

**Livingston Parish President and Council  
(Primary Government)**

**Annual Financial Statements**

As of December 31, 2004, and for the Year then Ended

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

Release Date 11-9-05

**LEROY J. CHUSTZ**  
Certified Public Accountant  
A Professional Accounting Corporation

**LIVINGSTON PARISH, LOUISIANA  
PARISH PRESIDENT AND COUNCIL  
(225) 686-2266**

**PARISH PRESIDENT**

Mike Grimmer

**GOVERNING BOARD**

Randall "Randy" Rushing, District 1

Jimmie McCoy, District 2

Danny Harrell, District 3

Marshall Harris, District 4

Buddy Mincey, District 5

Dewey Harrell, District 6

Stan Cain, District 7

Ronald L. Sharp, District 8

Charles Wagner, District 9

**PARISH TREASURER**

Tracie Eisworth, CPA, CGFM

**COUNCIL CLERK**

Mary Kistler

**MEETING DATES**

2nd and 4th Thursday of Every Month

**LIVINGSTON PARISH PRESIDENT AND COUNCIL**  
**TABLE OF CONTENTS**  
**December 31, 2004**

	<u>Page</u>
<b>Independent Auditor's Report</b> .....	1
<b>Required Supplemental Information (Part I)</b>	
Management's Discussion and Analysis.....	4
<b>Basic Financial Statements:</b>	
<b>Government-Wide Financial Statements</b>	
Statement of Net Assets.....	11
Statement of Activities.....	12
<b>Fund Financial Statements</b>	
<b>Governmental Funds</b>	
Balance Sheet.....	15
Reconciliation of the Government Funds Balance Sheet.....	17
Statement of Revenues, Expenditures, and Changes in Fund Balances.....	18
Reconciliation of the Change in Fund Balance of Governmental Funds.....	20
Statement of Net Assets.....	21
Statement of Revenues, Expenses and Changes in Fund Net Assets.....	22
Statement of Cash Flows.....	23
Statement of Fiduciary Net Assets.....	24
<b>Basic Financial Statements</b>	
Notes to the Financial Statements.....	27
<b>Required Supplemental Information (Part II)</b>	
Budget Comparison Schedules - Major Governmental Funds.....	55
<b>Other Supplemental Schedule</b>	
Schedule of Expenditures of Federal Awards.....	73
<b>Other Reports Required by Governmental Auditing Standards</b>	
Independent Auditor's Report on Compliance and Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> .....	75
Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133.....	76
Schedule of Findings and Questioned Costs.....	78
Summary Schedule of Prior Year Audit Findings.....	81
Management Letter.....	82
Management's Corrective Action Plan.....	86

## INDEPENDENT AUDITOR'S REPORT

Parish President  
Members of the Parish Council  
Livingston Parish, Louisiana

I have audited the accompanying basic primary government financial statements of the, **Livingston Parish President and Council**, as of and for the year ended December 31, 2004, as listed in the Table of Contents. These financial statements are the responsibility of the Livingston Parish Council's management. My responsibility is to express an opinion on these primary government financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the provisions of Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and with provisions of Louisiana Revised Statute 24:513 and the provisions of the *Louisiana Governmental Audit Guide*, published jointly by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor. Those standards, OMB Circular A-133, and the Guide require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my 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 my opinion, the primary government financial statements present fairly, in all material respects, the financial position of the primary government of **Livingston Parish President and Council**, Louisiana, as of December 31, 2004, and the results of its operations, and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

However, because the primary government financial statements, do not include the financial data of component units of Livingston Parish, Louisiana, do not purport to, and do not, present fairly the financial position of Livingston Parish, Louisiana, as of December 31, 2004, and the results of its operations and cash flows of its proprietary funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis and the other required supplementary information on Pages 4 through 9 and 55 through 72, respectively, are not a required part of the primary government financial statements, but are supplementary information required by the Governmental Accounting Standards Board. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, I did not audit the information and express no opinion thereon.

My audit was performed for the purpose of forming an opinion on the primary government financial statements taken as a whole. The accompanying schedule of expenditures of federal awards on Page 73 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 the other supplemental information listed in the Table of Contents are not a required part of the primary government financial statements of the **Livingston Parish President and Council**, Louisiana. Such information has been subjected to the auditing procedures applied in the audit of the primary government financial statements and, in my opinion, is fairly stated, in all material respects, in relation to the primary government financial statements taken as a whole.

In accordance with *Government Auditing Standards*, I have also issued my report dated October 14, 2005, on my consideration of **Livingston Parish President and Council**, internal control over financial reporting and my tests of its compliance with certain 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 my audit.

*Leroy J. Chustz*

Certified Public Accountant, APAC

October 14, 2005

---

**Required Supplemental Information (Part I)**  
Management's Discussion and Analysis

## **Livingston Parish Council**

### **Management's Discussion and Analysis As of and for the Year Ended December 31, 2004**

#### **Introduction**

Livingston Parish Council (the Council) is pleased to present its Annual Financial Report developed in compliance with Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements - Management's Discussion and Analysis - For State and Local Governments* (GASB 34), and related standards. The Council was required to implement GASB 34 the fiscal year ending December 31, 2004. Since this is the first year that the Livingston Parish Council is reporting under GASB 34, a comparison to the prior year is not possible.

The Council's discussion and analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Council's financial activity, (c) identify changes in the Council's financial position, (d) identify any significant variations from the Council's financial plan, and (e) identify individual fund issues or concerns.

Since Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes, and currently known facts, please read it in conjunction with the Council's financial statements on pages 10 through 63 of this report.

#### **Financial Highlights**

- At December 31, 2004, the Council's assets exceeded its liabilities by \$30,702,436 net assets). Of this amount, \$7,497,963 (unrestricted net assets) may be used to meet the Council's ongoing obligations to its citizens at the Council's discretion, and \$11,754,088 (restricted net assets) may be used to meet the Council's ongoing obligations to its citizens with certain restrictions.
- At December 31, 2004, the Council governmental funds reported combined ending fund balances of \$20,115,983. Of this amount, 39.88%, or \$8,022,011, is available for spending at the Council's discretion (unreserved fund balances), and .372%, or \$747,359, is available for spending with restriction (reserved fund balances) and 56.40%, or \$11,346,613 is designated for construction.

#### **Overview of the Annual Financial Report**

The financial statement focus is on both the Council as a whole and on the major individual funds. Both perspectives, government-wide and major funds, allow the user to address relevant questions, broaden a basis for comparison, and enhance the Council's accountability. The statements then proceed to provide an increasingly detailed look at specific financial activities. The MD&A is intended to serve as an introduction to the Council's basic financial statements, which consist of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements.

#### **Government-Wide Financial Statements**

The government-wide financial statements are designed to provide readers with a broad overview of the Council's finances in a manner similar to a private-sector business.

## Livingston Parish Council

### Management's Discussion and Analysis As of and for the Year Ended December 31, 2004

The Statement of Net Assets presents information on the Council's assets and liabilities using the accrual basis of accounting, in a manner similar to the accounting used by private business enterprises. The difference between the assets and liabilities is reported as net assets. Over time, the increases or decreases in net assets and changes in the components of net assets may serve as a useful indicator of whether the financial position of the Council is improving or deteriorating.

The Statement of Activities presents information showing how the Council's net assets changed during the most recent fiscal year, focusing on both the gross and net costs of various activities that are supported by the Council's various revenues. This is intended to summarize and simplify the reader's analysis of the cost and/or subsidy of various governmental services.

In both of the government-wide financial statements, the Council's activities are divided into two types:

- Governmental activities - Most of the Council's basic services are reported here, and are financed primarily through revenues on investments.

Business-type activities - The Council charges a fee to customers to help it cover most of the cost of the services provided. The activities of the Springfield Terrace Sewer System is reported in this section.

The government-wide financial statements include only include the Livingston Parish Council (no component units of the Livingston Parish Council are included) and can be found on pages 13 through 17 of this report.

### Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Council, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related and legal requirements. The Council uses two categories of funds to account for financial transactions: governmental funds and proprietary funds.. Traditional users of governmental financial statements will find the fund financial statements presentation more familiar.

Governmental funds are used to account for most of the Council's basic services. However, unlike the government-wide financial statements, governmental fund financial statements focus on how money flows into and out of those funds and the balances that are left at year-end that are available for spending. These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Council's general government operations and the basic services it provides. Governmental fund information helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the Council's programs. The basic governmental fund financial statements can be found on pages 17 through 21 of this report. Because the focus of governmental funds is narrower than that of the government-wide financial statements, there are differences in the

## **Livingston Parish Council**

### **Management's Discussion and Analysis**

#### **As of and for the Year Ended December 31, 2004**

information presented for government funds and for governmental activities in the government-wide financial statements. Review of these differences provides the reader of the financial statements insight on the long-term impact of the Council's more immediate decisions on the current use of financial resources. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Proprietary funds account for sewer utility services provided by the Council to its customers. Proprietary funds statements provide the same type of information as the government-wide financial statements, but the funds presentation provides more detail. The basic proprietary fund financial statements can be found on pages \_21\_ through \_23\_ of this report.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-side financial statement because the resources of those funds are not available to support the Council's own programs.

#### **Notes to the Financial Statements**

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages \_27\_ through \_52\_ of this report.

#### **Government-Wide Financial Analysis**

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. The following table provides a summary of the Council's net assets for the current year. For more detailed information, see the Statement of Net Assets on page 10 of this report.

**Livingston Parish Council**

**Management's Discussion and Analysis  
As of and for the Year Ended December 31, 2004  
Net Assets  
December 31, 2004 and 2003**

	Governmental Activities		Business-Type Activities		Total	
	2004	2003	2004	2003	2004	2003
<b>Assets</b>						
Current & Other Assets	\$25,028,895	\$19,399,918	\$7,891		\$25,036,786	\$19,399,918
Capital Assets	\$34,338,207	\$16,765,112	\$339,753		\$34,677,960	\$16,765,112
<b>Total Assets</b>	<b>\$59,367,102</b>	<b>\$36,165,030</b>	<b>\$347,644</b>	<b>\$0</b>	<b>\$59,714,746</b>	<b>\$36,165,030</b>
<b>Liabilities</b>						
Current Liabilities	\$5,208,413	\$1,851,710	\$926		\$5,209,339	\$1,851,710
Other Liabilities	\$9,296,816	\$440,077	\$0		\$9,296,816	\$440,077
<b>Total Liabilities</b>	<b>\$14,505,229</b>	<b>\$2,291,787</b>	<b>\$926</b>	<b>\$0</b>	<b>\$14,506,155</b>	<b>\$2,291,787</b>
<b>Net Assets:</b>						
Invested in Capital Assets						
Net of Related Debt	\$25,191,191	\$16,665,112	\$339,753		\$25,530,944	\$16,665,112
Restricted	\$11,754,088	\$9,710,169			\$11,754,088	\$9,710,169
Unrestricted	\$7,916,593	\$7,497,963	\$6,965		\$7,923,558	\$7,497,963
<b>Total Net Assets</b>	<b>\$44,861,872</b>	<b>\$33,873,244</b>	<b>\$346,718</b>	<b>\$0</b>	<b>\$45,208,590</b>	<b>\$33,873,244</b>

Approximately 56% of the Council's net assets reflect its investment in capital assets (land, buildings, furniture, equipment) net of any outstanding related debt used to acquire those capital assets. These capital assets are used to provide services to citizens and do not represent resources available for future spending.

Approximately 26% of the Council's net assets represent resources that are subject to external restriction on how they may be used. The Council's restricted net assets consist of reserves required for capital projects and debt service.

Approximately 17% of the Council's net assets are unrestricted and may be used to meet the Council's ongoing obligations to its citizens at the Council's discretion.

At the end of the current fiscal year, the Council was able to report positive balances in both categories of net assets, governmental activities and business-type activities.

The Council's activities increased its total net assets by \$8,172,752 during the fiscal year. The total increase is attributable to its governmental activities.

In order to further understand what makes up the changes in net assets, see the Statement of Activities on page 15 of this report.

**Fund Financial Analysis**

## Livingston Parish Council

### Management's Discussion and Analysis As of and for the Year Ended December 31, 2004

As noted earlier, the Council uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

#### Governmental Funds

The focus of the Council's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Council's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the Council's net resources available for spending at the end of the year. The basic governmental fund financial statements can be found on pages 17 through 21 of this report.

At the end of the current year, the Council's governmental funds reported combined ending fund balances of \$20,115,983, \$747,359 of which was reserved for debt service, \$11,346,613 was designated for construction and \$8,022,011 of which was unreserved and available for spending at the Council's discretion. This represents an increase of \$2,256,773 over the prior year's ending balances.

#### Major Governmental Fund Budgetary Highlights

Livingston Parish Council demonstrated legal compliance by adopting and amending its budget in accordance with provisions of the Local Government Budget Act. There were no significant variations from the other major funds' original and final amended budgets.

#### Capital Assets and Debt Administration

##### Capital Assets

The Council's investment in capital assets for its governmental activities as of December 31, 2004 amounts to \$34,338,207 (net of depreciation) and amounted to \$339,753 (net of depreciation) for its business-type activities.

The following table provides a summary of the Council's capital assets (net of depreciation) at the end of the current year as compared to the prior year. For more detailed information, see Notes to the financial statements.

**Capital Assets (Net of Depreciation)  
December 31, 2004 and 2003**

	2004	2003
Land	\$ 1,707,085	1,693,842
Buildings	3,687,098	2,561,503
Improvements/Infrastructure	26,236,411	11,050,707
Machinery & Equipment	1,305,584	1,167,323
Furniture and Fixtures	11,064	12,991
Construction in Progress	1,404,208	278,746
Systems	326,510	

**Livingston Parish Council**

**Management's Discussion and Analysis  
As of and for the Year Ended December 31, 2004**

Totals	\$	34,677,960	16,765,112
--------	----	------------	------------

**Long-Term Debt**

At December 31, 2004, the Council had total debt outstanding of \$9,296,816. Of this total, \$116,000 is due within one year and \$9,031,016 is due within greater than one year and \$149,800 is compensated absences payable.

**Contacting the Council's Financial Management**

This financial report is designed to provide the Council's users with a general overview of the Council's finances and show the Council's accountability for the money it receives. Questions regarding this report or requests for additional information should be addressed to Livingston Parish Council at 20180 Iowa Street, Post Office Box 427, Livingston, Louisiana 70754. The Council's telephone number is (225) 686-2266.

# **Basic Financial Statements**

## **Government-Wide Financial Statements**

The basic financial statements include integrated sets of financial statements as required by the Governmental Accounting Standards Board (GASB). The sets of statements include:

- Government-wide financial statements
- Fund financial statements
  - Governmental funds
  - Business - Type Activities
  - Fiduciary funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

**Livingston Parish President and Council**

**Statement A**

**Statement of Net Assets  
December 31, 2004**

	Primary Government		
	Governmental Activities	Business-Type Activities	
<b>Assets</b>			
<i>Current Assets</i>			
Cash & Cash Equivalents	\$ 6,687,025	\$ 5,991	\$ 6,693,016
Certificates of Deposit	2,392,201		2,392,201
Louisiana Asset Management Pool	6,317,798		6,317,798
Investments, At Fair Value	2,255,975		2,255,975
Receivables	6,380,763	1,900	6,382,663
Inventory	164,078		164,078
Due from Other Governments	694,308		694,308
Special Assessments Receivable	76,638		76,638
Other Assets	4,177		4,177
<b>Total Current Assets</b>	<b>24,972,962</b>	<b>7,891</b>	<b>24,980,854</b>
<i>Noncurrent Assets</i>			
Capital Assets, Net	34,338,207	339,753	34,677,960
<b>Total Assets</b>	<b>59,311,169</b>	<b>347,645</b>	<b>59,658,814</b>
<b>Liabilities</b>			
<i>Current Liabilities</i>			
Accounts Payable	3,280,226	926	3,281,152
Accrued Expenses Payable	511,605		511,605
Due to Other Governments	26,010		26,010
Retainage Payable	833,387		833,387
Other Liabilities	38,502		38,502
Deferred Revenue	462,820		462,820
<b>Total Current Liabilities</b>	<b>5,152,549</b>	<b>926</b>	<b>5,153,475</b>
<i>Noncurrent Liabilities</i>			
Compensated Absences Payable	149,800		149,800
Debt Principal Due Within One Year	116,000		116,000
Debt Principal Due After One Year	9,031,016		9,031,016
<b>Total Noncurrent Liabilities</b>	<b>9,296,816</b>	<b>0</b>	<b>9,296,816</b>
<b>Total Liabilities</b>	<b>14,449,366</b>	<b>926</b>	<b>14,450,292</b>
<b>Net Assets</b>			
Invested in Capital Assets, Net of Related Debt	25,191,191	339,753	25,530,944
Restricted for:			
Capital Projects	11,302,229		11,302,229
Debt Service	451,859		451,859
Unrestricted	7,916,593	6,965	7,923,558
<b>Total Net Assets</b>	<b>\$ 44,861,872</b>	<b>\$ 346,719</b>	<b>\$ 45,208,591</b>

See accompanying notes to the financial statements.

**Livingston Parish President and Council**

**Statement of Activities  
For the Year Ended December 31, 2004**

	<u>Expenses</u>	<u>Program Revenues Charges for Services</u>
<b>Primary Governemnt</b>		
<b>Governmental Activities</b>		
Legislative	\$ 338,771	\$ -
Judicial	848,691	-
Electorial	96,508	-
General Government	1,017,461	1,263,801
Public Safety	2,590,189	-
Public Works	2,891,036	-
Health and Welfare	716,250	-
Culture and Recreation	191,683	-
Economic Development	35,559	-
Depreciation Expense	856,181	-
Capital Outlay	241,944	-
Debt Service Interest and Fees	313,407	-
Total Governmental Activities	<u>\$ 10,137,681</u>	<u>\$ 1,263,801</u>
<b>Business-Type Activities</b>		
Health and Welfare	36,064	16,932
<b>General Revenues</b>		
Taxes		
Sales Taxes		
Fines and Forfeitures		
Fees and Commissions		
Royalties and Mineral Leases		
Intergovernmental Revenue		
Reimbursements		
Miscellaneous		
Interest Earned		
Total General Revenues		
Special Item - Loss on sale of capital assets		
<b>Change in Net Assets</b>		
<b>Net Assets, Beginning of Year</b>		
<b>Restatement of Net Assets</b>		
<b>Net Assets, End of Year</b>		

See accompanying notes to the financial statements.

Statement B

Net Revenue (Expense ) and Changes in Net Assets		
Governmental Activities	Business Type Activities	Total
\$ -338,771	-	-338,771
-848,691	-	-848,691
-96,508	-	-96,508
246,341	-	246,341
-2,590,189	-	-2,590,189
-2,891,036	-	-2,891,036
-716,250	-	-716,250
-191,683	-	-191,683
-35,559	-	-35,559
-856,181	-	-856,181
-241,944	-	-241,944
-313,407	-	-313,407
<u>-8,873,879</u>	<u>-</u>	<u>-8,873,879</u>
-	-19,132	-19,132
3,756,764	-	3,756,764
8,983,006	-	8,983,006
92,488	-	92,488
270,784	-	270,784
1,064,826	-	1,064,826
3,643,911	-	3,643,911
737,564	-	737,564
262,536	-	262,536
219,004	-	219,004
<u>19,030,884</u>	<u>-</u>	<u>19,030,884</u>
-122,445		-122,445
10,034,559	-19,132	10,015,427
33,873,244	0	33,873,244
954,070	365,851	1,319,921
<u>\$ 44,861,872</u>	<u>346,719</u>	<u>45,208,591</u>

---

# **Basic Financial Statements**

## Fund Financial Statements

### Governmental Fund Financial Statements

- Governmental funds
- Business-Type Activities, Enterprise Fund
- Fiduciary funds

**Livingston Parish President and Council**

**Balance Sheet  
Governmental Funds  
December 31, 2004**

	<u>General Fund</u>	<u>Health Unit Fund</u>	<u>Road Equipment and Maintenance Fund</u>	<u>Road Sales Tax Construction Fund</u>
<b>Assets</b>				
Cash & Cash Equivalents	\$ 122,155	\$ 78,325	\$ 51,472	\$ 3,092,378
Certificates of Deposit	580,483	1,811,719		
Louisiana Asset Management Pool	256,797	2,012,391		23,406
Investments, At Fair Value	250,000			
Receivables	1,608,730	829,977	1,026,725	1,724,949
Special Assessments Receivable				
Prepaid Expenses	3,177			
Inventory			164,078	
Due From Other Funds	253,517	240	19,203	
Due From Agency Fund				632,479
Due To Other Governments	61,829			
Other Assets	1,000			
<b>Total Assets</b>	<b>\$ <u>3,137,689</u></b>	<b>\$ <u>4,732,652</u></b>	<b>\$ <u>1,261,477</u></b>	<b>\$ <u>5,473,212</u></b>
<b>Liabilities &amp; Fund Balance</b>				
<b>Liabilities:</b>				
Accounts Payable	\$ 635,397	\$ 16,221	\$ 196,633	\$ 1,998,506
Accrued Expenses Payable	22,401	35,351	37,560	
Other Liabilities	22,331	307	2,381	
Retainage Payable				833,387
Deferred Revenue	14,500			
Due to Other Governments				
Due To Other Funds	904	5,017	157,049	18,431
<b>Total Liabilities</b>	<b><u>695,533</u></b>	<b><u>56,896</u></b>	<b><u>393,623</u></b>	<b><u>2,850,325</u></b>
<b>Fund Balance:</b>				
Unreserved	2,442,156	4,675,756	867,855	-
Reserved for Debt Service		-		-
Designated for Construction	-	-	-	2,622,887
<b>Total Fund Balance</b>	<b><u>2,442,156</u></b>	<b><u>4,675,756</u></b>	<b><u>867,855</u></b>	<b><u>2,622,887</u></b>
<b>Total Liabilities &amp; Fund Balance</b>	<b>\$ <u>3,137,689</u></b>	<b>\$ <u>4,732,652</u></b>	<b>\$ <u>1,261,477</u></b>	<b>\$ <u>5,473,212</u></b>

See accompanying notes to the financial statements.

Statement C

Library Construction Fund	Other Non-Major Governmental Funds	Total
\$ 2,779,478	\$ 563,216	\$ 6,687,024
		2,392,201
4,025,203		6,317,798
2,005,975		2,255,975
40	1,190,342	6,380,763
	76,638	76,638
		3,177
		164,078
		272,961
		632,479
		61,829
		1,000
<u>\$ 8,810,696</u>	<u>\$ 1,830,196</u>	<u>\$ 25,245,922</u>
\$ 86,870	\$ 346,600	\$ 3,280,226
	134,845	230,157
	-637	24,382
		833,387
	448,320	462,820
	26,010	26,010
100	91,459	272,961
<u>86,970</u>	<u>1,046,595</u>	<u>5,129,943</u>
-	36,242	8,022,009
-	747,359	747,359
8,723,726		11,346,613
<u>8,723,726</u>	<u>783,601</u>	<u>20,115,981</u>
<u>\$ 8,810,696</u>	<u>\$ 1,830,196</u>	<u>\$ 25,245,922</u>

Livingston Parish President and Council

Statement D

Reconciliation of the Governmental Funds Balance Sheet  
to the Statement of Net Assets  
December 31, 2004

<b>Total Fund Balances, Governmental Funds</b>	\$ 20,115,981
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. These assets consist of:	
Governmental capital assets, net of depreciation	34,338,207
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. These liabilities consist of:	
Compensated absences payable	-149,800
Bonds and notes payable	-9,147,016
Accrued interest payable on bonds	-295,500
<b>Net Assets, Governmental Activities</b>	<u>\$ 44,861,872</u>

See accompanying notes to the financial statements.

**Livingston Parish President and Council**

**Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
For the Year Ended December 31, 2004**

	General Fund	Health Unit Fund	Road Equipment and Maintenance Fund	Road Sales Tax Construction Fund
<b>Revenues</b>				
Taxes	\$ 1,158,178	\$ 856,754	\$ 911,206	\$ 8,983,006
Special Assessments				
Licenses and Permits	1,219,551	44,250		
Fines and Forfeitures	45,064			
Fees and Commissions				
Royalties and Mineral Leases	1,064,826			
Intergovernmental Revenue	1,558,218	92,652	911,248	
Reimbursements			584,740	
Miscellaneous	203,899		104,932	198,778
Interest Earned	37,329	39,076	2,095	92,297
<b>Total Revenues</b>	<u>5,287,065</u>	<u>1,032,732</u>	<u>2,514,221</u>	<u>9,274,081</u>
<b>Expenditures</b>				
Current Expenditures:				
Legislative	338,771			
Judicial	744,118			
Electorial	96,506			
General Government	890,983	35,351	37,560	139,850
Public Safety	2,402,928			
Public Works	27,768			
Health and Welfare	474,849	432,485	2,699,572	
Culture and Recreation	5,004			
Economic Development	33,143			
Capital Outlay				
Construction				14,999,788
Related Drainage Maintenance				836,210
Equipment	340,483		82,023	314,305
Debt Service:				
Principal	30,000			
Interest	4,762			
Paying Agent Fees and other	-			
<b>Total Expenditures</b>	<u>5,389,315</u>	<u>467,836</u>	<u>2,819,155</u>	<u>16,290,153</u>
<b>Excess Revenues (-Expenditures)</b>	<u>-102,250</u>	<u>564,896</u>	<u>-304,934</u>	<u>-7,016,072</u>
Other Financing Sources and Uses:				
Operating Transfers In	-	-	657,000	-
Operating Transfers Out	-600,000	-	-	-
Residual Equity Transfers				
Loan Proceeds				
<b>Excess Revenues and Other Sources (Expenditures and Other Uses)</b>	<u>-702,250</u>	<u>564,896</u>	<u>352,066</u>	<u>-7,016,072</u>
<b>Fund Balance, Beginning of Year</b>	<u>3,144,406</u>	<u>4,110,860</u>	<u>515,789</u>	<u>9,638,959</u>
<b>Fund Balance, End of Year</b>	<u>\$ 2,442,156</u>	<u>\$ 4,675,756</u>	<u>\$ 867,855</u>	<u>\$ 2,622,887</u>

See accompanying notes to the financial statements.

Statement E

Library Construction Fund	Other Non-Major Governmental Funds	Total
\$	\$	\$
	830,626	12,739,770
	19,341	19,341
		1,263,801
	47,424	92,488
	98,945	98,945
		1,064,826
	1,081,793	3,643,911
		584,740
		507,609
<u>88,522</u>	<u>1,108</u>	<u>260,427</u>
<u>88,522</u>	<u>2,079,237</u>	<u>20,275,858</u>
		338,771
	104,573	848,691
		96,506
		1,103,743
		2,402,928
	365,484	393,252
		3,606,906
	9,354	14,358
		33,143
262,488	856,070	16,118,346
		836,210
		736,812
	26,000	56,000
	9,373	14,135
	8,344	8,344
<u>262,488</u>	<u>1,379,198</u>	<u>26,608,145</u>
-173,966	700,039	-6,332,288
-	-	657,000
-	-57,000	-657,000
-	-	-
8,900,000	60	8,900,060
8,726,034	643,099	2,567,772
-2,308	140,503	17,548,209
<u>\$ 8,723,726</u>	<u>\$ 783,602</u>	<u>\$ 20,115,981</u>

**Livingston Parish President and Council**

**Statement F**

**Reconciliation of the Change in Fund Balances of Governmental Funds  
to the Statement of Activities  
For the Year Ended December 31, 2004**

**Total Net Change in Fund Balances, Governmental Funds** **\$ 2,567,772**

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

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives as depreciation expense. These differences consist of:

Capital outlay	17,597,653
Depreciation expense	(856,182)

When recognizing the sale of capital assets, the governmental funds report the total proceeds of the sale. Only the gain or loss on the sale is reported on the statement of activities. These differences consist of:

Loss on asset disposition	(122,445)
---------------------------	-----------

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term debt in the statement of net assets.

Principal payments on loans and notes	56,000
Proceeds from long-term debt	(8,900,060)

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 governmental funds. These differences consist of:

Change in compensated absences payable	(12,679)
Accrued interest expense	(295,500)

**Change in Net Assets, Governmental Activities** **\$ 10,034,559**

See accompanying notes to the financial statements.

Livingston Parish President and Council

Statement G

Statement of Net Assets  
Business-Type Activities - Enterprise Fund  
For the Year Ended December 31, 2004

<b>Current Assets</b>	
Cash and Cash Equivalents	\$ 5,991
Receivables	<u>1,900</u>
<b>Total Current Assets</b>	<u>7,891</u>
<b>Property, Plant &amp; Equipment</b>	
Land	13,243
Fixed Assets being depreciated	510,173
Less: Accumulated Depreciation	<u>-183,662</u>
<b>Total Property, Plant, and Equipment (Net)</b>	<u>339,753</u>
<b>TOTAL ASSETS</b>	<u>347,645</u>
<b>Current Liabilities</b>	
Accounts Payable	<u>926</u>
<b>Total Current Liabilities</b>	<u>926</u>
<b>TOTAL LIABILITIES</b>	<u>926</u>
<b>Net Assets</b>	
Investment in Capital Assets - Net of Related Debt	339,753
Unrestricted Net Assets	<u>6,965</u>
<b>NET ASSETS</b>	<u>\$ 346,719</u>

See accompanying notes to the financial statements.

**Livingston Parish President and Council**  
**Statement H**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Business-Type Activities - Enterprise Fund**  
**For the Year Ended December 31, 2004**

**OPERATING REVENUES:**

Sewer Fees	\$ <u>16,932</u>
Total Operating Revenues	

**OPERATING EXPENSES:**

<b>Direct Expenses</b>	
Depreciation & Ammortization	20,407
System Maintenance	<u>11,357</u>
Total Direct Expenses	<u>31,764</u>

**General and Administrative Expenses**

Per Diem	800
Secretary Service	3,050
Administration	230
Postage	120
Office Expense	<u>100</u>
Total General and Administrative Expenses	<u>4,300</u>

Total Operating Expense	<u>36,064</u>
-------------------------	---------------

NET OPERATING INCOME (LOSS)	<u>(19,132)</u>
-----------------------------	-----------------

**NON-OPERATING REVENUES & EXPENSES**

Residual Equity Transfer from Sewer District 6 Board	<u>365,851</u>
Total Non-Operating Revenue (Expense)	<u>365,851</u>

NET INCOME (LOSS)	346,719
NET ASSETS AT BEGINNING OF YEAR	<u>0</u>
NET ASSETS AT END OF YEAR	<u>\$ 346,719</u>

See accompanying notes to the financial statements.

**Livingston Parish President and Council**

**Statement I**

**Statement of Cash Flows  
Business-Type Activities - Enterprise Fund  
For the Year Ended December 31, 2004**

**Cash Flows From Operating Activities**

Received From Customers	\$	15,032
Payments for Operations		(14,731)
Payments to Employees		
Cash provided by Operations		<u>301</u>

**Net Increase (Decrease) in Cash**

Cash at Beginning of Year (Contributed)		<u>5,690</u>
Cash at End of Year	\$	<u><u>5,991</u></u>

**Reconciliation of Net Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities**

Operating Income (Loss)	\$	(19,132)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities		
Depreciation Expense		20,407
Change in Accounts Receivable		(1,900)
Change in Accounts Payable		926
Contribution of Cash by Sewer 6 Board		<u>5,691</u>
Net Cash Provided (Used) by Operating Activities	\$	<u><u>5,991</u></u>

See accompanying notes to the financial statements.

Livingston Parish President and Council

Statement J

Statement of Net Assets  
Fiduciary Fund  
December 31, 2004

	<u>Fiduciary Activities</u>
<b>Assets</b>	
<i>Current Assets</i>	
Cash & Cash Equivalents	\$ 635,431
Due from Other Governments	52,980
Total Current Assets	<u>688,411</u>
Total Assets	<u>688,411</u>
<b>Liabilities</b>	
<i>Current Liabilities</i>	
Due to Other Governments	<u>688,411</u>
Total Current Liabilities	<u>688,411</u>
Total Liabilities	<u>688,411</u>
<b>Net Assets</b>	
Unrestricted	<u>-</u>
Total Net Assets	<u>\$ -</u>

See accompanying notes to the financial statements.

---

**Basic Financial Statements**  
**Notes to the Financial Statements**

**LIVINGSTON PARISH, LOUISIANA  
PARISH PRESIDENT AND COUNCIL  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2004**

**INDEX**

		Page
<b>NOTE 1.</b>	<b>SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES</b>	
A.	Introduction.....	27
B.	Financial Reporting Entity.....	28
C.	Basis of Presentation.....	30
D.	Measurement Focus and Basis of Accounting.....	34
E.	Assets, Liabilities, and Equity.....	35
F.	Revenues, Expenditures, and Expenses.....	38
<b>NOTE 2.</b>	<b>STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY</b>	
A.	Fund Accounting Requirements.....	40
B.	Deposits and Investments Laws and Regulations.....	40
C.	Revenue Restrictions .....	41
D.	Debt Restrictions and Covenants.....	41
E.	Fund Equity Restrictions .....	41
<b>NOTE 3.</b>	<b>DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS</b>	
A.	Cash and Investments.....	42
B.	Receivable and Due From/To Other Governmental Units.....	44
C.	Payables.....	45
D.	Due From/To Other Funds.....	45
E.	Capital Assets and Infrastructure.....	46
F.	Long-Term Debt.....	46
<b>NOTE 4.</b>	<b>OTHER NOTES</b>	
A.	Employee Pension and Other Benefit Plans .....	48
B.	Risk Management.....	50
C.	Estimates.....	50
D.	Centralized Collection Agency Agreement.....	50
E.	Litigation and Claims.....	50
F.	Compensation Paid to Board Members.....	50
G.	Deferred Compensation Plan.....	51
H.	Landfill Closure and Post Closure Care Cost.....	51
I.	Investigation.....	52
J.	Restatement.....	52
K.	Commitments and Contingencies.....	52
L.	Subsequent Events.....	52

**LIVINGSTON PARISH, LOUISIANA  
PARISH PRESIDENT AND COUNCIL  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2004**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**1.A. INTRODUCTION**

The Livingston Parish Council (The Council) is the governing authority for Livingston Parish, Louisiana, and is a political subdivision of the State of Louisiana. The year 1996 was the first year that the Parish Council operated as a President/Council form of government which operates under a home rule charter. Prior to 1996, the Parish operated under the police jury system of government. The Livingston Parish Home Rule Charter operates with elected Parish President who is the chief executive officer of the parish and the head of the executive branch of parish government and an elected nine member council which is the legislative branch of the government. The council enacts ordinances, sets policies, establishes programs in such fields as social welfare, transportation, drainage, industrial inducement and health services.

The area of Livingston Parish is 702 square miles and the President and Council maintains 635 miles of roads. The population of Livingston Parish is 91,814 based on the 2000 census and the President and Council employs approximately 134 persons.

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

In accomplishing its objectives, the President and Council also has the authority to create special districts (component units) within the parish. The districts perform specialized functions, such as fire protection, library facilities, and health care facilities.

The President and Council complies with generally accepted accounting principles (GAAP). GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. In the government-wide financial statements and the fund financial statements for the proprietary funds, Financial Accounting Standards Board (FASB) pronouncements and Accounting Standards Board (APB) opinions issued on or before November 30, 1989, have been applied unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. For enterprise funds, GASB Statement Nos. 20 and 34 provide the President and Council the option of electing to apply FASB pronouncements issued after November 30, 1989. The President and Council has elected not to apply those pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this Note.

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 of the significant changes in the Statement include the following:

- Beginning with the year 2003, the financial statements include:
- A Management Discussion and Analysis (MD&A) section providing an analysis of the President and Council's overall financial position and results of operations

**LIVINGSTON PARISH, LOUISIANA  
PARISH PRESIDENT AND COUNCIL  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2004**

- Financial statements prepared using full accrual accounting for all of the President's and Council's activities, including infrastructure (roads, bridges, etc.).
- 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 President and Council has elected to implement the general provisions of Statements No. 33 and 34 and Interpretation No. 6 in the current year and plan to retroactively report infrastructure (assets acquired prior to January 1, 2002) in the fiscal year ending December 31, 2006.

**1.B. FINANCIAL REPORTING ENTITY**

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

GASB Statement No. 14 established criteria for determining the governmental reporting entity and component units should be included within the reporting entity. For financial reporting purposes, in conformance with GASB Statement No. 14, the Livingston Parish President and Council includes all funds, accounts groups, et cetera, that are within the oversight responsibility of the Livingston Parish President and Council.

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 President and Council to impose its will on that organization and/or
  - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the President and Council.
2. Organizations for which the President and Council does not appoint a voting majority but are fiscally dependent on the President and Council.
3. Organizations for which the reporting entity financial statements should be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the previous criteria, the President and Council have determined that the following component units are part of the reporting entity:

**LIVINGSTON PARISH, LOUISIANA  
PARISH PRESIDENT AND COUNCIL  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2004**

<u>COMPONENT UNIT</u>	<u>FISCAL YEAR END</u>	<u>CRITERIA USED</u>
Fire Protection Districts:		
No. 1	December 31	1 and 3
No. 2	June 30	1 and 3
No. 4	December 31	1 and 3
No. 5	December 31	1 and 3
No. 6	June 30	1 and 3
No. 7	December 31	1 and 3
No. 8	June 30	1 and 3
No. 9	June 30	1 and 3
No. 10	December 31	1 and 3
No. 11	June 30	1 and 3
No. 12	June 30	1 and 3
Recreation Districts:		
No. 2	December 31	1 and 3
No. 3	December 31	1 and 3
No. 4	December 31	1 and 3
No. 5	December 31	1 and 3
No. 6	December 31	1 and 3
No. 7	December 31	1 and 3
No. 8	December 31	1 and 3
No. 9	December 31	1 and 3
Livingston Parish Gas Utility District	November 30	1 and 3
Sewerage Districts:		
No. 1	December 31	1 and 3
No. 2	December 31	1 and 3
No. 4	December 31	1 and 3
Ward 2 Waterworks District	December 31	1 and 3
Ward 6 Waterworks District	December 31	1 and 3
Gravity Drainage District No. 1	December 31	1 and 3
Gravity Drainage District No. 2	December 31	1 and 3
Gravity Drainage District No. 5	December 31	1 and 3

**LIVINGSTON PARISH, LOUISIANA  
PARISH PRESIDENT AND COUNCIL  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2004**

Communications District	December 31	1 and 3
Livingston Parish Library Commission	December 31	1 and 3
Carter Plantation Community Development District	December 31	1 and 3

The Parish President and Council have chosen to issue financial statements of the primary government (Parish President and Council) only; therefore, all funds, account groups, and organizations for which the Parish President and Council maintains the accounting records are included.

GASB Statement 14 provides for the issuance of primary government financial statements that are separate from those of the reporting entity. However, the primary government's (Parish President and Council) 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 (Parish President and Council).

It was determined that the following governmental entities are not component units of the Livingston Parish President and Council reporting entity because they have separately elected governing bodies, are legally separate, and are fiscally independent of the Livingston Parish Parish President and Council.

Livingston Parish Sheriff  
Livingston Parish Clerk of Court  
Livingston Parish Tax Assessor  
Livingston Parish School Board  
District Attorney of the Twenty First Judicial District  
Various municipalities in Livingston Parish

**1.C. BASIS OF PRESENTATION**

The Parish President and Council's basic financial statements include both government-wide (reporting the Parish President and Council as a whole) and fund financial statements (reporting the Parish President and Council's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type.

**Government-wide Financial Statements**

The Statement of Net Assets and Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

LIVINGSTON PARISH, LOUISIANA  
PARISH PRESIDENT AND COUNCIL  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2004

**Fund Financial Statements**

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the Parish President and Council or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The funds of the financial reporting entity are described below:

**Governmental Funds**

**General Fund** -- The General Fund is the primary operating fund of the Parish President and Council and always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

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

**Debt Service Fund** — The Debt Service Fund accounts for the accumulation of financial resources for payment of interest and principal on the general long-term debt of the Parish President and Council other than debt service payments made by enterprise funds. Ad valorem and sales and use taxes are used for the payment of principal and interest on the Parish President and Council's judgment.

**Capital Projects Fund** -- The Capital Projects Fund is used to account for resources restricted for the acquisition or construction of specific capital projects or items. The reporting entity includes only one Capital Project Fund and it is used to account for the acquisition of capital assets with transfers made from the General Fund.

**Proprietary Funds**

**Enterprise Funds** – The Sewer District 6 fund accounts for the activities of the sewer district. The purpose of this fund is to account for exchange transactions in which each party to the transactions give up essentially equal values. Non operating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

**LIVINGSTON PARISH, LOUISIANA  
PARISH PRESIDENT AND COUNCIL  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2004**

**Fiduciary Funds (Not included in government-wide statements)**

**Agency Funds** -- Agency funds account for assets held by the Parish President and Council on behalf of others as their agent. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement or results of operation. The agency funds are as follows:

**Sales Tax District Six** - This fund accounts for the collection and distribution of a one-half percent sales and use tax levied by Sales Tax District Number Six for Gravity Drainage District Number Two.

**Major and Nonmajor Funds**

The funds are further classified as major or nonmajor as follows:

**Major Funds**

**General Fund** (see above for description)

**Special Revenue Fund**

**Health Unit Maintenance Fund** - The Health Unit Maintenance Fund is used to account for ad valorem taxes and state revenue sharing funds dedicated for the construction, operation, and maintenance of the parish health unit.

**Road Equipment and Maintenance Fund** - The Road Equipment and Maintenance Fund accounts for maintenance of parishwide roads and streets. Major means of financing is provided by the State of Louisiana Parish Transportation Fund, ad valorem taxes, and state revenue sharing.

**Capital Projects Fund**

**Road Sales Tax Fund** - The Road Sales Tax Fund is used to account for the proceeds of a one percent sales tax dedicated to overlaying parish roads and streets.

**Library Construction Fund** - The Library Construction Fund is used to account for the construction activities of the Library which was financed through the issuance of bonds in 2004.

**Nonmajor Funds**

**Special Revenue Funds**

**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 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 balance remaining on the fund at December 31 each year be transferred to the General Fund.

**Bingo Fund** - The Bingo Fund is used to account for the proceeds of collections from bingo operators within the Parish of Livingston, and to account for the expenditure of those funds.

**LIVINGSTON PARISH, LOUISIANA  
PARISH PRESIDENT AND COUNCIL  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2004**

**Criminal Court Witness Fund** - The Criminal Court Witness Fund accounts for the court cost and bond forfeiture revenues, and witness fees and related expenditures. As required by Louisiana Revised Statutes 15, Section 255, the fund balance remaining at December 31, each year which is in excess of the total amount paid from the fund as witness fees for off-duty officers in that year is transferred to the Criminal Court Fund.

**Hazard Mitigation Grant Fund** - The Hazard Mitigation Grant Fund is funded by federal grants to be expended for the acquisition or elevation of repetitively flooded structures located in the parish.

**Jury Fund** - The Jury Fund is used to account for the payment of jury fees. The Jury Fund replaces the Criminal Court Fund.

**Debt Service Funds**

**Recreation District Number One** - The Recreation District Number One Fund is used to account for the proceeds of the ad valorem tax levy and for the payment of principal and interest and paying agent fees for the district's bonds.

**Magnolia Woods Sinking Fund** - The Magnolia Woods Debt Service Fund is used to account for the billing of the special assessments for paving of streets in the Magnolia Woods subdivision, and the payment of the principal and interest, and other costs associated with the retirement of the certificates of indebtedness issued to finance the street paving.

**Plantation Estates Sinking Fund** - The Plantation Estates Debt Service Fund is used to account for the billing of the special assessments for paving of streets in a portion of Plantation Estates subdivision, and the payment of the principal and interest, and other costs associated with the retirement of the certificates of indebtedness issued to finance the street paving.

**Wedgewood Acres Sinking Fund** - The Wedgewood Acres Debt Service Fund is used to account for the billing of the special assessments for paving of streets in Wedgewood Acres subdivision, and the payment of the principal and interest, and other costs associated with the retirement of the certificates of indebtedness issued to finance the street paving.

**Single Acres Sinking Fund** - The Single Acres Sinking Fund is used to account for the billing of the special assessments for paving of streets in the Single Acres subdivision, and the payment of the principal and interest, and other costs associated with the retirement of the certificates of indebtedness issued to finance the street paving.

**Cline Drive/Hilltop Road Sinking Fund** - The Cline Drive/Hilltop Road Sinking Fund is used to account for the billing of the special assessments for paving of two streets, and the payment of the principal and interest, and other costs associated with the retirement of the certificates of indebtedness issued to finance the street paving.

**Library Sinking Fund** - The Library Sinking Fund is used to account for the collection of the ad valorem tax levied for construction of the new library.

**LIVINGSTON PARISH, LOUISIANA  
PARISH PRESIDENT AND COUNCIL  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2004**

**Capital Projects Funds**

**Water Improvement Fund** - The Water Improvement Fund is used to account for the cost of applying for a water improvement block grant to be used for upgrades and improvements to the Parish's water system.

**Library Construction Fund** - The Library Construction Fund is used to account for the proceeds of bonds issued for the cost of construction of Library infrastructure.

**FY 03 Sewer Fund** - The FY 03 Sewer Fund accounts for activities associated with the Sewer construction.

**1.D. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

**Measurement Focus**

On the government-wide Statement of Assets and the Statement of Activities, both governmental and business-like activities are presented using the economic resources measurement focus as defined in Item (b) below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

- a. All governmental funds utilize a "current financial resources" measurement focus. Only current assets and liabilities are generally included on their balance sheets. Their operating statements present sources and used of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. The proprietary fund utilizes an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net assets.
- c. Agency funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

**Basis of Accounting**

Basis of accounting refers to the point at which revenues or expenditures/expenses 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. Basis of Accounting is either "accrual" or "modified accrual" depending upon the type of financial statement or funds.

**LIVINGSTON PARISH, LOUISIANA  
PARISH PRESIDENT AND COUNCIL  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2004**

In the government-wide Statement of Net Assets and Statement of Activities, both governmental and business-like activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds and agency funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when "measurable and available." Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year end. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported when due.

All proprietary funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

#### **1.E. ASSETS, LIABILITIES, AND EQUITY**

##### **Cash and Investments**

For the purpose of the Statements of Net Assets, "cash, including time deposits" includes all demand deposits and pooled cash accounts of the Parish President and Council.

Investments are carried at fair value based on quoted market price. Additional cash and investment disclosures are presented in Note 3.A.

##### **Interfund Receivables and Payables**

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and service type transactions are classified as "due to and from other others". Short-term interfund loans are reported as "interfund receivables and payables." Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Assets. See Note 3.G. for details of interfund transactions, including receivables and payables at year-end.

##### **Receivables**

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivable balances for the governmental activities include sales and use taxes, franchise taxes, grants, fines, and reimbursements. Business-type activities report utilities and interest earnings as major receivables.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as sales tax, franchise tax, and grants and other similar intergovernmental revenues since they are usually both measurable and available. Interest and investment earnings are recorded when earned only if paid within 60 days since they would be considered both measurable and available. Proprietary fund material receivables consist of all revenues earned at year-end and not yet received. Utility accounts

**LIVINGSTON PARISH, LOUISIANA  
PARISH PRESIDENT AND COUNCIL  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2004**

receivable and interest earnings compose the majority of proprietary fund receivables. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable.

**Inventories**

Inventories for supplies of the road fund are valued at cost using the first in first out method. Costs of materials are recorded as expenditures in the Road Equipment and Maintenance Fund when consumed rather than when purchased. Other funds supplies on hand at year end are not significant and are recorded as expenditures/expenses when purchased.

**Restricted Assets**

Restricted assets include cash and investments of the proprietary fund that are legally restricted as to their use. The primary restricted assets are related to bond accounts and utility meter deposits.

**Fixed Assets**

The accounting treatment over property, plant, and equipment (fixed assets) depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

*Government-wide Statements*

In the government-wide financial statements, fixed assets are accounted for as capital assets. All fixed assets are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated fixed assets which are recorded at their estimated fair value at the date of donation.

Prior to January 1, 2002, governmental funds' infrastructure assets were not capitalized.

Depreciation of all exhaustible fixed assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

<u>ASSET TYPE</u>	<u>YEARS</u>
Buildings	5 - 50
Improvements other than buildings	20 - 50
Machinery and equipment	3 - 10
Computer equipment	5
Vehicles	6
Infrastructure	20 - 40

The Parish of Livingston is a Phase Two government for purposes of implementing GASB Statement 34. As such, the Parish has elected to delay retroactive reporting of infrastructure (major general infrastructure) acquired or constructed since January 1, 1980. Instead, the Parish has instituted

**LIVINGSTON PARISH, LOUISIANA  
PARISH PRESIDENT AND COUNCIL  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2004**

prospective reporting of infrastructure beginning in January 1, 2002. Infrastructure consists mainly of roads, highways, bridges, water or sewer systems, and drainage systems.

**Fund Financial Statements**

In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Fixed assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

**Amortization of Bond Issuance Costs**

The bond issuance costs are amortized on a straight-line basis for a period conforming to the term of the bonds issued.

**Long-Term Obligations**

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term debt consists primarily of bonds payable and accrued compensated absences.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for proprietary fund is the same in the fund statements as it is in the government-wide statements.

**Compensated Absences**

The Parish President and Council's policies regarding vacation time permit employees to accumulate earned but unused vacation leave. The liability for these compensated absences is recorded as long-term debt in the government-wide statements. In the fund financial statements, governmental funds report only the compensated absence liability payable from expendable available financial resources, while the proprietary funds report the liability as it is incurred.

**Equity Classifications**

*Government-wide Statements*

Equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.

**LIVINGSTON PARISH, LOUISIANA  
PARISH PRESIDENT AND COUNCIL  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2004**

- b. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

*Fund Statements*

Governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated. Proprietary fund equity is classified the same as in the government-wide statements. See Note 3.G. for additional disclosures.

**1.F. REVENUES, EXPENDITURES, AND EXPENSES**

**Property Tax**

All taxable property located within the State of Louisiana is subject by law to taxation on the basis of its assessed valuation. The assessed value is determined by the Parish Assessor, except for public utility property which is assessed by the Louisiana Tax Commission.

The 1974 Louisiana Constitution provided that, beginning in 1978, all land and residential property were to be assessed at 10% of fair market value; agricultural, horticultural, marsh lands, timber lands and certain historic buildings are to be assessed at 10% of "use" value; and all other property is to be assessed at 15% of fair market value. Fair market values are determined by the elected assessor of the parish and are subject to review and final certification by the Louisiana Tax Commission. The Assessor is required to reappraise all property every four years.

The Sheriff of Livingston Parish, as provided by State Law, is the official tax collector of general property taxes levied by the Parish President and Council. By agreement, the Sheriff receives a commission. All taxes are due by December 31 of the year and are delinquent on January 1 of the next year, which is also the lien date.

State law requires the Sheriff to collect property taxes in the calendar year in which the assessment is made. If the taxes are not paid by the due date of December 31st, the taxes bear interest at 1.25% per month until the taxes are paid. After notice is given to the delinquent taxpayers, the Sheriff is required by the Constitution of the State of Louisiana to sell the least quantity of property necessary to settle the taxes and interest owed.

Property taxes are recognized as revenue in the year for which they are levied and become due. The majority of the year's taxes are collected from November to February by the Sheriff. Any amounts not collected at December 31st are shown as accounts receivable. All taxes are considered fully collectible; therefore, no allowance for uncollectible taxes is provided.

**LIVINGSTON PARISH, LOUISIANA  
PARISH PRESIDENT AND COUNCIL  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2004**

Ad valorem taxes as presented in these financial statements are as follows:

Fund	Expiration Date	Mills	Property Assessed Valuations	Taxes Assessed For	
				General Purpose	Special Purposes
<b>General Fund -</b>					
Parish Tax	Statutory	2.37	\$ 372,049,770	\$ 313,672	
Within Municipalities	Statutory	1.18	107,166,650	83,721	
<b>Special Revenue -</b>					
Health Unit Maintenance Fund	2004	4.32	372,049,770		829,277
Road Equipment and Maintenance Fund	2012	4.59	\$ 372,049,770		779,521
<b>Debt Service -</b>					
Library Sinking Fund	2023	4.3	\$ 372,049,770		874,196
				<u>\$ 397,393</u>	<u>\$ 2,482,994</u>

**Sales and Use Tax**

Livingston has a one percent sales and use tax approved by the voters on January 19, 2002. The tax, after all necessary costs for collection and administration, is to be used for the following purposes in the percentages assigned:

- On July 19, 1997, the voters of Livingston Parish approved a parish wide five year, 1% Sales and Use Tax dedicated for constructing, improving and maintaining roads and bridges and related road drainage throughout the parish. The original tax began October 1, 1997, and ended September 30, 2002. In 2002, the tax was renewed for an additional seven years by the voters through September 30, 2009. The Council has set up the Road Sales Tax Capital Projects Fund to account for the sales tax collections dedicated to the overlaying of parish wide roads and streets and the related drainage improvements associated therewith. During 2004, the Council collected \$8,983,006 in sales taxes and spent \$16,290,153 on the overlay projects.

The Council entered into a contract with Barriere Construction Company, LLC of Covington, Louisiana during 2004, including change orders. As of December 31, 2004, the total contract amount is \$15,393,423. As of December 31, 2004, the contractor had completed \$ 16,667,748 or over 100% of the contract.

**Expenditures/Expenses**

In the government-wide financial statements, expenses are classified by function for both governmental and business-type activities.

In the fund financial statements, expenditures are classified as follows:

Governmental Funds – By Character:	Current (further classified by function)
	Debt Service
	Capital Outlay

**LIVINGSTON PARISH, LOUISIANA  
PARISH PRESIDENT AND COUNCIL  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2004**

In the fund financial statements, governmental funds report expenditures of financial resources.

**Interfund Transfers**

Permanent reallocation of resources between funds of the reporting entity are classified as interfund transfers. For the purposes of the Statement of Activities, all interfund transfers between individual governmental funds have been eliminated.

**NOTE 2. – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

By its nature as a local government unit, the Parish President and Council are subject to various federal, state, and local laws and contractual regulations. An analysis of the Parish President and Council's compliance with significant laws and regulations and demonstration of its stewardship over Parish President and Council resources follows.

**2.A. FUND ACCOUNTING REQUIREMENTS**

The Parish President and Council complies with all state and local laws and regulations requiring the use of separate funds. The legally required funds used by the Parish President and Council include the following:

<b>Fund</b>	<b>Required By</b>
Health Unit Maintenance Fund	Local Ordinance
Road Equipment and Maintenance fund	Local Ordinance
Criminal Court	State Law
Bingo Fund	Local Ordinance
Criminal Court Witness Fund	Joint Venture Agreement
Hazard Mitigation Fund	Grant Agreement
Recreation District One Fund	Bond Indenture
Oak Place/ Juban Crest Fund	Bond Indenture
Magnolia Woods Funds	Bond Indenture
Plantation Estates Sinking Fund	Bond Indenture
Wedgewood Sinking Fund	Bond Indenture
Single Acres Sinking Fund	Bond Indenture
Cline Drive/ Hilltop Road Sinking Fund	Bond Indenture
Road Sales Tax Construction Fund	Local Ordinance
Sewer Improvement Block Grant Fund	Grant Agreement
Water Improvement Fund	Grant Agreement
Library Construction	Bond Indenture
FY 03 Sewer Fund	Grant Agreement

**2.B. DEPOSITS AND INVESTMENTS LAWS AND REGULATIONS**

Under state law, the Parish Council may invest in United States bonds, treasury notes and bills, or certificates or time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool Inc. (LAMP), a non-profit corporation formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool. As reflected in Note 3.A., all deposits were fully insured or collateralized.

**LIVINGSTON PARISH, LOUISIANA  
PARISH PRESIDENT AND COUNCIL  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2004**

**2.C. REVENUE RESTRICTIONS**

The Parish Council has various restrictions placed over certain revenue sources from state or local requirements. The primary restricted revenue sources include:

<u>Revenue Source</u>	<u>Legal Restrictions on Use</u>
Sales Tax	Road Construction
Grants	Grant Program Expenditures
Special Assessments	Debt Service

For the year ended December 31, 2004, the Parish President and Council complied, in all material respects, with these revenue restrictions.

**2.D. DEBT RESTRICTIONS AND COVENANTS**

**General Obligation Debt**

Louisiana Revised Statute 39:562, of the Louisiana Constitution, limits the amount of outstanding general obligation bonded debt of the any subdivision for any one of the purposes authorized to 10 percent of the assessed valuation of the taxable property of such subdivision, including both (1) homestead exempt property, which shall be included on the assessment roll for the purposes of calculating debt limitation and (2) nonexempt property, as ascertained by the last assessment for parish, municipal, or local purposes prior to delivery of the bonds representing such indebtedness, regardless of the date of the election at which said bonds were approved. For the year ended December 31, 2004, the Parish's general obligation debt did not exceed such limitation.

**Other Long-Term Debt**

Except as noted in the following paragraph, as required by the Louisiana Constitution, the Parish President and Council may not incur any indebtedness that would require payment from resources beyond the current fiscal year revenue without first obtaining voter or state bond commission approval. For the year ended December 31, 2004, the Parish President and Council incurred no such indebtedness.

**Bonds Payable**

The various bond indentures relating to the bond issues contain some restrictions or covenants that are financially related. These include covenants such as debt service coverage requirements and required reserve account balances. For the year ended December 31, 2004, requirements of the various bond indentures have been complied with.

**2.E. FUND EQUITY RESTRICTIONS**

**Deficit Prohibition**

The following individual funds have deficits in unreserved fund balance at December 31, 2004:

**LIVINGSTON PARISH, LOUISIANA  
PARISH PRESIDENT AND COUNCIL  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2004**

Fund	Deficit Amount
Criminal Court Fund	\$ 16,887
Water Improvement Fund	\$ 44,384

The deficit in the Criminal Court Fund and the Water Improvement Fund occurred as a result of not transferring sufficient budgeted funds from the General Fund. Transfers from the General Fund will be made to cover any deficits.

**NOTE 3. – DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS**

The following notes present detailed information to support the amounts reported in the basic financial statements for its various assets, liabilities, equity, revenues, and expenditures/expenses.

**3.A. CASH AND INVESTMENTS**

At December 31, 2004, the Council had cash and cash equivalents (book balances) as follows:

December 31, 2004	
Petty Cash	\$ 1,450
Demand Deposits	4,782,510
Certificate of Deposit	<u>2,544,488</u>
Total	<u>\$ 7,328,448</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 of 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. Deposits (bank balances) secured at December 31, 2004, are as follows:

Category 1 – Insured by FDIC or collateralized with securities held by the Board or by its agent in its name

Category 2 – Uninsured but collateralized with securities held by the pledging financial institution's trust department or agent in the Board's name

Category 3 – Uninsured and uncollateralized; or collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the Council's name; or collateralized with no written or approved collateral agreement.

Type of Deposits	Total Bank Balance	Custody Credit Risk Category			Not Required To Be Collateralized	Total Carrying Value
		1	2	3		
Cash and Cash Equivalents	\$ 10,193,213	\$ 100,000		\$ 9,457,782	\$ 635,431	\$ 7,328,448
Certificates of Deposit (With original maturities in excess of three months)	2,384,636	300,000		2,084,636		2,392,201
LAMP	6,317,798				6,317,798	6,317,798
Investments at fair value	2,255,975				2,255,975	2,255,975
Total Deposits	<u>\$ 21,151,622</u>	<u>\$ 400,000</u>		<u>\$ 11,542,418</u>	<u>\$ 9,209,204</u>	<u>\$ 18,294,422</u>

**LIVINGSTON PARISH, LOUISIANA  
PARISH PRESIDENT AND COUNCIL  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2004**

	Cash	Certificates of Deposit	Total
Deposits in Bank Accounts Per Balance Sheet	\$ 7,328,448	\$ 2,392,201	\$ 9,720,649
Bank Balances of Deposits Exposed to Custodial Credit Risk			
a. Uninsured and uncollateralized			
b. Uninsured and collateralized with securities held by the pledging institute			
c. Uninsured and collateralized with securities held by the pledging institutions's trust department or agent but not in the entity's name	9,457,782	2,084,636	11,542,418
Total Bank Balances - All Deposits	<u>\$ 9,457,782</u>	<u>\$ 2,084,636</u>	<u>\$ 11,542,418</u>

Reconciliation to Statement of Net Assets:

Petty cash	\$ 1,450
Unrestricted cash	7,326,998
Cash in agency fund	<u>(635,431)</u>
Total Cash per statement of net assets	<u>\$ 6,693,017</u>

At December 31, 2004, the Parish President and Council has cash and cash equivalents, Certificates of Deposit, investments, and LAMP deposits totaling \$18,294,422.

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

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement No. 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Parish Council that the fiscal agent has failed to pay deposited funds upon demand.

In addition to the demand and time deposits, the Parish Council has \$6,317,798 invested in the Louisiana Asset Management Pool Inc. (LAMP), a local government investment pool (see Summary of Significant Accounting Policies). In accordance with GASB Codification Section I50.165, the investment in LAMP at December 31, 2004, is not categorized in the three risk categories provided by GASB Codification Section I50.164 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form. LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana, which was formed by an initiative of the

**LIVINGSTON PARISH, LOUISIANA  
PARISH PRESIDENT AND COUNCIL  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2004**

State Treasurer, representatives from various organizations of local government, the Government Finance Officers Association of Louisiana, and the Society of Louisiana CPA's. Only local governments having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. government or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances.

**Investments at fair value:**

At December 31, 2004, the Parish Council had investments at fair value of \$2,255,975. These investments consisted of Federal mortgage backed bonds with maturities greater than one year. These bonds are free from default risk as there are backed by the full faith of the Federal government. The only risk inherent to these bonds is interest rate risk. If current interest rates were to rise, the market value of these bonds would fall. However, if the bonds are held to maturity then the Parish Council is hedged from interest rate risk.

**3.B. RECEIVABLE AND DUE FROM/TO OTHER GOVERNMENTAL UNITS**

A summary of receivables as of December 31, 2004, follows:

Grants	\$ 908,222
Sales Tax	1,724,949
Ad Valorem	2,917,185
Franchise Taxes	454,216
Documentary Tax	85,065
Other	301,126
Allowance for Doubtful Accounts	<u>(10,000)</u>
Receivables for Government Funds	<u>6,380,763</u>
Due from customers (Enterprise Fund)	<u>1,900</u>
Total Receivables	<u>\$ 6,382,663</u>

**LIVINGSTON PARISH, LOUISIANA  
PARISH PRESIDENT AND COUNCIL  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2004**

**3.C. PAYABLES**

Accounts Payable	
Trade	\$ 425,583
Construction	2,842,742
Fees Witness Payable	500
COA Grant	<u>11,401</u>
Total Accounts Payable	<u>\$ 3,280,226</u>
Accrued Expenses Payable	
Sheriff's Pension	\$ 223,858
Payroll and Related	<u>6,299</u>
Total Accrued Expenses Payable	<u>\$ 230,157</u>
Other Liabilities	
Withholdings	\$ 17,541
Composting Payable	5,241
Escrow for Boat Launch	<u>1,600</u>
Total Other Liabilities	<u>\$ 24,382</u>

**3.D. DUE TO/FROM OTHER FUNDS**

As at December 31, 2004, the amounts due to/from other funds is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Health Unit	\$ 4,912
General Fund	Road Equipment	157,049
General Fund	Jury Fund	15,536
Road Equipment	General Fund	665
General Fund	Cline Drive	30,050
General Fund	Magnolia Woods	1,905
General Fund	FY 03 Sewer	1,005
General Fund	Library Construction	100
General Fund	Library Sinking	5
General Fund	FY 02 Water	42,911
General Fund	Bingo	43
Health Unit	General Fund	240
Road	Bingo	3
Road	Road Sales Tax	18,431
Road	Health Unit	<u>105</u>
		<u>\$ 272,960</u>

**LIVINGSTON PARISH, LOUISIANA  
PARISH PRESIDENT AND COUNCIL  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2004**

**3.E. CAPITAL ASSETS AND INFRASTRUCTURE**

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

	<u>1-1-2004</u>	<u>Additions</u>	<u>Deletions</u>	<u>12-31-2004</u>
<b>GOVERNMENTAL ACTIVITIES:</b>				
Non-depreciable assets:				
Land	\$ 1,693,842	-	-	\$ 1,693,842
Construction in progress:	278,746	\$ 1,404,208	\$ (278,746)	1,404,208
Total non-depreciable assets	<u>1,972,588</u>	<u>1,404,208</u>	<u>(278,746)</u>	<u>3,098,050</u>
Depreciable assets:				
Buildings	5,990,385	1,610,133	-	7,600,518
Machinery and equipment	2,856,962	469,818	(551,739)	2,775,041
Infrastructure	10,845,472	16,114,642	-	26,960,114
Furniture and fixtures	78,311	-	-	78,311
Total depreciable assets	<u>19,771,130</u>	<u>18,194,593</u>	<u>(551,739)</u>	<u>37,413,984</u>
Accumulated depreciation:				
Buildings	(2,895,842)	(797,486)	-	(3,693,328)
Equipment	(1,689,639)	(299,529)	299,619	(1,689,549)
Infrastructure	(327,806)	(395,897)	-	(723,703)
Furniture and fixtures	(65,321)	(1,926)	-	(67,247)
Total accumulated depreciation	<u>(4,978,608)</u>	<u>(1,494,838)</u>	<u>299,619</u>	<u>(6,173,827)</u>
Governmental activities capital assets, net	<u>\$ 16,765,110</u>	<u>\$ 18,103,963</u>	<u>\$ (530,866)</u>	<u>\$ 34,338,207</u>
<b>BUSINESS-TYPE ACTIVITIES:</b>				
Non-depreciable assets:				
Land	-	\$ 13,243	-	\$ 13,243
Total non-depreciable assets	<u>-</u>	<u>13,243</u>	<u>-</u>	<u>13,243</u>
Depreciable assets:				
System	-	510,173	-	510,173
Total depreciable assets	<u>-</u>	<u>510,173</u>	<u>-</u>	<u>510,173</u>
Accumulated depreciation:				
System	-	(183,662)	-	(183,662)
Total accumulated depreciation	<u>-</u>	<u>(183,662)</u>	<u>-</u>	<u>(183,662)</u>
Business-type capital assets, net	<u>-</u>	<u>339,754</u>	<u>-</u>	<u>339,754</u>
Total assets, net	<u>\$ 16,765,110</u>	<u>\$ 18,443,717</u>	<u>\$ (530,866)</u>	<u>\$ 34,677,960</u>

**3.F. LONG-TERM DEBT**

General obligation bonds and certificates of indebtedness are comprised of the following individual issues and outstanding balances as of December 31, 2004:

**LIVINGSTON PARISH, LOUISIANA  
PARISH PRESIDENT AND COUNCIL  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2004**

BONDS	DEBT PAYABLE 12/31/04	INTEREST REQUIREMENTS TO MATURITY	TOTAL
\$8,900,000 - Library Bonds, principal to be paid annually, and interest to be paid semi-annually. Interest at 4.5%, over 20 years. Paid from Library Fund.	\$ 8,900,000	\$ 4,396,371	\$ 13,296,371
\$320,000 - Certificates of indebtedness, Series 1994, due in annual installments of \$34,735 to \$41,545 through June 15, 2006; interest at 5.57%, paid from the General Fund	70,000	5,849	75,849
Total Bonds	\$ 8,970,000	\$ 4,402,220	\$ 13,372,220
PAVING CERTIFICATES	DEBT PAYABLE 12/31/04	INTEREST REQUIREMENTS TO MATURITY	TOTAL
\$137,540 - 1995 Petition Paving certificates of indebtedness due in revised annual installments of \$8,000 plus interest through October 1, 2005; interest from 5.5% to 5.75%, paid from Wedgewood Sinking Fund	\$ 8,000	\$ 440	\$ 8,440
\$136,730 - 1996 Petition Paving certificates of indebtedness due in revised annual installments of \$12,000 plus interest through October 1, 2006; interest from 6.00% to 6.90%, paid from Cline Drive/Hilltop Road Sinking Fund	24,000	2,340	26,340
\$70,640 - 1996 Petition Paving certificates of indebtedness due in revised annual installments of \$6,000 plus interest through May 1, 2006; interest from 6.00% to 6.75%, paid from Single Acres Sinking Fund	12,000	1,170	13,170
Total Paving Certificates	\$ 44,000	\$ 3,950	\$ 47,950
Total Bonds and Paving Certificates	\$ 9,014,000	\$ 4,406,170	\$ 13,420,170

**LIVINGSTON PARISH, LOUISIANA  
PARISH PRESIDENT AND COUNCIL  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2004**

The following is a summary of bond transactions of the Parish President and Council for the year ended December 31, 2004:

	<u>January 1, 2004</u>	<u>Additions</u>	<u>Redemptions</u>	<u>December 31, 2004</u>
Governmental Activities:				
Bonds Payable	\$ 100,000	\$ 8,900,000	\$ (30,000)	\$ 8,970,000
Paving Certificates of Indebtedness Pay-	70,000	-	(26,000)	44,000
Compensated Absences Payable - Net	137,121	12,679	-	149,800
Community Development Loan	132,956	60	-	133,016
Total	<u>\$ 440,077</u>	<u>\$ 8,912,739</u>	<u>\$ (56,000)</u>	<u>\$ 9,296,816</u>

**Annual Debt Service Requirements**

The annual debt service requirements to maturity, including principal and interest, for long-term debt as of December 31, 2004, excluding compensated absences, are as follows:

<u>Year Ending 12/31</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2005	116,000	537,204
2006	338,000	347,845
2007	300,000	330,100
2008	315,000	314,725
2009	335,000	298,475
2010-2015	1,935,000	1,304,894
2016-2020	2,485,000	919,278
2021-2025	3,190,000	353,649
	<u>\$ 9,014,000</u>	<u>\$ 4,406,170</u>

**Water System Loan**

Not included in the above future requirements is a loan of up to \$350,000 authorized by Ordinance 03-247 dated June 12, 2003. The Parish has drawn \$133,016 as of December 31, 2004. The loan requires only interest to be repaid currently and principal may be repaid in \$100,000 increments at any time within the next 25 years (2028). The loan proceeds are being used to finance the improvement to the water system serving the Springfield Terrace and Haynes Settlement area.

**NOTE 4. - OTHER NOTES**

**4.A. PENSION PLAN AND RETIREMENT COMMITMENTS**

Substantially all employees of the Livingston Parish Council are members of the Parochial Employees Retirement System of Louisiana (System), a multiple employer public employee retirement system (PERS), controlled and administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the Council are members of Plan B.

**LIVINGSTON PARISH, LOUISIANA  
PARISH PRESIDENT AND COUNCIL  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2004**

All permanent employees working at least 28 hours per week who are paid wholly or in part from Council funds, and all elected Council officials are eligible to participate in the System. Under Plan B, employees who retire at or after age 60 with at least 10 years of creditable service, or at or after age 55 with 30 years of creditable service, or at or after age 65 with 7 years of creditable service, are entitled to a retirement benefit, payable monthly for life, equal to 2 percent of their final-average salary for each year of creditable service. Furthermore, employees with at least 10 years of creditable service, but less than 30 years, may take early retirement benefits commencing at or after age 60, with the basic benefit reduced 3 percent for each year retirement precedes age 63. In any case, monthly retirement benefits paid under Plan B cannot exceed the lesser of 100 percent of final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute.

Contributions to the System include one-fourth of one percent of the taxes shown to be collectible by the tax rolls of each parish, except Orleans and East Baton Rouge parishes. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan prior to January 1, 2002. Prior to January 1, 2002, state statute required employees covered by Plan B to contribute two percent of their salaries in excess of \$100 per month to the System. Effective January 1, 2002, state statute was amended to require employees covered by Plan B to contribute three percent of their salaries per month to the plan.

The following provides certain disclosures for the Council and the retirement system that are required by GASB Codification:

**PLAN B**

DECEMBER 31, 2002

Contribution Rates:

Employees	3.00%
Employer	5.25%

Trend Information:

Contributions required by State statute.

<u>FISCAL YEAR</u>	<u>REQUIRED CONTRIBUTION</u>	<u>PERCENTAGE</u>
2004	211,143	100%
2003	149,837	100%
2002	130,977	100%
2001	90,647	100%
2000	78,046	100%
1999	70,375	100%
1998	63,331	100%
1997	52,599	100%

**LIVINGSTON PARISH, LOUISIANA  
PARISH PRESIDENT AND COUNCIL  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2004**

Trend information showing the progress of the System in accumulating sufficient assets to pay benefits when due is presented in its annual financial reports. Copies of these reports may be obtained from the Parochial Retirement System of Louisiana

**4.B. RISK MANAGEMENT**

The Parish President and Council is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; employee health and life; and natural disasters. The Parish has purchased various insurance policies to cover such risks. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Parish President and Council. Settled claims have not exceeded this insurance coverage in any of the past three years.

**4.C. ESTIMATES**

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

**4.D. CENTRALIZED COLLECTION AGENCY AGREEMENT**

In accordance with Paragraph (B)(1) of Section 3 of Article VII of the Constitution of the State of Louisiana, the Parish President and Council entered into an agreement with all of the sales and use taxing authorities of the Parish of Livingston designating the Sales Tax Department of the Livingston Parish School Board as the single tax collection entity.

**4.E. LITIGATION AND CLAIMS**

At December 31, 2004, the President and Council is the defendant in several pending lawsuits filed in the 21st Judicial District Court. Although the suits are still pending, the President and Council denies any liability and is actively defending its position. Based on the opinion of legal counsel on the possible outcome of these lawsuits from its legal counsel, it is the opinion of management that the disposition of these matters will not have a material adverse effect on the financial position of the Parish President and Council. As of December 31, 2004, there are judgements in the amount of \$154,085.38 recorded against the Parish.

**4.F. COMPENSATION PAID TO BOARD MEMBERS**

In compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature, compensation paid to the Parish President and Council is included in the legislative expenditures of the General Fund. In accordance with Louisiana Revised Statute 33:1233, the Council has elected the monthly payment method of compensation. Under this method, the council members receive \$1,200 per month. Compensation paid to the Parish President and Council is as follows:

Mike Grimmer, President	\$ 98,354
Dewey Ratcliff, President (former)	4,696
Rillie Bigner, Dist 9 (former)	572
Dewey Harrell, Dist 6	14,118
Marshall Harris, Dist 4	14,118

**LIVINGSTON PARISH, LOUISIANA  
PARISH PRESIDENT AND COUNCIL  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2004**

Albert Mincey, Dist 5	14,118
Robert Ringo, Dist 2 (former)	572
John L. Shilling, Dist 3 (former)	572
Ronald Sharp, Dist 8	14,118
Randall Rushing, Dist 1	14,118
Carl Cain, Dist 7	14,118
Danny Harrell, Dist 3	13,545
Jimmie McCoy, Dist 2	13,545
Charles Wagner, Dist 9	13,545
Total	\$ 227,159

**4.G. DEFERRED COMPENSATION PLAN**

During 1996, the Council began a deferred compensation plan created with Section 457 of the Internal Revenue Code. The National Association of Counties Deferred Compensation Program is available to all employees and permits them to defer a portion of their salary until future years. The deferred compensation is not available to all employees and permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

The Council has implemented GASB Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. Under this statement governments who have no responsibility for the Plan and are not formally considered the Plan's trustee are not required to report the Plan in its financial statements. Since the Council's Plan was held in a custodial account with a third party administrator, the assets and liabilities are not presented in the Council's financial statements.

**4.H. LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS**

On March 27, 2000, the Parish Council adopted Ordinance Number 00-11 whereby the Parish Council approved an agreement with Waste Management of Louisiana, LLC ("Waste Management") concerning the Woodside Landfill issue. Under the terms of the agreement, Waste Management agreed to become the permit holder of the Woodside Landfill's DEQ permit (previously the Parish Council was the permit holder). As a permit holder, Waste Management assumed full responsibility for all obligations imposed by the permit including to defend and hold harmless the Parish Council from any and all liabilities arising out of the permit including but not limited to all closure, post-closure, monitoring and financial responsibility requirements of the existing Woodside facility. Accordingly, at December 31, 2000, the Council removed all municipal solid waste landfill closure and post-closure liability from its General Long-Term Account Group.

In addition, Waste Management agreed to pay the Parish Council 5% of the gross revenue derived from the disposal of solid waste of the landfill for a period of two years from the date of the agreement and 6.5% thereafter of gross revenues until the facility has reached full capacity. Furthermore, Waste Management agreed to pay the Parish Council 6.5% of gross revenues on an additional adjacent landfill site owned by Waste Management subject to a minimum royalty of \$600,000 contingent on gross revenues collected by Waste Management equal to or exceeding \$8,000,000 per year at that facility. Also, Waste Management agreed to pay the Parish Council \$40,000 annually to fund the salary and related expense of a new employee position who will be responsible for acting as a liaison with the public on matters pertaining to residential garbage collections and waste disposal.

**LIVINGSTON PARISH, LOUISIANA  
PARISH PRESIDENT AND COUNCIL  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2004**

**4.I. INVESTIGATION**

There is an active investigation into the operations of the Livingston Parish President and Council is presently being conducted by the United States Attorney's Office. No details were available at the time these financial statements were issued.

**4.J. RESTATEMENT**

Assets were contributed to the primary government by component units of the Parish which resulted in an adjustment of beginning Net Assets. That restatement is as follows:

Net Assets at January 1, 2004	\$ 33,873,244
Capital Assets from Recreation District Number 1(Net)	954,070
Capital Assets from Sewer District Number 6(Net)	365,851
	<hr/>
Net Assets at January 1, 2004	<u>\$ 35,193,165</u>

**4.K. COMMITMENTS AND CONTINGENCIES**

The Parish Council entered into a contract for road capital projects with a construction company in May, 2005. The contractual commitment amounts to approximately \$9.5 million to be paid from the 1% Road Sales Tax Construction Fund.

In August, 2005 the Parish Council agreed to issue \$4,145,000 in Health Unit debt. It is the intention of the Council to repay the debt with the existing ad valorem millage. In February, 2005, the Parish entered into a construction contract for the construction of the new health unit. The contract provides for the payment of \$3,044,000 to the contractor. The Parish anticipates that the construction contract will be paid from the proceeds of the debt issue.

The Parish was recently notified that several employees of the Parish may have been subject to the requirements for participation in the Parish's retirement system and were not reported in past years and consequently not enrolled as participants. The Parish has not accrued any liability for this contingency because the Finance Director is still in the process of making a determination of the liability and estimating the cost to the Parish.

The Parish entered into a contract for the construction of the Denham Springs - Walker Branch Library in April, 2005. The contract calls for payments totaling \$2,977,000 which will be paid from the Library Construction Fund.

**4.L. SUBSEQUENT EVENTS**

The Parish jail has been filled to capacity for many months and the prisoner population continues to grow to the point that Livingston Parish inmates are being housed in jails in other parishes, costing the

**LIVINGSTON PARISH, LOUISIANA  
PARISH PRESIDENT AND COUNCIL  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2004**

Parish more than \$500,000 annually. In an effort to reduce the financial strain on the general fund, the Sheriff along with the District Attorney and District Judges reevaluated each inmate held by Livingston Parish and released those considered appropriate for release pending trial. However, the financial drain on the Parish will continue until a more permanent solution is found. Recently, the Parish Council adopted a measure to place on a future ballot which would rededicate 1/4th of the 1% Road Construction Sales Tax (.25%). If approved by the voters, the rededicated taxes would be used to finance the construction of a new jail.

During 2004 the Parish Council imposed a fee on real property transfers within Livingston Parish. In early 2005 the Parish suspended collection of the "documentary tax" as a result of a legal challenge by an individual. These financial statements include revenues and receivables for the amounts of taxes actually collected as of the cessation of the imposition of the "documentary tax". There is no contingency recorded for the eventual disposition of the "documentary tax" previously collected.

**Required Supplemental Information (Part II)**  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Budget and Actual  
Major Governmental Funds

**Livingston Parish President and Council**

**Exhibit 1**

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
General Fund  
For the Year Ended December 31, 2004**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts: GAAP Basis	Final Budget: Favorable (Unfavorable)
<b>Revenues</b>				
<b>Taxes</b>				
Ad Valorem Tax	\$ 306,000	\$ 340,000	\$ 386,608	\$ 46,608
Cable Franchise Tax	382,600	413,000	459,435	46,435
Documentary Tax	0	0	312,135	312,135
<b>Total Taxes</b>	<u>688,600</u>	<u>753,000</u>	<u>1,158,178</u>	<u>405,178</u>
<b>Licenses and Permits</b>				
Occupational Licenses	354,000	354,000	422,650	68,650
Alcohol and Beer Licenses	17,700	18,700	17,722	-978
Contractor License Permits	39,000	39,900	43,165	3,265
Plumbing Permits	96,000	85,630	96,424	10,794
Electrical Permits	90,000	120,000	117,511	-2,490
Mechanical Permits	43,200	48,600	48,755	155
Permits	540,000	429,746	472,651	42,905
Ambulance Permits	300	300	300	-
Bingo Permits	350	350	375	25
<b>Total Licenses and Permits</b>	<u>1,180,550</u>	<u>1,097,226</u>	<u>1,219,551</u>	<u>122,325</u>
<b>Intergovernmental Revenue</b>				
Beer Tax	54,000	54,000	49,165	-4,835
Courthouse Agencies	-	-	37,449	37,449
Severance Tax	410,000	635,000	484,569	-150,431
State Grants	-	81,970	318,700	236,730
Emergency Shelter Grant	0	17,525	22,079	4,554
State Revenue Sharing	69,000	77,000	76,306	-694
Council on Aging Grant	96,000	93,000	92,799	-201
DMV Transaction Fee	61,900	61,900	66,200	4,300
EMS Grant	2,277	2,277	2,111	-167
Parish Royalty	6,000	8,660	5,342	-3,318
Fire Insurance Rebate	225,498	246,337	246,337	0
Federal Grants	-	89,907	157,163	67,256
<b>Total Intergovernmental Revenue</b>	<u>924,675</u>	<u>1,367,576</u>	<u>1,558,218</u>	<u>190,642</u>
<b>Planning Commission Fees</b>	75,000	69,000	82,133	13,133
<b>Adjudicated Property Fees - Evaluation</b>	-	-	1,350	1,350
<b>Adjudicated Property Fees - Appraisal</b>	-	-	225	225
<b>Contract Supplement-Waste Management</b>	40,000	40,000	40,000	-
<b>Bookkeeping Fees</b>	4,800	4,800	4,800	-
<b>Fines and Forfeits</b>	53,520	42,484	45,064	2,580

(Continued)

**Livingston Parish President and Council**

**Exhibit 1**

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
General Fund**

**For the Year Ended December 31, 2004**

Interest Earned	30,000	30,000	37,239	7,239
Dividend Income	155	155	47	-108
Increase/(-)Decrease on Investments	-	-	227	227
Rental Income	-	-	1,081	1,081
<b>Royalties</b>				
Waste Management Royalties	1,000,000	1,000,000	1,050,504	50,504
Oil Royalties	48,000	85,450	14,322	-71,128
<b>Total Royalties</b>	<u>1,048,000</u>	<u>1,085,450</u>	<u>1,064,826</u>	<u>-20,624</u>
Vending Machine Income	400	400	577	177
Miscellaneous Revenues	44,110	51,030	57,100	6,070
Animal Shelter Donations	-	2,069	16,449	14,380
<b>Total Revenues</b>	<u>4,089,810</u>	<u>4,543,190</u>	<u>5,287,065</u>	<u>743,875</u>
<b>Expenditures</b>				
<b>Legislative</b>				
Salary	199,500	199,500	197,588	1,912
FICA	15,262	15,262	15,115	147
Retirement	3,300	2,700	3,459	-759
Health Insurance	124,080	64,080	58,840	5,240
Worker's Compensation	670	1,020	1,636	-616
Drug Screening	-	-	50	-50
Advertising and Publications	18,250	18,750	19,710	-960
Dues	150	150	246	-96
Printing	1,000	4,800	4,654	146
Telephone	492	17,242	8,244	8,998
Postage	1,588	1,588	903	685
Maintenance	588	1,198	1,935	-737
Computer Fees	500	900	785	115
Indexing/Ordinances	8,000	8,000	10,724	-2,724
Office Supplies	3,000	4,600	6,053	-1,453
Travel and Seminars	3,000	5,150	6,078	-928
Office Equipment	1,000	4,000	2,751	1,249
<b>Total Legislative</b>	<u>380,380</u>	<u>348,940</u>	<u>338,771</u>	<u>10,169</u>
<b>District Court</b>				
Salary	120,931	120,931	132,215	-11,284
FICA	9,251	9,251	10,114	-863
Retirement	1,200	6,912	7,504	-592
Worker's Compensation/Unemployment	983	983	734	249
Jury Fees	39,600	39,600	38,243	1,357
Official Fees	1,500	3,550	3,450	100
<b>Total District Court</b>	<u>173,465</u>	<u>181,227</u>	<u>192,260</u>	<u>-11,033</u>

(Continued)

**Livingston Parish President and Council**

**Exhibit 1**

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
General Fund  
For the Year Ended December 31, 2004**

District Attorney				
Salary	178,120	182,301	181,632	669
FICA	9,791	11,925	10,012	1,913
Retirement	6,311	7,536	6,215	1,321
Health Insurance	59,760	50,892	51,179	-287
Worker's Compensation/Unemployment	1,423	1,423	987	436
Telephone	1,440	1,641	1,452	189
Legal	42,000	37,600	37,600	-
Intergovernmental	5,616	5,616	5,654	-38
<b>Total District Attorney</b>	<u>304,461</u>	<u>298,934</u>	<u>294,732</u>	<u>4,202</u>
Clerk of Court				
Jury Fees	1,356	1,501	1,350	151
Court Attendance	10,000	11,500	4,960	6,540
<b>Total Clerk of Court</b>	<u>11,356</u>	<u>13,001</u>	<u>6,310</u>	<u>6,691</u>
Ward Two City Court				
Salary	50,856	50,856	50,837	19
FICA	2,340	2,340	2,337	3
Retirement	1,315	1,400	1,399	1
Health Insurance	30,480	27,960	27,956	4
Worker's Compensation/Unemployment	1,442	542	493	49
Intergovernmental	13,500	18,000	15,654	2,346
Grant	25,032	25,032	25,032	-
<b>Total Ward Two City Court</b>	<u>124,965</u>	<u>126,130</u>	<u>123,708</u>	<u>2,422</u>
Justice of the Peace				
Salary	72,020	72,020	72,004	16
FICA	5,510	5,510	5,512	-2
Health Insurance	-	-	666	-666
Travel and Seminars	2,600	2,732	2,732	0
<b>Total Justice of the Peace</b>	<u>80,130</u>	<u>80,262</u>	<u>80,914</u>	<u>-652</u>
Court Operations				
Salary	31,824	31,824	33,430	-1,606
FICA	2,435	2,435	2,558	-123
Retirement	1,671	1,671	2,758	-1,087
Health Insurance	7,920	7,950	7,263	687
Worker's Compensation/Unemployment	260	180	185	-5
<b>Total Court Operations</b>	<u>44,110</u>	<u>44,060</u>	<u>46,194</u>	<u>-2,134</u>

(Continued)

**Livingston Parish President and Council**

**Exhibit 1**

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
General Fund  
For the Year Ended December 31, 2004**

<b>Registrar of Voters</b>				
Salary	41,314	42,244	42,648	-404
FICA	135	148	180	-32
Retirement	1,343	2,429	2,462	-33
Health Insurance	31,200	28,488	29,250	-762
Worker's Compensation/Unemployment	410	312	318	-6
Dues	200	200	200	-
Printing	200	200	-	200
Utilities	3,600	4,686	3,308	1,378
Telephone	2,400	2,300	787	1,513
Postage	3,500	3,500	4,870	-1,370
Maintenance	500	900	957	-57
Property Insurance	900	900	988	-88
Fidelity Bonds	340	440	100	340
Office Supplies	1,800	1,200	1,599	-399
Travel and Seminars	800	800	313	487
<b>Total Registrar of Voters</b>	<u>88,642</u>	<u>88,747</u>	<u>87,978</u>	<u>769</u>
<b>Elections</b>				
Utilities	120	122	130	-8
Telephone	4,980	5,170	4,866	304
Maintenance	500	500	241	259
Official Fees	-	0	3,294	-3,294
<b>Total Elections</b>	<u>5,600</u>	<u>5,792</u>	<u>8,528</u>	<u>-2,738</u>
<b>General Government</b>				
Executive Salary	82,000	101,472	101,478	-6
Salary	195,000	187,000	183,529	3,471
FICA	21,191	22,068	21,155	913
Retirement	14,543	14,943	14,726	217
Health Insurance	35,028	31,258	33,770	-2,512
Worker's Compensation/Unemployment	2,735	7,610	7,245	365
Drug Screening	-	50	50	-
Advertising and Publications	1,000	1,000	1,563	-563
Dues	17,319	18,092	18,217	-125
Printing	2,000	3,000	2,558	442
Utilities	90,000	90,000	89,718	282
Telephone	21,600	25,760	23,812	1,948
Postage	4,000	10,000	9,313	687
Storage Rental	900	1,725	1,725	-
Equipment Rental	5,892	5,892	5,583	309
Maintenance	66,000	66,000	63,676	2,324
Computer Fees	5,000	9,000	10,356	-1,356
Legal and Recording	5,000	5,000	13,031	-8,031

(Continued)

**Livingston Parish President and Council**

**Exhibit 1**

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
General Fund  
For the Year Ended December 31, 2004**

Auditing	30,000	47,220	51,505	-4,285
Engineering	15,000	15,000	4,859	10,141
Property Insurance	16,749	19,900	19,396	504
Office Supplies	17,000	12,500	13,375	-875
Fuel	1,500	1,500	2,408	-908
Travel and Seminars	2,000	3,000	3,280	-280
Equipment	-	26,900	25,905	995
Office Equipment	2,000	6,000	12,362	-6,362
Mitigation	-	74,900	74,900	-
Adjudicated Property - Legal Fees	-	-	1,830	-1,830
Adjudicated Property - Appraisal	-	-	500	-500
<b>Total General Administration</b>	<u>653,457</u>	<u>806,790</u>	<u>811,821</u>	<u>-5,031</u>
<b>Planning and Development</b>				
Salary	52,884	62,319	61,544	775
FICA	4,046	4,767	4,708	59
Retirement	1,150	2,427	2,473	-46
Health Insurance	168	168	186	-18
Worker's Compensation	522	480	454	26
Drug Screening	-	50	50	-
Telephone	24	239	341	-102
Postage	-	216	107	109
Building Rent	6,000	6,000	6,000	-
Computer Fees	1,500	1,500	842	658
Office Supplies	1,500	2,500	2,402	98
Travel	500	500	53	447
<b>Total Planning and Development</b>	<u>68,294</u>	<u>81,166</u>	<u>79,162</u>	<u>2,004</u>
<b>Sheriff's Office</b>				
Utilities	109,000	117,000	104,728	12,272
Maintenance of Property	57,000	57,000	80,647	-23,647
Medical	52,000	40,000	37,467	2,533
Insurance	12,551	13,379	13,921	-542
Drugs and Medical Supplies	90,000	102,000	76,444	25,556
Clothing and Personal Items	30,000	30,000	40,640	-10,640
Capital Outlay	10,000	10,000	-	10,000
Prisoner Maintenance	450,000	600,000	752,860	-152,860
Court Attendance	12,000	18,600	18,088	512
Retirement from Tax	13,425	14,496	16,102	-1,606
Commissions on Licenses	55,550	55,550	66,056	-10,506
<b>Total Sheriff's Office</b>	<u>891,526</u>	<u>1,058,025</u>	<u>1,206,952</u>	<u>-148,928</u>

(Continued)

**Livingston Parish President and Council**

**Exhibit 1**

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
General Fund**

**For the Year Ended December 31, 2004**

Coroner				
Salary	52,000	59,083	60,699	-1,616
FICA	3,978	4,520	4,643	-123
Retirement	2,730	2,730	2,843	-113
Health Insurance	11,352	8,935	8,872	63
Worker's Compensation	475	379	395	-16
Drug Screening	-	25	25	-
Dues	750	750	350	400
Utilities	-	-	580	-580
Telephone	11,750	11,750	9,215	2,535
Postage	100	100	111	-11
Building Rent	14,700	14,700	11,203	3,497
Maintenance of Property	-	140,000	1,297	138,703
Medical	140,000	-	120,686	-120,686
Legal and Recording	1,000	1,000	-	1,000
Administrative Fee	3,000	3,000	780	2,220
Insurance	-	-	200	-200
Office Supplies	2,100	2,100	7,144	-5,044
Travel and Seminars	5,000	5,000	1,838	3,162
Coroner	-	-	1,943	-1,943
Total Coroner	<u>248,935</u>	<u>254,072</u>	<u>230,881</u>	<u>23,191</u>
Animal Control	<u>1,200</u>	<u>51,200</u>	<u>532</u>	<u>50,668</u>
Permit and Building Department				
Salary	291,200	291,200	283,584	7,616
FICA	22,277	22,277	21,694	583
Retirement	12,503	12,503	12,256	247
Health Insurance	92,760	77,393	77,435	-42
Worker's Compensation	2,876	3,017	8,248	-5,231
Drug Screening	-	75	75	-
Advertising	1,000	1,000	268	732
Dues	60	80	319	-239
Printing	3,000	3,000	2,879	121
Utilities	3,500	4,128	4,511	-383
Telephone	9,600	6,100	6,320	-220
Postage	389	389	361	28
Building Rent	13,800	13,800	13,800	-
Equipment Rental	3,600	3,600	3,272	328
Maintenance of Property	3,000	3,000	1,956	1,044
Computer Fees	5,000	6,000	4,473	1,527
Insurance	719	2,209	1,959	250
Office Supplies	10,000	10,000	9,122	878
Fuel and Vehicle Expenses	8,000	8,000	9,583	-1,583
Travel and Seminars	1,000	1,000	327	673
Equipment	-	16,749	16,749	-
Office Equipment	-	-	17,765	-17,765
Total Permit and Building Department	<u>484,284</u>	<u>485,520</u>	<u>496,957</u>	<u>-11,437</u>

(Continued)

**Livingston Parish President and Council**

**Exhibit 1**

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
General Fund  
For the Year Ended December 31, 2004**

Fire Protection				
Telephone	600	600	509	91
Grant	225,498	254,621	254,634	-13
Total Fire Protection	<u>226,098</u>	<u>255,221</u>	<u>255,144</u>	<u>78</u>
Civil Defense				
Printing	-	-	48	-48
Utilities	1,331	1,331	1,492	-161
Telephone	3,600	3,600	3,699	-99
Postage	120	120	117	3
Building Rent	5,000	7,291	7,917	-626
Maintenance of Property	1,000	1,000	2,170	-1,170
Computer Fees	-	7,500	7,500	-
Personnel	-	45,665	41,394	4,271
Property Insurance	590	66	74	-8
Office Equipment	-	1,700	1,765	-65
Radio Equipment	-	3,500	765	2,735
Fuel	-	-	879	-879
Office Supplies	1,200	-	-	-
Training	-	1,000	6,846	-5,846
Grant	6,000	16,000	72,699	-56,699
Total Civil Defense	<u>18,841</u>	<u>88,773</u>	<u>147,366</u>	<u>-58,593</u>
Department of Motor Vehicles				
Rent	63,750	63,750	63,570	180
Maintenance of Property	600	600	560	40
Insurance	274	274	315	-41
Office Supplies	1,000	1,000	650	350
Total Department of Motor Vehicles	<u>65,624</u>	<u>65,624</u>	<u>65,095</u>	<u>529</u>
Public Works				
Telephone	10,000	10,000	12,768	-2,768
Grant	-	0	15,000	-15,000
Total Public Works	<u>10,000</u>	<u>10,000</u>	<u>27,768</u>	<u>-17,768</u>
Springfield Sewer				
Utilities	-	-	-	-
Maintenance	-	8,000	14,592	-6,592
Engineering and Inspection	-	-	-	-
Other	-	-	458	-458
Total Springfield Sewer	<u>-</u>	<u>8,000</u>	<u>15,049</u>	<u>-7,049</u>

(Continued)

**Livingston Parish President and Council**

**Exhibit 1**

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
General Fund  
For the Year Ended December 31, 2004**

Special Programs				
Salary	25,038	25,439	26,016	-577
FICA	1,915	1,946	1,990	-44
Retirement	1,315	1,336	1,366	-30
Health Insurance	72	1,714	1,714	-
Worker's Compensation	260	144	180	-36
Telephone	125	62	62	-
Building Rent	5,000	417	417	-
Maintenance	100	179	179	-
Consultant Fees	1,320	22,877	24,378	-1,501
Office Supplies	500	26	26	-
Promotional Expenses	4,089	-	-	-
Travel and Seminars	1,200	700	544	156
Grant Match	-	68,000	68,000	-
Coservation Grants	-	0	166,800	-166,800
Total Special Programs	<u>40,934</u>	<u>122,840</u>	<u>291,672</u>	<u>-168,832</u>
Veterans Service Office Grant	<u>7,584</u>	<u>0</u>	<u>0</u>	<u>-</u>
Recreation				
Engineering	-	-	5,004	-5,004
Total Recreation	<u>-</u>	<u>-</u>	<u>5,004</u>	<u>-5,004</u>
Conservation Engineering	<u>-</u>	<u>-</u>	<u>19,879</u>	<u>-19,879</u>
Council on Aging				
Utilities	2,000	2,000	2,090	-90
Telephone	500	554	516	38
Maintenance	-	-	314	-314
Insurance	693	693	798	-105
Grants	96,000	93,000	92,799	201
Total Council on Aging	<u>99,193</u>	<u>96,247</u>	<u>96,517</u>	<u>-270</u>
Quad Area				
Utilities	1,300	1,300	1,492	-192
Building Rent	5,000	5,000	7,917	-2,917
Maintenance	-	-	314	-314
Grants	12,000	12,000	12,000	-
Emergency Shelter Grant	-	-	21,943	-21,943
Total Quad Area	<u>18,300</u>	<u>18,300</u>	<u>43,666</u>	<u>-25,366</u>
Economic Development Grant	<u>27,000</u>	<u>27,000</u>	<u>27,000</u>	<u>-</u>
Health and Welfare Public Service Grant	<u>-</u>	<u>12,972</u>	<u>8,066</u>	<u>4,906</u>

(Continued)

**Livingston Parish President and Council**

**Exhibit 1**

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
General Fund  
For the Year Ended December 31, 2004**

County Agent				
Telephone	1,120	1,120	657	463
Postage	50	50	46	4
Equipment Rental	2,165	2,165	2,226	-61
Maintenance	500	500	1,213	-713
Grants	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>	<u>-</u>
Total County Agent	<u>5,835</u>	<u>5,835</u>	<u>6,143</u>	<u>-307</u>
Capital Outlay				
Rome Ferry Boat Launch				
Engineering	-	-	2,417	-2,417
Grants - Construction	-	-	285,650	-285,650
Total Rome Ferry Boat Launch	<u>-</u>	<u>-</u>	<u>288,067</u>	<u>-288,067</u>
Coroner	-	-	1,943	-1,943
Civil Defense	-	50,500	50,473	27
Total Capital Outlay	<u>-</u>	<u>50,500</u>	<u>340,483</u>	<u>-289,983</u>
Debt Service				
Principal	30,000	30,000	30,000	-
Interest and fees	<u>4,735</u>	<u>4,735</u>	<u>4,762</u>	<u>-27</u>
Total Debt Service	<u>34,735</u>	<u>34,735</u>	<u>34,762</u>	<u>-27</u>
Total Expenditures	<u>4,114,950</u>	<u>4,719,914</u>	<u>5,389,315</u>	<u>-669,401</u>
Excess Revenues (-Expenditures)	<u>-25,140</u>	<u>-176,724</u>	<u>-102,250</u>	<u>1,413,276</u>
Residual Equity Transfer In	-	-	-	-
Transfers Out	<u>-500,000</u>	<u>-600,000</u>	<u>-600,000</u>	<u>-</u>
Excess Revenues and Other Sources (Expenditures and Other Uses)	<u>-525,140</u>	<u>-776,724</u>	<u>-702,250</u>	<u>1,413,276</u>
Beginning Fund Balance	<u>3,130,441</u>	<u>3,373,444</u>	<u>3,144,406</u>	<u>229,038</u>
Ending Fund Balance	<u>\$ 2,605,301</u>	<u>\$ 2,596,720</u>	<u>\$ 2,442,156</u>	<u>\$ 1,642,314</u>

**Livingston Parish President and Council**

**Exhibit 2**

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
Health Unit Maintenance Fund  
For the Year Ended December 31, 2004**

	Budgeted Amounts		Actual Amounts: GAAP Basis	Variance with Final Budget: Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Ad Valorem Tax	\$ 700,559	\$ 740,559	\$ 856,754	\$ 116,195
Permits	45,405	45,405	44,250	-1,155
State Revenue Sharing	35,170	51,170	34,553	-16,617
WIC Revenue	52,755	-	58,099	58,099
Interest	50,000	43,600	39,076	-4,524
Rent	-	52,755	-	-52,755
Miscellaneous	-	-	-	-
<b>Total Revenues</b>	<u>883,889</u>	<u>933,489</u>	<u>1,032,732</u>	<u>99,243</u>
<b>Expenditures</b>				
Salaries	213,200	220,466	216,154	4,312
Employee Group Insurance	-	76,000	74,241	1,759
FICA	16,310	16,866	16,541	325
Retirement	10,729	11,574	10,440	1,134
Workmens' Compensation Insurance	2,105	1,531	1,500	31
Vehicle Usage	720	-	-	-
Health Nutritionist	3,900	3,900	3,840	60
Drug Screening	-	-	25	-25
Advertising and Publications	41	41	41	-
Printing	1,000	1,500	804	696
Utilities	17,950	17,950	18,579	-629
Telephone	10,825	5,825	5,767	58
Postage	148	148	111	37
Equipment Rental	2,143	2,293	2,270	23
Maintenance	20,130	22,130	27,055	-4,925
Computer Fees	1,000	1,000	-	1,000
Accounting	4,800	4,800	4,800	-
Professional Fees	-	500	882	-382
Insurance	6,000	6,000	5,923	77
Office Supplies	3,000	3,000	2,619	381
Travel	13,107	17,107	17,187	-80
Capital Outlay	-	5,000	4,405	595
Retirement from Tax	20,327	31,790	35,351	-3,561
Intergovernmental	27,303	27,303	19,301	8,002
<b>Total Expenditures</b>	<u>374,738</u>	<u>476,724</u>	<u>467,836</u>	<u>8,888</u>
<b>Excess Revenues (Expenditures)</b>	509,151	456,765	564,896	108,131
<b>Fund Balance, Reserved, Beginning of Year</b>	4,325,290	4,110,860	4,110,860	-
<b>Fund Balance, Reserved, End of Year</b>	<u>\$ 4,834,441</u>	<u>\$ 4,567,625</u>	<u>\$ 4,675,756</u>	<u>\$ 108,131</u>

**Livingston Parish President and Council**

**Exhibit 3**

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
Road Equipment and Maintenance Fund  
For the Year Ended December 31, 2004**

	Budgeted Amounts		Actual Amounts: GAAP Basis	Variance with Final Budget: Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Ad Valorem Tax	\$ 745,275	\$ 792,789	\$ 911,206	\$ 118,417
State Revenue Sharing	147,000	167,472	164,158	-3,314
Parish Transportation	750,000	733,700	733,968	268
State Grant	-	-	-	-
Federal Grant	-	-	13,123	13,123
Interest	3,000	3,000	2,095	-905
Drainage Reimbursements	321,393	697,003	584,740	-112,263
Miscellaneous Revenue	0	56,750	104,932	48,182
<b>Total Revenues</b>	<b>1,966,668</b>	<b>2,450,714</b>	<b>2,514,222</b>	<b>63,508</b>
<b>Expenditures</b>				
Salaries	1,194,960	1,254,960	1,288,637	-33,677
FICA	91,414	97,836	98,579	-743
Retirement	60,060	67,142	65,414	1,728
Health Insurance	349,396	383,046	381,653	1,393
Worker's Compensation Insurance	294,359	170,414	190,399	-19,985
Vehicle Usage	7,800	-	-	-
Drug Testing	25	375	775	-400
Dues	150	150	50	100
Printing	300	300	559	-259
Utilities	16,383	19,383	25,119	-5,736
Postage	300	300	79	221
Equipment Rental	-	2,450	1,145	1,305
Maintenance	5,298	16,390	28,949	-12,559
Repairs - Outside of Shop	43,700	43,700	58,163	-14,463
Computer Fees	5,000	7,200	14,917	-7,717
Legal and Recording	1,000	1,000	637	363
Engineering	-	300	300	-
Property Insurance	-	63,040	-	63,040
Insurance	113,296	124,296	71,529	52,767
Road Materials	320,000	320,000	134,768	185,232
Office Supplies	8,350	14,450	15,124	-674
Fuel	128,000	128,000	100,441	27,559
Tires	37,000	37,000	37,271	-271
Uniforms	11,000	10,000	21,987	-11,987
Repairs	68,000	93,600	103,110	-9,510
Repairs - Miscellaneous	20,000	20,500	48,356	-27,856
Small Tools	1,500	6,000	7,658	-1,658
Travel and Seminars	8,000	3,000	3,954	-954
Retirement from Tax	31,273	33,818	37,560	-3,742
Capital Outlay - Equipment	-	78,000	80,288	-2,288
Capital Outlay - Office Equipment	-	1,500	1,735	-235
<b>Total Expenditures</b>	<b>2,816,564</b>	<b>2,998,150</b>	<b>2,819,156</b>	<b>178,994</b>

(Continued)

**Livingston Parish President and Council**

**Exhibit 3**

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
Road Equipment and Maintenance Fund  
For the Year Ended December 31, 2004**

<b>Excess Revenues (-Expenditures)</b>	-849,896	-547,436	-304,934	242,502
Transfers In	663,000	672,000	657,000	15,000
<b>Excess Revenues and Other Sources (Expenditures and Other Uses)</b>	-186,896	124,564	352,066	257,502
<b>Fund Balance, Reserved, Beginning of Year</b>	<u>528,557</u>	<u>515,789</u>	<u>515,789</u>	-
<b>Fund Balance, Reserved, End of Year</b>	<u>\$ 341,661</u>	<u>\$ 640,353</u>	<u>\$ 867,855</u>	<u>\$ 257,502</u>

Livingston Parish President and Council

Exhibit 4

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
 Road Sales Tax Construction Fund  
 For the Year Ended December 31, 2004

	Budgeted Amounts		Actual Amounts: GAAP Basis	Variance with Final Budget: Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Sales Tax Collections	\$ 8,151,686	\$ 8,451,686	\$ 8,983,006	\$ 531,320
Penalties Access	-	164,800	146,278	-18,522
Interest Earned	50,000	50,000	92,297	42,297
Proceeds from Sale of Assets	-	10,000	52,500	42,500
Total Revenues	<u>8,201,686</u>	<u>8,676,486</u>	<u>9,274,081</u>	<u>597,595</u>
<b>Expenditures</b>				
Capital Outlay				
Road Overlay	8,136,157	13,368,449	14,999,788	-1,631,339
Related Drainage	321,393	697,003	744,498	-47,495
Maintenance Operations	16,294	16,294	91,712	-75,418
Equipment	-	185,340	314,305	-128,965
Sales Tax Collection Costs	125,000	125,000	139,850	-14,850
Total Expenditures	<u>8,598,844</u>	<u>14,392,086</u>	<u>16,290,152</u>	<u>-1,898,066</u>
Excess Revenues (Expenditures)	-397,158	-5,715,600	-7,016,072	-1,300,471
Fund Balance, Reserved, Beginning of Year	<u>4,467,689</u>	<u>9,638,959</u>	<u>9,638,959</u>	<u>-0</u>
Fund Balance, Reserved, End of Year	<u>\$ 4,070,531</u>	<u>\$ 3,923,359</u>	<u>\$ 2,622,887</u>	<u>\$ -1,300,472</u>

Livingston Parish President and Council

Exhibit 5

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
 Library Construction Fund  
 For the Year Ended December 31, 2004

	Budgeted Amounts		Actual Amounts: GAAP Basis	Variance with Final Budget: Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Bond Proceeds	\$ 0	\$ 8,900,000	\$ 8,900,000	\$ -
Interest Earned	0	21,914	76,052	54,138
Increase/Decline of Investments		0	12,470	12,470
<b>Total Revenues</b>	<u>0</u>	<u>8,921,914</u>	<u>8,988,522</u>	<u>66,608</u>
<b>Expenditures</b>				
Capital Outlay				
Professional Fees	0	0	251,996	-251,996
Advertising	0	642	642	-
Printing	0	2,245	2,245	-
Postage	0	49	49	0
Engineering Fees	0	54,231	7,556	46,675
<b>Total Expenditures</b>	<u>0</u>	<u>57,167</u>	<u>262,488</u>	<u>-205,321</u>
<b>Excess Revenues (Expenditures)</b>	-	8,864,747	8,726,034	-138,713
<b>Fund Balance, Reserved, Beginning of Year</b>	<u>0</u>	<u>-2,308</u>	<u>-2,308</u>	<u>0</u>
<b>Fund Balance, Reserved, End of Year</b>	\$ <u>-</u>	\$ <u>8,862,439</u>	\$ <u>8,723,727</u>	\$ <u>-138,713</u>

**Livingston Parish President and Council**

**Combining Balance Sheet  
Non-Major Governmental Funds  
For the Year Ended December 31, 2004**

	SPECIAL REVENUE					DEBT SERVICE		
	Criminal Court Fund	Bingo Fund	Criminal Court Witness	Hazard Mitigation Fund	Jury Fund	Total Special Revenue	Recreation District 1 Fund	Magnolia Woods Fund
<b>ASSETS</b>								
Cash and Cash Equivalents	\$ 6,145	\$ 5,016	\$ 22,826	\$ 485,358	\$ 12,035	\$ 531,380	\$ 223	\$ 965
Receivables	2,324	4,836	8,664	6,174	13,140	35,137	-	-
Special Assessments Receivables	-	-	-	-	-	-	-	4,585
Due From Other Funds	-	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 8,469</b>	<b>\$ 9,852</b>	<b>\$ 31,490</b>	<b>\$ 491,531</b>	<b>\$ 25,175</b>	<b>\$ 566,517</b>	<b>\$ 223</b>	<b>\$ 5,550</b>
<b>LIABILITIES</b>								
Accounts Payable	\$ -14	\$ 138	\$ 500	\$ 17,170	\$ -	\$ 17,794	\$ -	\$ -
Payroll and Related Benefits	-640	2	-	-	-	-638	-	-
Due to Other Funds	-	46	-	-	15,536	15,582	-	1,905
Deferred Revenue	-	-	-	427,142	-	427,142	-	-
Due to Other Governments	26,010	-	-	-	-	26,010	-	-
<b>Total Liabilities</b>	<b>25,356</b>	<b>186</b>	<b>500</b>	<b>444,311</b>	<b>15,536</b>	<b>485,889</b>	<b>-</b>	<b>1,905</b>
<b>FUND EQUITY</b>								
Fund Balances:								
Reserved for Debt Service	-	-	-	-	-	-	224	3,644
Unreserved:								
Undesignated	-16,887	9,666	30,990	47,220	9,639	80,628	-	-
<b>Total Fund Equity</b>	<b>-16,887</b>	<b>9,666</b>	<b>30,990</b>	<b>47,220</b>	<b>9,639</b>	<b>80,628</b>	<b>224</b>	<b>3,644</b>
<b>Total Liabilities and Fund Equity</b>	<b>\$ 8,469</b>	<b>\$ 9,852</b>	<b>\$ 31,490</b>	<b>\$ 491,531</b>	<b>\$ 25,175</b>	<b>\$ 566,517</b>	<b>\$ 224</b>	<b>\$ 5,550</b>

DEBT SERVICE						CAPITAL PROJECTS			Total
Plantation		Single	Cline Drive		Total	Water	FY 03	Total	Nonmajor
Estates	Wedgewood	Acres	Hilltop	Library	Debt	Improvement	Sewer	Capital	Governmental
Fund	Fund	Fund	Fund	Sinking	Service	Fund	Fund	Projects	Funds
\$ -	\$ 4,111	\$ 15,228	\$ 6,997	\$ 695	\$ 28,218	\$ 2,614	\$ 1,005	\$ 3,619	\$ 563,216
-	-	-	-	830,486	830,486	90,033	234,686	324,719	1,190,342
691	10,008	11,196	50,158	-	76,638	-	-	-	76,638
-	-	-	-	-	-	-	-	-	-
<u>\$ 691</u>	<u>\$ 14,119</u>	<u>\$ 26,423</u>	<u>\$ 57,155</u>	<u>\$ 831,181</u>	<u>\$ 935,341</u>	<u>\$ 92,647</u>	<u>\$ 235,691</u>	<u>\$ 328,338</u>	<u>\$ 1,830,196</u>
\$ -	\$ -	\$ -	\$ -	\$ 134,845	\$ 134,845	\$ 94,120	\$ 234,686	\$ 328,806	\$ 481,445
-	-	-	-	-	-	-	-	-	-638
-	-	-	30,050	5	31,960	42,911	1,005	43,916	91,459
-	3,156	4,709	13,313	-	21,178	-	-	-	448,320
-	-	-	-	-	-	-	-	-	26,010
-	3,156	4,709	43,363	134,850	187,984	137,031	235,691	372,722	1,046,595
691	10,963	21,714	13,792	696,331	747,359	-	-	-	747,359
-	-	-	-	-	-	-44,384	-	-44,384	36,244
<u>691</u>	<u>10,963</u>	<u>21,714</u>	<u>13,792</u>	<u>696,331</u>	<u>747,359</u>	<u>-44,384</u>	<u>-</u>	<u>-44,384</u>	<u>783,602</u>
<u>\$ 691</u>	<u>\$ 14,119</u>	<u>\$ 26,423</u>	<u>\$ 57,155</u>	<u>\$ 831,181</u>	<u>\$ 935,342</u>	<u>\$ 92,647</u>	<u>\$ 235,691</u>	<u>\$ 328,338</u>	<u>\$ 1,830,196</u>

**Livingston Parish President and Council**

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Non-Major Governmental Funds  
For the Year Ended December 31, 2004**

	SPECIAL REVENUE					DEBT SERVICE		
	Criminal Court Fund	Bingo Fund	Criminal Court Witness	Hazard Mitigation Fund	Jury Fund	Total Speical Revenue	Recreation District 1 Fund	Magnolia Woods Fund
	<b>Revenues</b>							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 141	\$ -
Special Assessments	-	-	-	-	-	-	-	-
Fines and Forfeitures	-	-	24,444	-	22,980	47,424	-	-
Fees and Commissions	-	58,039	24,924	-	15,982	98,945	-	-
Intergovernmental Revenue	-	-	-	258,244	-	258,244	-	-
Miscellaneous	-	-	-	-	-	-	-	-
Interest Earned	169	97	415	-	93	775	1	14
<b>Total Revenues</b>	<u>169</u>	<u>58,135</u>	<u>49,783</u>	<u>258,244</u>	<u>39,055</u>	<u>405,387</u>	<u>142</u>	<u>14</u>
<b>Expenditures</b>								
Current Expenditures:								
Judicial	38,268	-	36,890	-	29,416	104,573	-	-
Public Works	-	-	-	230,639	-	230,639	-	-
Culture and Recreation	-	9,354	-	-	-	9,354	-	-
Capital Outlay								
Public Works	-	-	-	-	-	-	-	-
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Paying Agent Fees and other	-	-	-	4,322	-	4,322	-	-
<b>Total Expenditures</b>	<u>38,268</u>	<u>9,354</u>	<u>36,890</u>	<u>234,961</u>	<u>29,416</u>	<u>348,888</u>	<u>-</u>	<u>-</u>
<b>Excess Revenues (Expenditures)</b>	<u>-38,098</u>	<u>48,782</u>	<u>12,893</u>	<u>23,283</u>	<u>9,639</u>	<u>56,499</u>	<u>142</u>	<u>14</u>
Other Financing Sources and Uses:								
Operating Transfers Out	-	51,000	-	-	-	51,000	-	-
Residual Equity Transfers	-	-	-	-	-	-	-	-
Loan Proceeds	-	-	-	-	-	-	-	-
<b>Excess Revenues and Other Sources (Expenditures and Other Uses)</b>	<u>-38,098</u>	<u>-2,218</u>	<u>12,893</u>	<u>23,283</u>	<u>9,639</u>	<u>5,499</u>	<u>142</u>	<u>14</u>
<b>Fund Balance, Beginning of Year</b>	<u>21,211</u>	<u>11,884</u>	<u>18,096</u>	<u>23,937</u>	<u>-</u>	<u>75,129</u>	<u>81</u>	<u>3,630</u>
<b>Fund Balance, End of Year</b>	<u>\$ -16,887</u>	<u>\$ 9,666</u>	<u>\$ 30,989</u>	<u>\$ 47,220</u>	<u>\$ 9,639</u>	<u>\$ 80,628</u>	<u>\$ 223</u>	<u>\$ 3,644</u>

DEBT SERVICE						CAPITAL PROJECTS			Total
Plantation		Single	Cline Drive		Total	Water	FY 03	Total	Nonmajor
Estates	Wedgewood	Acres	Hilltop	Library	Debt	Improvement	Sewer	Capital	Governmental
Fund	Fund	Fund	Fund	Sinking	Service	Fund	Fund	Projects	Funds
\$ -	\$ -	\$ -	\$ -	\$ 830,486	\$ 830,626	\$ -	\$ -	\$ -	\$ 830,626
-	5,171	3,126	11,044	-	19,341	-	-	-	19,341
-	-	-	-	-	-	-	-	-	47,424
-	-	-	-	-	-	-	-	-	98,945
-	-	-	-	-	-	517,423	306,126	823,549	1,081,793
-	-	-	-	-	-	-	-	-	-
-	-	259	51	8	333	-	-	-	1,108
-	5,171	3,385	11,095	830,494	850,301	517,423	306,126	823,549	2,079,237
-	-	-	-	-	-	-	-	-	104,573
-	-	-	-	134,845	134,845	-	-	-	365,484
-	-	-	-	-	-	-	-	-	9,354
-	-	-	-	-	-	549,944	306,126	856,070	856,070
-	8,000	6,000	12,000	-	26,000	-	-	-	26,000
-	880	1,140	2,250	-985	3,285	6,088	-	6,088	9,373
2,219	1,000	250	250	302	4,022	-	-	-	8,344
2,219	9,880	7,390	14,500	134,163	168,152	556,032	306,126	862,158	1,379,198
-2,219	-4,709	-4,005	-3,405	696,331	682,149	-38,609	-	-38,609	700,039
6,000	-	-	-	-	6,000	-	-	-	57,000
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	60	-	60	60
-8,219	-4,709	-4,005	-3,405	696,331	676,149	-38,549	-	-38,549	643,099
8,910	15,672	25,719	17,197	0	71,209	-5,835	-	-5,835	140,503
\$ 691	\$ 10,963	\$ 21,714	\$ 13,792	\$ 696,331	\$ 747,358	\$ -44,384	\$ -	\$ -44,384	\$ 783,602

**LIVINGSTON PARISH, LOUISIANA  
PRESIDENT AND COUNCIL**

**OTHER SUPPLEMENTARY SCHEDULE  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED DECEMBER 31, 2004**

	<u>CFDA NUMBER</u>	<u>GRANT PROGRAM EXPENDITURES</u>
U.S. Department of Commerce National Oceanic and Atmospheric Administration Coastal Impact Program	11.419	\$ 186,679
U.S. Department of Justice Passed through Louisiana State Police Homeland Security Grant	97.007	101,628
U.S. Department of Transportation Passed through the Louisiana Department of Transportation and Development	20.509	101,562
U.S. Federal Emergency Management Agency Passed through Louisiana Office of Emergency Preparedness - Public Assistance Grants Hazard Mitigation Plan	83.544	236,285
Hurricane Ivan	83.544	4,184
Emergency Management Program	83.544	18,678
Hazardous Material Emergency Planning Grant	83.544	13,123
Total U.S. Federal Emergency Management Agency		<u>272,270</u>
Total Federal Expenditures		<u>\$ 662,139</u>

Basis of Presentation

The Schedule of Expenditure of Federal Awards included the grant activity of Livingston Parish President and Council and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Subrecipients

Livingston Parish President and Council provided federal awards to the Livingston Parish Council on Aging (subrecipient) in the amount of \$101,562, CFDA number 20.509.

**OTHER REPORTS REQUIRED BY**  
***GOVERNMENT AUDITING STANDARDS***  
**and**  
**OMB Circular A-133**

The following pages contain a report on compliance with laws and regulations and on internal controls as required by *Government Auditing Standards*, issued by the Comptroller General of the United States. This report is based solely on the audit of the financial statements and includes, where appropriate, any reportable conditions and/or material weaknesses in internal control or compliance matters that would be material to the presented financial statements.

A report on compliance with requirements of laws, regulations, contracts, and grants applicable to each major program and internal control as required by *U.S. Office of Management and Budget (OMB) Circular A-133*. In conducting an audit in accordance with standards, this report discloses any instances of noncompliance with requirements of each major program as well as any reportable conditions and/or material weakness in internal control over those major programs.

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

**President and Council  
Livingston Parish, Louisiana**

I have audited the primary government financial statements of the **Livingston Parish President and Council**, as of and for the year ended December 31, 2004, and have issued my report thereon dated October 14, 2005. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the Parish President and Council's primary government financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed instances of noncompliance that would be required to be reported under *Government Auditing Standards* and the *Louisiana Governmental Audit Guide*. Those findings are reported in the Schedule of Findings and Questioned Costs as Finding 2004-2, 2004-3, and 2004-4.

**Internal Control Over Financial Reporting**

In planning and performing my audit, I considered the Parish President and Council's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the primary government financial statements and not to provide assurance on the internal control over financial reporting. My 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 what would be material in relation to the primary government financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted one matter involving the internal controls over financial reporting and its operation that I consider to be a material weakness which is included in the schedule of findings and questioned costs as finding 2004-1. Additionally, I noted other matters involving internal control over financial reporting that I have reported to management of the Parish in a separate letter dated October 14, 2005.

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

*Leroy J. Chustz*  
Leroy J. Chustz, CPA, APAC  
October 14, 2005

LERROY J. CHUSTZ, CPA, APAC  
[REDACTED]

P.O. BOX 158  
DENHAM SPRINGS, LA 70727  
225/667-2700  
Fax: 225/667-3553

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

**President and Council  
Livingston Parish, Louisiana**

**Compliance**

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

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

In my opinion, the Parish President and Council complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2004. However, my auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB A-133 and which are described in the accompanying schedule of findings and questioned costs as Finding 2004-A133-1.

**Internal Control Over Compliance**

The management of the Parish President and Council is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing my audit, I considered the Parish President and Council's internal

control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

My 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. I noted no matters involving the internal control over compliance and its operation that I consider to be material weaknesses.

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

*Leroy J. Chustz*

Leroy J. Chustz, CPA, APAC  
October 14, 2005

**LIVINGSTON PARISH PRESIDENT AND COUNCIL  
LIVINGSTON, LOUISIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2004**

**I. SUMMARY OF AUDIT RESULTS**

The auditor's report expresses an unqualified opinion on the basic financial statements of Livingston Parish, Louisiana.

- Reportable conditions were disclosed during the audit of the basic financial statements.
- Three instances of noncompliance was disclosed during the audit of the basic financial statements.
- There is one reportable conditions disclosed during the audit of the major federal award programs.
- The auditor's report on compliance for the major federal award programs for the Livingston Parish President and Council expresses an unqualified opinion.
- The programs tested as major programs included:
  - Formula Grants for Other Than Urbanized Areas, CFDA 20.059
  - Homeland Security Preparedness Technical Assistance, CFDA 97.007
- The threshold for distinguishing Types A and B programs was \$300,000.
- The Livingston Parish President and Council was not determined to be a low-risk auditee.

**II. FINDINGS — FINANCIAL STATEMENTS AUDIT**

**2004-1 Weakness in the Fixed Asset program**

*Condition*

The automated program that the Parish Council uses to manage the accounting functions related to fixed assets, randomly deleted an asset that was still in service from the data base. This asset was entered in the Parish software in the prior year and during examination of the current year schedules it was discovered that this asset was no longer on the list. The reports provided to us for audit purposes did not disclose the useful life nor the depreciation method.

*Reason improvement needed*

The occurrence of the deletion of this asset from the program is a clear weakness in the Parish Council's systems. Reporting should include all pertinent facts related to capital asset records.

*Cause*

After discussing this problem with Parish Finance Director in was agreed that there must be a fault with the current edition of the fixed asset program.

*Recommendation*

The Council should seek a more stable version or edition of this fixed asset program or should seek a new program altogether. Further, capital assets should be controlled by general ledger entry and all transactions recorded in the capital asset general ledger.

**2004-2 Purchase of a Vehicle Non Compliance with Bid Requirements**

*Condition*

The Parish Council purchased a truck from an auto dealer in Amite, Louisiana, under the provisions of the Louisiana State Purchasing Contracts. The selling dealer was not awarded the State Contract, but under the provisions of Louisiana Revised Statutes 33:2211-2237, Local governing authorities can purchase from local vendors on a State Contract plus a small percentage for handling and delivery. However, in specific reference to this law, the Attorney General defines a local vendor as one within the parish boundaries of the governing authority.

*Reason improvement needed*

Since the dealer was in Tangipahoa Parish, they are not by definition, as it pertains to Louisiana Revised Statutes 33:2211-2237 and the Attorney General's interpretation, a "local vendor" qualifying for the State Contract plus form of procurement.

*Cause*

The Administration was not aware of the requirement that the vendor be a "local vendor".

*Recommendation*

If the Parish Council wishes to take advantage of using the State Contract prices to purchase equipment from local vendors, they should seek vendors within the boundaries of Livingston Parish. We also advise the Parish to seek advice from the Parish attorney when attempting to use an unfamiliar method of purchasing.

**2004-3 Audit not submitted timely**

*Condition*

According to Louisiana Revised Statute 24:513, local governments should submit there audited financial statements to the Louisiana Legislative Auditor no later than six months after the close the fiscal year. The audit was not completed and therefore not submitted by June 30, 2005.

*Cause*

The Parish Finance Director did not supply the auditor with the necessary documents to complete the audit by the six month deadline.

*Recommendation*

The Finance Director should have all financial data available to the Council's auditor as early as possible to provide adequate time to complete the audit under the deadline.

**2004-4 General Fund Budgeted Expenditures Exceed Budget by More Than 5%**

*Condition*

According Louisiana Local Government Budget Act, local governments should amend their budgets as needed to provide for adequate planning of the financial operations of the government and to provide for an unfavorable variance of less than 5%. The actual expenditures of the general fund exceeded budgeted expenditures by \$667,902 or 12.5%.

*Cause*

The budget was not monitored and amended adequately to provide for an unfavorable variance of less than 5%, as required by Statute.

*Recommendation*

The Finance Director should monitor the budgets more closely and propose budget amendments as needed.

**III. FINDINGS AND QUESTIONED COSTS –  
MAJOR FEDERAL AWARD PROGRAMS AUDIT**

**2004-A133-1 Audit not submitted timely**

*Condition*

According Office of Management and Budget Circular A-133, governments should submit there audited financial statements to the Federal Audit Clearinghouse no later than nine months after the close the fiscal year. The audit was not completed and therefore not submitted by September 30, 2005.

*Cause*

The Parish Finance Director did not supply the auditor with the necessary documents to complete the audit by the six month deadline.

*Recommendation*

The Finance Director should have all financial data available to the Council's auditor as early as possible to provide adequate time to complete the audit under the deadline.

***Management's Response***

See Management's Corrective Action Plan on page 86.

**LIVINGSTON PARISH PRESIDENT AND COUNCIL  
LIVINGSTON, LOUISIANA  
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
YEAR ENDED DECEMBER 31, 2004**

**2003-1 Interest Earned on Federal Cash Deposits**

***Condition***

Cash management regulations limit the amount of interest subgrantees are allowed to earn on federal grant funds. Interest earned in excess of \$100 per year should be remitted quarterly to the federal grantor agency. The Parish earned \$1,211 on federal fund deposits during 2003.

***Cause***

Based on a discussion with the Parish Treasurer, it appears that she was unaware of the requirement to remit interest earned in excess of \$100 annually.

***Recommendation***

The Parish should return excess interest earnings in the amount of \$1,111 to the federal grantor agency (Federal Emergency Management Agency)

***Current Year Status***

This finding is resolved.

LERROY J. CHUSTZ, CPA, APAC

P.O. BOX 158  
DENHAM SPRINGS, LA 70727  
225/667-2700  
Fax: 225/667-3553

**MANAGEMENT LETTER**

**To the President and Council  
Livingston Parish, Louisiana**

In the course of the audit of the financial statements of the Livingston Parish President and Council for the year ended December 31, 2004, I became aware of matters that offer opportunities for Livingston Parish President and Council to strengthen internal controls and improve operating efficiencies. Response to these management findings should be provided directly to the Office of the Legislative Auditor. The response prepared by Livingston Parish President and Council should include not only the planned corrective actions, but also the anticipated completion date for the planned corrective actions, as well as the name, address and telephone number for the key personnel responsible for implementing corrective actions.

I have discussed these recommendations with administrative management of Livingston Parish President and Council, and I will be pleased to discuss them further at your convenience.

*Leroy J. Chustz*  
Leroy J. Chustz, CPA, APAC  
October 14, 2005

**LIVINGSTON PARISH PRESIDENT AND COUNCIL**  
**CURRENT YEAR FINDINGS AND RECOMMENDATIONS**  
**DECEMBER 31, 2004**

**2004M-1 Accounting for Coroner's Office Billings**

**Description of Finding:**

During 2004 the Office of the Coroner of Livingston Parish began a billing system for services provided by the Coroner's Office. The billing system is operated and maintained by Coroner's Office employees. Under the current system there is no general ledger control of the outstanding balances owed to the Parish, no aged receivable reports available, nor is there any recording of the billings when prepared. We were not furnished with a fee schedule. There was no authoritative evidence of the status, location and residence of recipients of Coroner's services from which to make a determination whether all services were billed appropriately.

**Recommendation:**

The administration should take necessary steps to obtain sufficient documentation to assure proper accounting for and completeness of the Coroner's Office.

**2004M-2 Related Party Transaction Reporting System**

**Description of Finding:**

Currently, the Livingston Parish President/Council has no controls in place that would prevent a related party from conducting business with the Livingston Parish President/Council. There is no list of entities or businesses in which key persons, departmental managers, council persons or other related parties, have a financial interest. Consequently, it is possible that related party transactions and/or transactions prohibited by the Louisiana Code of Ethics could occur and not be detected by the treasurer's office.

**Recommendation:**

The Livingston Parish President/Council should have all key employees (councilmen, president, key members of management, etc.) provide an annual declaration of any businesses or entities for which they or their family members have equity interest in. Then the finance department could develop a comprehensive list of all known related parties from which the President/Council office should refrain from conducting business with.

**LIVINGSTON PARISH PRESIDENT AND COUNCIL**

**CURRENT YEAR FINDINGS AND RECOMMENDATIONS  
DECEMBER 31, 2004**

**2004M-3 Centralized Inventory System**

**Description of Finding:**

The Parish President/Council does not have adequately supervised inventory procedures in place to ensure that material amounts of unused supplies at year end are counted, appropriately valued using the appropriate method of valuation and entered in the Parish's books as inventory.

**Recommendation:**

The Parish Finance Director should develop centralized inventory reporting procedures to ensure that year end inventory is conducted, properly valued and entered in the Parish's books in accordance with generally accepted accounting principals.

**2004M-4 Accounts Payable Subsidiary Ledger**

**Description of Finding:**

The Finance Department supplied us with a detailed list of vendors owed at year end for audit purposes. The list the Finance department supplied did not total to the same amount as on the general ledger for accounts payable at December 31, 2004. Since the list supplied did not tie to the general ledger, it is difficult to determine if the supplied list was a fair representation of accounts payable at year end or alternatively, that the general ledger was misstated.

**Recommendation:**

The Finance department should ensure that it has an accurate list or schedule supporting material or even immaterial balances in the Parish's financial statements.

**2004M-5 Sewer District #6 - Capital Assets**

**Description of Finding:**

The general ledger and consequently the Financial Statements for Livingston Parish Sewer District #6 did not contain capital assets and the corresponding accumulated and current depreciation as required for a enterprise fund under generally accepted accounting principals.

**Recommendation:**

The Parish should enter the balances for capital assets and the corresponding accumulated/current depreciation for Sewer District #6 from the 2004 audit and begin calculating depreciation each month so that the monthly financial statements present results of operations. Once the depreciation expense is included in the operating statement, the Council can determine if the revenues generated by the system are enough to sustain current operation and replace equipment as it ages.

**LIVINGSTON PARISH PRESIDENT AND COUNCIL**  
**CURRENT YEAR FINDINGS AND RECOMMENDATIONS**  
**DECEMBER 31, 2004**

**2004M-6 Compensated Absences**

**Description of Finding:**

Under the current system used by the Finance Department for reporting compensated absences amounts of days or hours earned and used is not available. Presently, only the net amount of difference from the prior year is reported. Generally accepted accounting principles requires the Council to disclose in the notes to the financial statements, the beginning compensated absences balance, additions (hours earned with valuation), deletions (hours used and valuation) and ending balance.

**Recommendation:**

The Parish should develop a program or use a feature in the payroll program to keep track of additions and deletions of sick and vacation time for the Parish's employees. This would facilitate the Parish preparing the proper disclosure in the notes to the financial statements as it pertains to compensated absences as required by generally accepted accounting principals.

**2004M-7 Accounting for discounts on the purchase of Investment Bonds**

**Description of Finding:**

The Parish purchased a bond with a zero percent coupon rate at a discount or below face value. Generally accepted accounting principals requires the amortization of any discount or premiums received or paid on bond or other securities. The Parish failed to amortize the discount received on this bond. This resulted in immaterial reporting errors. However, the errors could become material if investing volume or returns increase.

**Recommendation:**

In the future, the Parish should amortize any premiums or discounts paid or received on any purchases of securities. The amortization of the discount or premium will properly spread the discount or premium over the life of the bond.



# LIVINGSTON PARISH

## Office of the President

*An Equal Opportunity Employer*

**MIKE GRIMMER**  
Parish President

**TRACIE EISWORTH**  
Director of Finance

**WAYNE MARTIN**  
Director DPW

MLG:mjc  
November 3, 2005

Leroy J. Chustz, CPA, APAC  
Post Office Box 158  
Denham Springs, LA 70726

RE: Management's Response to Audit Findings

Dear Mr. Chustz:

In response to the audit findings for the Livingston Parish Council for the year ended December 31, 2004, management's response is as follows:

**2004-1 - Weakness in the Fixed Asset Program.** Management will explore the possibility of upgrading the current system or, if necessary, replacing it entirely.

**2004-2 Purchase of Vehicle Non Compliance with Bid Requirements.** The statute did not give a definition of a "local vendor" and management was unaware that the Attorney General's Office had issued an opinion defining a "local vendor". In the future, if State Contracts are used, management will use vendors located within the Parish of Livingston.

**2004-3 Audit not Submitted Timely.** - Management will endeavor to address the issues that resulted in the audit not being submitted timely.

**2004-4 General Fund Budgeted Expenditures Exceed Budget by More than 5%.** Management will monitor the budgets more closely and propose amendments as necessary.

**2004-A133-1 Audit not Submitted Timely.** - Management will endeavor to address the issues that resulted in the audit not being submitted timely.

**2004M-1 Accounting for Coroner's Office Billings.** Management will propose that the Livingston Parish Coroner's office be funded by a monthly appropriation. This would allow the Coroner to manage his

operations with the benefit of an audit of his respective office at the end of each year.

**2004M-2 Related Party Transaction Reporting System.** Management will ask the President/Council for an annual declaration of equity interests and develop a list so related parties will be excluded from transactions with the Council.

**2004M-3 Centralized Inventory System.** Management will develop an inventory procedure to ensure a year-end inventory is conducted and recorded on the financial statements.

**2004M-4 Accounts Payable Subsidiary Ledger.** Management will ensure that it has an accurate supporting schedule for amounts recorded in the financial statements.

**2004M-5 Sewer District #6 - Capital Assets.** Management assumed the Sewer District 6 assets in 2004. Management will record depreciation in the financial statements.

**2004-M-6 Compensated Absences.** Management will account for compensated balances as required by generally accepted accounting principles.

**2004M-7 Accounting for Discounts on the Purchase of Investment Bonds.** Management will amortize premiums or discounts paid or received on any purchases of securities.

If you have any questions, please feel free to contact me.

Sincerely,



Tracie Eisworth  
Director of Finance

TE/tde