Total	 <u>\$ 172,600</u>

The schedule of compensation paid to police jurors is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the police jurors is included in the legislative expenditures of the General Fund. In accordance with Louisiana Revised Statute 33:1233, the police jury has elected the monthly payment method of compensation.

Bossier Parish Police Jury
Benton, Louisiana
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2003

Federal Grantor / Pass-Through Grantor / Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures
<u>U.S. Department of Interior</u>			
Direct Program - Payment in-Lieu-of Taxes	12.112	Unknown	\$ 41,409
<u>U.S. Department of Housing and Urban Development</u>			
Direct Program:			
Low-Income Housing Assistance Program - Voucher	14.871	LA190VO	2,546,845
Low-Income Housing Assistance Program - Mod Rehab	14.856	LA190MR	71,881
Passed through Louisiana Division of Administration, Office of Community Development			
Community Development Block Grant	14.228	574903	4,095
Community Development Block Grant	14.228	586408	313,230
Total U.S. Department of Housing and Urban Development			<u>2,936,051</u>
<u>Federal Emergency Management Agency</u>			
Passed through Louisiana Military Department, Office of Emergency Preparedness			
Public Assistance Grants	83.544	Unknown	219,309
<u>U.S. Department of Justice</u>			
Passed through Louisiana Commission of Law Enforcement Juvenile Drug Court	16.523	A01-8-021	41,144
<u>U.S. Department of Health and Human Services</u>			
Passed through State of Louisiana Supreme Court			
Supreme Court Juvenile Grant	93.558	Unknown	135,840
Supreme Court Adult Drug Court	93.558	Unknown	60,617
Total U.S. Department of Health and Human Services			<u>196,457</u>
Total Federal Expenditures			<u>\$ 3,434,370</u>

NOTE 1: The accompanying schedule to expenditures of federal awards is prepared on the accrual basis of accounting.

COOK & MOREHART

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Report on Compliance and on Internal Control Over Financial
Reporting Based on an Audit of Financial Statements
Performed In Accordance With *Government Auditing Standards*

Bossier Parish Police Jury
Benton, Louisiana

We have audited the accompanying primary government financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Bossier Parish Police Jury, as of and for the year ended December 31, 2003, and have issued our report thereon dated May 18, 2004. 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 Bossier Parish Police Jury's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Bossier Parish Police Jury's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of management and others within the organization and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Cook & Morehart
Certified Public Accountants
May 18, 2004

COOK & MOREHART

Certified Public Accountants

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Report on Compliance With Requirements Applicable to Each Major Program and Internal Control Over Compliance In Accordance with OMB Circular A-133

Bossier Parish Police Jury
Benton, Louisiana

Compliance

We have audited the compliance of Bossier Parish Police Jury with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2003. Bossier Parish Police Jury's major federal programs are identified in the summary of auditor's results action 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 Bossier Parish Police Jury's management. Our responsibility is to express an opinion on Bossier Parish Police Jury's compliance based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, 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 test basis, evidence about Bossier Parish Police Jury's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Bossier Parish Police Jury's compliance with those requirements.

In our opinion, Bossier Parish Police Jury complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2003.

Internal Control Over Compliance

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

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

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



Cook & Morehart
Certified Public Accountants
May 18, 2004

Bossier Parish Police Jury
Benton, Louisiana
Summary of Schedule of Prior Audit Findings
December 31, 2003

There were no findings in the prior year audit for the year ended December 31, 2002.

Schedule of Finding and Questioned Costs
December 31, 2003

A. Summary of Audit Results

1. The auditor's report expresses an unqualified opinion on the financial statements of Bossier Parish Police Jury.
2. No reportable conditions are reported in the Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of Bossier Parish Police Jury were disclosed during the audit.
4. No reportable conditions are reported in the Report on Compliance With Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance With OMB Circular A-133.
5. The auditor's report on compliance for the major federal award programs for Bossier Parish Police Jury expresses an unqualified opinion.
6. There are no audit findings relative to the major federal award programs for Bossier Parish Police Jury reported in Part C. of this Schedule.
7. The programs tested as major programs included: 1) Low-Income Housing Assistance Program, CFDA #14.871, and 2) Community Development Block Grant, CFDA #14.228.
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. Bossier Parish Police Jury qualifies as a low-risk auditee.

B. Findings – Financial Statements Audit: None.

C. Findings and Questioned Costs – Major Federal Award Programs Audit: None

Bossier Parish Police Jury
Benton, Louisiana
Summary Schedule of Prior Year Audit Findings
Schedule For Louisiana Legislative Auditor
December 31, 2003

There were no findings or questioned costs in the prior audit for the year ended December 31, 2002. There was one management letter comment in the prior audit for the year ended December 31, 2002, as follows:

(1) SOCIAL GATHERINGS

No finding noted in current year audit.

Corrective Action Plan For Current Year Audit Findings
Schedule For Louisiana Legislative Auditor
December 31, 2003

There are no findings, questioned costs, or management letter comments for the current year audit for the year ended December 31, 2003.