

**OFFICIAL STATEMENT**  
DATED FEBRUARY 10, 2005

NEW ISSUE  
BOOK-ENTRY ONLY

**\$15,000,000**  
**ROAD BONDS, SERIES 2005**  
**PARISH OF LAFOURCHE, STATE OF LOUISIANA**

**Dated:** March 1, 2005

**Due:** January 1, as shown below

The purpose of this Official Statement is to provide information about the Bonds and the Issuer of the Bonds to prospective investors. Although certain summary information is presented on this cover page, investors should read the Official Statement in its entirety before making any decision regarding the Bonds.

<b>Security</b>	The Bonds, equally with the Outstanding Parity Obligations (hereinafter defined), shall be secured by and payable from a pledge and dedication of the excess of annual revenues of the Issuer above statutory, necessary and usual charges in each of the Fiscal Years during which the Bonds are outstanding, including the Issuer's Royalty Revenues (herein defined), and other available revenues of the Issuer – <i>see page 2.</i>
<b>Parity Bonds</b>	The Bonds are being issued on a complete parity (except as to the Debt Service Reserve Fund) with (i) \$180,000 of the Issuer's Certificate of Indebtedness, Series 1999; (ii) \$2,460,000 of the Issuer's Road Bonds, Series 2001; and (iii) \$1,625,000 of the Issuer's Road Bonds, Series 2001-B; which are collectively referred to as the "Outstanding Parity Obligations" – <i>see page 2.</i>
<b>Purpose</b>	Constructing and reconstructing roads, highways and bridges in the Parish of Lafourche, State of Louisiana; and paying the costs of issuance of the Bonds, including the bond insurance premium – <i>see page 1.</i>
<b>Interest Payment Dates</b>	January 1 and July 1, beginning July 1, 2005 – <i>see page 3.</i>
<b>Form and Denomination</b>	The Bonds are in "book-entry only" form, in \$5,000 denominations – <i>see page 4.</i>
<b>Optional Redemption</b>	The Bonds are callable for redemption beginning on January 1, 2015, at a price of par plus accrued interest – <i>see page 3.</i>
<b>Bond Insurer</b>	Radian Asset Assurance Inc. – <i>see page 5.</i>
<b>Bond Ratings (Radian Insured)</b>	"Aa3" by Moody's Investors Service, Inc – <i>see page 22.</i> "AA" by Standard & Poor's Ratings Services - <i>see page 22.</i>
<b>Paying Agent</b>	J. P. Morgan Trust Company, N.A., Baton Rouge, Louisiana.
<b>Tax Exemption</b>	Interest on the Bonds is exempt from federal and Louisiana income taxes – <i>see page 19.</i>
<b>"Bank-Qualified"</b>	No – <i>see page 20.</i>
<b>Bond Counsel</b>	Adams and Reese LLP, in New Orleans, Louisiana.
<b>Issuer Contact</b>	Director of Finance, Lafourche Parish Government, P.O. Drawer 5548, Thibodaux, Louisiana 70302, telephone (985-446-8427).

Payment of principal of and interest on the Bonds will be insured in accordance with the terms of a financial guaranty insurance policy to be issued simultaneously with the delivery of the Bonds by RADIAN ASSET ASSURANCE INC.

Radian Asset Assurance Inc. **RADIAN**

**MATURITY SCHEDULE**  
**Base CUSIP #506840**

<b><u>Due January 1</u></b>	<b><u>Principal Amount</u></b>	<b><u>Interest Rate</u></b>	<b><u>Yield</u></b>	<b><u>CUSIP</u></b>	<b><u>Due January 1</u></b>	<b><u>Principal Amount</u></b>	<b><u>Interest Rate</u></b>	<b><u>Yield</u></b>	<b><u>CUSIP</u></b>
2007	\$ 200,000	3.000%	2.80%	LT2	2012	\$ 280,000	3.400%	3.55%	LY1
2008	205,000	3.000	3.00	LU9	2013	290,000	3.500	3.65	LZ8
2009	210,000	3.000	3.10	LV7	2014	300,000	3.625	3.75	MA2
2010	265,000	3.125	3.20	LW5	2015	555,000	3.750	3.85	MB0
2011	275,000	3.300	3.40	LX3					

**\$12,420,000 4.500% Series 2005 Term Bonds due January 1, 2025, Price 100%, CUSIP MC8**

**UBS FINANCIAL SERVICES INC.**

The Bonds are offered subject to the approving opinion of Adams and Reese LLP, Bond Counsel, New Orleans, Louisiana. Certain legal matters will be passed upon for the Underwriter by Foley & Judell, L.L.P., and Roedel, Parson, Koch, Blache, Balhoff & McCollister, a L.C., Co-Underwriter's Counsel. It is expected that the Bonds will be delivered through the facilities of DTC, New York, New York on or about March 22, 2005.

**PARISH OF LAFOURCHE, STATE OF LOUISIANA  
ROAD BONDS, SERIES 2005**

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**NO DEALER, BROKER, SALESPERSON OR OTHER PERSON HAS BEEN AUTHORIZED BY THE PARISH OF LAFOURCHE, STATE OF LOUISIANA (THE "ISSUER"), TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS WITH RESPECT TO THE OBLIGATIONS HEREIN DESCRIBED OTHER THAN THOSE CONTAINED IN THIS OFFICIAL STATEMENT, AND IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE ISSUER. THE INFORMATION SET FORTH HEREIN HAS BEEN OBTAINED FROM SOURCES WHICH ARE BELIEVED TO BE RELIABLE BUT IS NOT GUARANTEED AS TO ACCURACY OR COMPLETENESS. THE INFORMATION AND EXPRESSIONS OF OPINION HEREIN ARE SUBJECT TO CHANGE WITHOUT NOTICE, AND NEITHER THE DELIVERY OF THIS OFFICIAL STATEMENT NOR ANY SALE MADE HEREUNDER SHALL UNDER ANY CIRCUMSTANCES CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE ISSUER SINCE THE DATE HEREOF.**

THE UNDERWRITER HAS PROVIDED THE FOLLOWING SENTENCE FOR INCLUSION IN THIS OFFICIAL STATEMENT: THE UNDERWRITER HAS REVIEWED THE INFORMATION IN THIS OFFICIAL STATEMENT IN ACCORDANCE WITH AND AS A PART OF ITS RESPONSIBILITIES TO INVESTORS UNDER FEDERAL SECURITIES LAWS AS APPLIED TO THE FACTS AND CIRCUMSTANCES OF THIS TRANSACTION, BUT THE UNDERWRITER DOES NOT GUARANTEE THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION.

**OTHER THAN WITH RESPECT TO INFORMATION CONCERNING RADIAN ASSET ASSURANCE INC. CONTAINED UNDER THE CAPTION "DESCRIPTION OF FINANCIAL GUARANTY INSURANCE" AND APPENDIX I - "SPECIMEN FINANCIAL GUARANTY INSURANCE POLICY" HERETO, NONE OF THE INFORMATION IN THIS OFFICIAL STATEMENT HAS BEEN SUPPLIED OR VERIFIED BY RADIAN ASSET ASSURANCE INC. AND RADIAN ASSET ASSURANCE INC. MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO (I) ACCURACY OR COMPLETENESS OF SUCH INFORMATION, (II) THE VALIDITY OF THE BONDS; OR (III) THE TAX-EXEMPT STATUS OF THE INTEREST ON THE BONDS.**

*The prices and other terms respecting the offering and sale of the Bonds may be changed from time to time by the Underwriter after the Bonds are released for sale, and the Bonds may be offered and sold at prices other than the initial offering prices, including sales to dealers who may sell the Bonds into investment accounts. In connection with the offering of the Bonds, the Underwriter may over allot or effect transactions which stabilize or maintain the market price of the Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.*

PARISH OF LAFOURCHE, STATE OF LOUISIANA  
ROAD BONDS, SERIES 2005

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PARISH OF LAFOURCHE,  
STATE OF LOUISIANA

LAFOURCHE PARISH PRESIDENT

Charlotte A. Randolph

PARISH COUNCIL

Michael Matherne, *District #3, Chairman*  
Mark Atzenhoffer, *District #5, Vice-Chairman*

Tyrone Williams, *District #1*  
Michael Delatte, *District #2*  
Tommy Lasseigne, *District #4*  
Lindel Toups, *District #6*  
L. Phillip Gouaux, II, *District #7*  
Brent Callais, *District #8*  
Daniel Lorraine, *District #9*

**PARISH ADMINISTRATOR**

Cullen Curole

**FINANCE DIRECTOR**

Shannon Chiasson

**COUNCIL CLERK**

Sheila Boudreaux

**DISTRICT ATTORNEY**

Camille A. Morvant, II

**BOND COUNSEL**

Adams and Reese LLP

**PARISH OF LAFOURCHE, STATE OF LOUISIANA  
ROAD BONDS, SERIES 2005**

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ROAD BONDS, SERIES 2005**

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***OFFICIAL STATEMENT***

**\$15,000,000  
ROAD BONDS, SERIES 2005  
PARISH OF LAFOURCHE, STATE OF LOUISIANA**

***INTRODUCTION***

This Official Statement, including the cover page and the appendices, of the Parish of Lafourche, State of Louisiana (herein referred to as the "Issuer"), provides information with respect to the above-referenced \$15,000,000 Road Bonds, Series 2005, of the Issuer (the "Bonds"). This Introduction is subject in all respect to more complete information contained in this Official Statement and should not be considered to be a complete statement of the facts necessary for making an investment decision. Capitalized terms used herein and not otherwise defined have the meanings assigned thereto in the Bond Ordinance. The material contained herein is presented in conjunction with the sale of the Bonds in order that those interested in their purchase may have available adequate information on which to judge their merits.

Financial and statistical data relative to the Issuer are included as Appendix "A" hereto. Audited Financial Statements of the Issuer are included as Appendix "B" hereto. A Budget Summary of the Issuer is included as Appendix "C" hereto. A description of the estimated debt service on the Bonds is included as Appendix "D" hereto. A Debt Statement of the Issuer is included as Appendix "E" hereto. The proposed form of opinion of Adams and Reese LLP, Bond Counsel, is included as Appendix "F" hereto. The proposed form of Continuing Disclosure Certificate is included as Appendix "G" hereto. A map of the Issuer is included as Appendix "H" hereto. A Specimen of Financial Guaranty Insurance Policy is included as Appendix "I" hereto.

**The Issue**

Fifteen Million Dollars (\$15,000,000) Road Bonds, Series 2005, of the Parish of Lafourche, State of Louisiana (the "Bonds") are being issued.

**Purpose of the Issue**

The Bonds are being issued for the purpose of constructing and reconstructing roads, highways and bridges in the Parish of Lafourche and paying the costs of issuance of the Bonds, including the bond insurance premium, and are being issued pursuant to an ordinance adopted by the governing authority of the Issuer on February 10, 2005 (the "Bond Ordinance").

A portion of the proceeds of the Bonds will be used with respect to roads and bridges in Road Sales Tax District No. 3, Road Sales Tax District No. 5 and Road Sales Tax District No. 6 of the Parish of Lafourche, State of Louisiana (collectively, the "Districts"). Said Districts collect sales and use taxes, a portion of which may be available to the Issuer to pay a portion of the debt service on the Bonds in accordance with an intergovernmental agreement to be executed by the Issuer and the Districts, pursuant to the Local Services Law (La. R.S. 33:1321, *et seq.*) (the "Intergovernmental Agreement"). It is not expected that any material amounts will be paid by the Districts pursuant to said Intergovernmental Agreement.

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**ROAD BONDS, SERIES 2005**

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**Security for the Bonds**

The Bonds, equally with the Outstanding Parity Obligations (hereinafter defined), are secured by and payable from a pledge and dedication of the excess of annual revenues of the Issuer above statutory, necessary and usual charges in each of the Fiscal Years during which the Bonds are outstanding, including without limitation royalty revenues remitted to the Issuer by the State of Louisiana (the "State") in accordance with the provisions of Article VII, Section 4(E) of the Louisiana Constitution of 1974 (the "Royalty Revenues"), moneys made available to the Issuer pursuant to the Intergovernmental Agreement described above, if any, and other available revenues of the Issuer as described in the Bond Ordinance.

The Bonds are being issued on a complete parity (except as to the Reserve Fund as described below) with (i) \$180,000 of the Issuer's Certificate of Indebtedness, Series 1999; (ii) \$2,460,000 of the Issuer's Road Bonds, Series 2001; and (iii) \$1,625,000 of the Issuer's Road Bonds, Series 2001-B; which are collectively referred to as the "Outstanding Parity Obligations."

The Issuer, in and by the Bond Ordinance, legally obligates itself and its successors in office, to budget annually a sum of money sufficient to pay the principal of and the interest on the Bonds and the Outstanding Parity Obligations, and to levy and collect in each year taxes and to collect other revenues, including the Royalty Revenues and moneys made available pursuant to the Intergovernmental Agreement, if any, within the limits prescribed by law, sufficient to pay the principal of and the interest on the Bonds and the Outstanding Parity Obligations, after the payment in such years of all such statutory, necessary and usual charges.

The Issuer recognizes that the surplus of revenues over expenditures in the Issuer's budget for the Fiscal Year 2005, as hereinabove recited, contemplates the receipt of Royalty Revenues and the other revenue sources set forth in said budget. The Issuer has covenanted and agreed that as long as the Bonds and the Outstanding Parity Obligations, or any portion thereof, are outstanding without provision having been made for the payment thereof, the Issuer will not issue, sell or deliver any bonds, certificates or other obligations that are secured by a greater lien on or create a superior claim to Royalty Revenues than that of the Bonds and the Outstanding Parity Obligations. More specifically, the Issuer has covenanted and agreed that no bonds or other obligations shall be issued under the provisions of R.S. 30:145 to R.S. 30:147, inclusive, which permit a direct pledge of the Royalty Revenues to indebtedness, or any similar law payable from a direct pledge or dedications of the Royalty Revenues without first obtaining the consent of the Owners of the Bonds, the Bond Insurer and the owners of the Outstanding Parity Obligations or, secondly, making provisions for the refunding or other payment of the Bonds and the Outstanding Parity Obligations. The Bonds are also secured by a debt service reserve fund as more fully described herein.

***SOURCES AND USES OF FUNDS***

(exclusive of accrued interest)

<b><u>Sources</u></b>	
Par Amount of Bonds	\$15,000,000.00
Net Original Issue Discount/Premium	(15,154.10)
Issuer Contribution	<u>1,500,000.00</u>
Total	<u>\$16,484,845.90</u>
<b><u>Uses of Funds</u></b>	
Deposit to Construction Fund	\$14,578,288.84
Underwriter's Discount	135,000.00
Deposit to Reserve Fund	1,500,000.00
Costs of Issuance (including bond insurance premium)*	<u>271,557.06</u>
Total	<u>\$16,484,845.90</u>

\*Includes Legal Fees, Bond Insurance premium and other costs of issuance.

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ROAD BONDS, SERIES 2005**

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***THE BONDS***

**Date of Issue**

The Bonds are dated March 1, 2005.

**Place of Payment**

Principal of the Bonds is payable at the principal corporate trust office of J. P. Morgan Trust Company, N.A., in the City of Baton Rouge, Louisiana, or any successor paying agent as Paying Agent.

**Payment of Interest**

Interest on the Bonds is payable on July 1, 2005, and semiannually thereafter on January 1 and July of each year (each an "Interest Payment Date"), with interest falling due on and prior to maturity to be payable by check mailed by the Paying Agent to the registered owner (determined as of the close of business on the 15<sup>th</sup> calendar day of the month next preceding an Interest Payment Date) at the address as shown on the registration books of the Paying Agent.

**Redemption Provisions**

The Bonds are subject to redemption at the option of the Issuer on and after January 1, 2015, in whole and in part, as a whole or in part or any date, at a price of par plus accrued interest to the redemption date. If less than all of the outstanding Bonds are to be redeemed, then the Issuer shall specify the particular maturities and principal amounts of Bonds that are to be redeemed. If less than a full maturity of the Bonds is to be redeemed, then the Paying Agent shall select by lot the particular bonds within the maturity that are to be redeemed.

The Bonds maturing on January 1, 2025 are subject to mandatory sinking fund redemption on January 1 in the years and in the principal amounts set forth below at a redemption price equal to 100% of the principal amount thereof, plus accrued interest thereon:

<b><u>Year</u></b> <b><u>(January 1)</u></b>	<b><u>Principal</u></b> <b><u>Amount</u></b>
2016	\$ 890,000
2017	930,000
2018	970,000
2019	1,015,000
2020	1,060,000
2021	1,105,000
2022	1,155,000
2023	1,210,000
2024	1,265,000
2025	2,820,000 <sup>+</sup>

<sup>+</sup>Final Maturity

Except for mandatory redemptions from sinking fund installments as described above, there are no other mandatory redemptions of the Bonds.

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In the event a Bond to be redeemed is of a denomination larger than \$5,000, a portion of such Bond (\$5,000 or any multiple thereof) may be redeemed. Any Bond which is to be redeemed only in part will be surrendered at the office of the Paying Agent and there will be delivered to the Owner of such Bond, a new Bond of the same maturity and of authorized denomination as requested by such Owner in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered. Official notice of such call of any of the Bonds for redemption will be given by means of first class mail, postage prepaid, by notice deposited in the United States mail not less than thirty (30) days prior to the redemption date addressed to the Owner of each Bond to be redeemed at his address as shown on the Bond Register and to the Bond Insurer. The Paying Agent shall not give any notice of optional redemption hereunder until funds for such redemption have been irrevocably deposited with the Paying Agent, or in the alternative, the notice of redemption states that such redemption is subject to the deposit of such funds by the Issuer.

**Form and Denomination**

The Bonds are being issued as fully registered bonds in “book-entry only” form and registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”). DTC will act as securities depository for the Bonds, and purchasers of the Bonds will not receive certificates representing their interest in the Bonds purchased (see "Book-Entry Only System" herein). The Bonds are in the denomination of Five Thousand Dollars (\$5,000) or any integral multiple thereof within a single maturity.

**Provisions for Transfer, Registration and Assignment**

The Issuer shall cause the Bond Register to be kept by the Paying Agent. The Bonds may be transferred, registered and assigned only on the Bond Register, and such registration shall be at the expense of the Issuer. A Bond may be assigned by the execution of an assignment form on the Bond or by other instruments of transfer and assignment acceptable to the Paying Agent. A new Bond or Bonds will be delivered by the Paying Agent to the last assignee (the new Owner) in exchange for such transferred and assigned Bonds after receipt of the Bonds to be transferred in proper form. Such new Bond or Bonds shall be in the denomination of \$5,000 or any integral multiple thereof within a single maturity. Neither the Issuer nor the Paying Agent shall be required to issue, register, transfer or exchange any Bond during a period beginning (i) at the opening of business on a Record Date and ending at the close of business on the Interest Payment Date or (ii) with respect to Bonds to be redeemed, at the opening of business fifteen (15) days before the date of the mailing of a notice of redemption of such Bonds and ending on the date of such redemption.

**Maturities**

The Bonds will mature on January 1<sup>st</sup> of the years indicated on the front cover of this Official Statement. The Bonds maturing on January 1, 2005, are subject to mandatory sinking fund redemption. See **THE BONDS – Redemption Provisions**, above.

**Average Life**

The average life of the Bonds is approximately 14.5 years from their dated date.

**Note:** *Included in Appendix “D” is a debt service schedule for the Bonds and the Outstanding Parity Obligations.*

**Authority for Issue**

The Bonds are authorized under the authority conferred by Section 1430 of Title 39 of the Louisiana Revised Statutes of 1950, as amended (the “Act”) and other constitutional and statutory authority.

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***DESCRIPTION OF FINANCIAL GUARANTY INSURANCE***

*(The following information has been furnished by Radian Asset Assurance Inc. ("Insurer"). No representation is made by the Issuer as to the accuracy or adequacy of the information provided by the Insurer or as to the absence of material adverse changes in such information subsequent to the date hereof. A Specimen of the Financial Guaranty Insurance Policy (hereinafter defined) appears in Appendix "I".)*

A financial guaranty insurance policy (the "Policy") will be issued by Radian Asset Assurance Inc. (the "Insurer") simultaneously with the issuance and delivery of the Bonds. The Policy is noncancelable during its term and provides for the prompt payment of principal of and interest on the Bonds to the extent that J.P. Morgan Trust Company, N.A., as Paying Agent (the "Paying Agent"), has not received sufficient funds from the Parish of Lafourche (the "Issuer") for payment of the Bonds on the "due date." The Insurer is obligated to make the required payment on the later of the due date or the first business day after which the Insurer has received notice from The Bank of New York, as Insurance Trustee (the "Insurance Trustee"), that the Issuer has failed to pay amounts due on the Bonds. Under the Policy, the "due date" of the Bonds, when referring to the payment of principal, means the stated maturity date thereof or the date on which payment of principal is due by reason of mandatory sinking fund payments and does not mean any earlier date on which payment is due by reason of any call for redemption, acceleration, or other advancement of maturity, other than in the discretion of the Insurer. With respect to interest on the Bonds, the "due date" means the stated date for payment of interest. The Policy guarantees reimbursement of any recovery of any such payment from a Holder or the Paying Agent pursuant to a final judgment by any court of competent jurisdiction holding that such payment constituted a voidable preference within the meaning of any applicable bankruptcy law.

Upon the occurrence and continuance of an Event of Default, the Insurer, may, in its discretion, direct the acceleration of the Bonds at a price equal to the principal amount thereof plus accrued interest, or the Insurer may elect to continue to pay principal and interest on the originally scheduled due dates of the Bonds. For specific information on the coverage provided, reference should be made to the Policy that has been reproduced in specimen form in Appendix "I" hereto. The Policy does not insure against nonpayment of principal or interest on the Bonds due to the insolvency, misconduct or negligence of the Paying Agent. The Policy does not insure the payment of any redemption premium.

**RADIAN ASSET ASSURANCE INC.**

Radian Asset Assurance Inc. (the "Insurer") is a financial guaranty insurance company, regulated by the Insurance Department of the State of New York and licensed to do business in all 50 states, the District of Columbia and the Virgin Islands. The Insurer was formerly known as "Asset Guaranty Insurance Company". The Insurer changed its corporate name to Radian Asset Assurance Inc. The Insurer has received approval to use its new corporate name in all jurisdictions where it is licensed to do business. As of September 30, 2004, the Insurer had total shareholders' equity of approximately \$1,411,865,000 (unaudited) and total assets of approximately \$2,355,843,000 (unaudited). The financial information relating to the Insurer presented in this Official Statement was prepared internally by the Insurer, based on accounting principles generally accepted in the United States of America ("GAAP"), and has not been audited by independent auditors. The address of the Insurer's administrative office is 335 Madison Avenue, New York, New York 10017, and its telephone number is 212-983-5859.

The Insurer has filed the following information with entities designated as Nationally Recognized Municipal Securities Information Repositories ("NRMSIRs") pursuant to Rule 15c2-12 of the Securities Exchange Act of 1934:

(i) the Insurer's consolidated financial statements as of December 31, 2003 and 2002 and for each of the three years in the period ended December 31, 2003 prepared in accordance with accounting principles generally accepted in the United States of America with the accompanying report of the Insurer's independent auditors, which expresses an unqualified opinion and includes an explanatory paragraph referring to a significant insurance loss recognized subsequent to the balance sheet date;

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**ROAD BONDS, SERIES 2005**

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(ii) the Insurer's quarterly unaudited consolidated balance sheet as of March 31, 2004 and unaudited consolidated statement of operations for the three month period then ended, prepared in conformity with accounting principles generally accepted in the United States of America;

(iii) the Insurer's quarterly unaudited consolidated balance sheet as of June 30, 2004 and unaudited consolidated statement of operations for the six month period then ended, prepared in conformity with accounting principles generally accepted in the United States of America; and,

(iv) the Insurer's quarterly unaudited consolidated balance sheet as of September 30, 2004 and unaudited consolidated statement of operations for the nine month period then ended, prepared in conformity with accounting principles generally accepted in the United States of America.

The Insurer is a wholly-owned indirect subsidiary of Radian Group Inc. ("Radian"), a publicly-owned corporation with its shares listed on the New York Stock Exchange (symbol "RDN"). Radian is a leading credit enhancement provider to the global financial and capital markets, headquartered in Philadelphia. Radian's subsidiaries provide products and services through three business lines: financial guaranty, mortgage insurance and financial services. None of Radian, Radian's other subsidiaries or any of Radian's investors is obligated to pay the debts of or claims against the Insurer. A complete copy of the audited consolidated financial statements and additional information of the Insurer as of December 31, 2003 and 2002, and for each for the three years in the period ended December 31, 2003, together with the accompanying report of the Insurer's independent auditors, is available from the Insurer upon written request.

Additional information regarding the Insurer can be found in the following documents filed by Radian with the Securities and Exchange Commission: (a) in the Annual Report on Form 10-K of Radian for the year ended December 31, 2003 and the Quarterly Reports on Form 10-Q for the periods ended March 31, 2004, June 30, 2004 and September 30, 2004 under the headings (i) "Safe Harbor Statement under the Private Securities Limitation Reform Act of 1995" (but only insofar as it relates to the financial guaranty insurance businesses); (ii) 10-K only, Item 1. Business: "*Financial Guaranty Business*" "*Risk Management – Financial Guaranty Business*" "*Ratings*" (but only insofar as it relates to the Insurer or Radian Reinsurance Inc.), "*Defaults and Claims*" (but only insofar as it relates to the financial guaranty business) and "*Regulation – Direct Regulation*" (but only insofar as it relates to the financial guaranty business); (iii) 10-K only, "Item 6. – Selected Financial Data –" "Selected Ratios – Financial Guaranty" and "Other Data – Financial Guaranty," and (iv) Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations "Financial Guaranty – Results of Operations, and "Liquidity and Capital Resources" (but only to the extent it relates to Radian Asset Assurance or Radian Reinsurance), and "Critical Accounting Policies;" and (b) the Reports on Form 8-K dated January 15, 2004, February 11, 2004, April 8, 2004, June 1, 2004, July 9, 2004, July 22, 2004, September 16, 2004, October 21, 2004, November 10, 2004, November 24, 2004 and December 3, 2004.

The Insurer has filed with the NRMSIRs a table presenting selected unaudited balance sheet and income sheet data of the Insurer as of December 31, 2001 (with respect to non-balance sheet information only), 2002 and 2003 and March 31, 2004 on a proforma combined basis as if Radian Reinsurance were merged with the Insurer as of the dates indicated, in accordance with accounting principles generally accepted in the United States of America. Though unaudited, the information so filed was derived from the respective audited financial statements of the Insurer and Radian Reinsurance Inc. as of December 31, 2003 and 2002, and for each for the three years in the period ended December 31, 2003, together with the respective accompanying reports of the Insurer's independent auditors. For informational purposes, the Insurer has also filed the Radian Reinsurance Inc. audited financial statements with the NRMSIRs referred to above, as well as Radian Reinsurance Inc.'s quarterly unaudited consolidated balance sheet as of March 31, 2004 and unaudited consolidated statement of Income for the three month period then ended, prepared in accordance with accounting principles generally accepted in the United States of America.

The Insurer has an insurance financial strength rating of "AA" from Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc. ("S&P"), "Aa3" from Moody's Investors Service, Inc. ("Moody's") and "AA" by Fitch Ratings Services ("Fitch"). Such ratings reflect only the views of S&P, Moody's and Fitch, respectively, do not constitute a recommendation to buy, sell or hold securities and are subject to revision or withdrawal at any time by such rating agencies.

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On January 14, 2004, Radian announced that the Insurer added \$96.0 million to its loss reserves in anticipation of \$111.3 million in claims from a single manufactured housing transaction in which the Insurer reinsured from an affiliate. The Insurer held a \$15.0 million loss reserve for this transaction as of September 30, 2003 and the increased reserve totaling \$111.3 million, represents the Insurer's par exposure on the transaction. The Insurer expects losses to be paid out over the next several years. After Radian's announcement, S&P and Fitch affirmed their respective current "AA" insurance financial strength ratings of the Insurer, but S&P revised its outlook on the Insurer and Radian from "stable" to "negative." On May 25, 2004, Moody's assigned a financial strength rating of "Aa3" to the Insurer with an outlook of "stable". In January 2004, Radian contributed \$65.0 million in capital to the Insurer through an intermediary holding company from funds currently held at Radian to offset (on an after-tax basis) the effect of this loss on the Insurer.

Effective June 1, 2004, the financial guaranty reinsurance affiliate of the Insurer, Radian Reinsurance Inc. ("Radian Reinsurance") was merged with and into the Insurer. However, concurrently with, and in anticipation of the Merger, in May 2004, Moody's downgraded the insurer financial strength rating of Radian Reinsurance to "Aa3" from "Aa2". As a result of this downgrade, two of the primary insurer customers of the financial guaranty reinsurance business had the right to recapture previously written business ceded to Radian Reinsurance.

One of the Insurer's customers with a right to recapture business previously ceded to the Insurer in connection with the May 2004 downgrade has agreed, without cost to or concessions by the Insurer, to waive its recapture rights. On November 8, 2004, the remaining primary insurer customer with recapture rights in connection with the May 2004 downgrade by Moody's notified the Insurer of its intent to recapture, at an unspecified date in the near future, approximately \$5.8 billion of par in force ceded to the Insurer, including \$49.8 million of written premiums as of September 30, 2004, \$3.6 million of which would be recorded as an immediate reduction of earned premiums at the time of the recapture, which represents the difference between statutory unearned premiums and GAAP unearned premiums. This return of unearned premiums would also require an increase in policy acquisition costs of \$1.0 million. The amount of future lost premiums due to this recapture will be approximately \$94.0 million, which is made up of the unearned premium balance and the value of future installment premiums. Based on a projected recapture date of March 31, 2005, the total approximate reduction in pre-tax income for 2005 including the immediate impact would be \$11.7 million. Despite the recapture, the primary insurer customer also informally advised the Insurer that, going forward, the customer intends to continue its reinsurance relationship with the Insurer on the same terms as prior to the recapture.

Effective January 31, 2004, one primary insurer of Radian Reinsurance exercised its right to recapture the financial guaranty reinsurance business assumed by Radian Reinsurance in connection with an October 2002 downgrade of Radian Reinsurance's insurer financial strength rating by S&P from "AAA" to "AA". In connection with the recapture, Radian Reinsurance returned approximately \$16.4 billion of par in force and approximately \$96.4 million of statutory unearned premium with a carrying value of approximately \$71.5 million determined in accordance with accounting principles generally accepted in the United States of America. In addition, Radian Reinsurance was reimbursed for policy acquisition costs of approximately \$31.0 million with a carrying value of approximately \$21.3 million determined in accordance with accounting principles generally accepted in the United States of America. Radian Reinsurance has also reimbursed the primary insurer approximately \$7.5 million for case reserves, net of \$4.0 million salvage. The impact of the recapture resulted in a reduction of pre-tax income of \$15.9 million determined in accordance with accounting principles generally accepted in the United States of America. Such recapture also resulted in negative net premiums written for the quarter ended March 31, 2004. The customer that recaptured business in connection with the May 2004 downgrade by Moody's also has the right to recapture, in connection with the October 2002 downgrade by S&P, an additional \$5.6 billion of par in force ceded to the Insurer, including \$56.6 million of written premiums as of September 30, 2004, \$16.0 million of which would be recorded as an immediate reduction of earned premiums. The Insurer is in discussions with this customer and cannot provide any assurances as to the outcome of these negotiations. However, the Insurer anticipates a decision on this matter by March 31, 2005. This customer has also informally advised the Insurer that, going forward, the customer intends to continue its reinsurance relationship with the Insurer on the same terms as before the recapture.

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Neither the Insurer nor any of its affiliates makes any representation regarding the Bonds or the advisability of purchasing the Bonds and makes no representation regarding this Official Statement other than as to the information supplied by the Insurer and presented under the heading "DESCRIPTION OF FINANCIAL GUARANTY INSURANCE" and as set forth in Appendix "I" of this Official Statement. The Insurer's role is limited to providing the coverage set forth in the Policy.

***PROVISIONS RELATING TO THE SECURITY FOR THE BONDS***

The Bonds are being issued pursuant to the Bond Ordinance adopted by the Governing Authority on February 10, 2005. The Bond Ordinance provides substantially as follows:

**Pledge and Dedication of Revenues**

Pursuant to the provisions of Section 1430 of Title 39 of the Louisiana Revised Statutes of 1950, as amended (the "Act"), and the provisions of the respective ordinances authorizing the Outstanding Parity Obligations, the Bonds, equally with the Outstanding Parity Obligations, will be secured by and payable from a pledge and dedication of the excess of annual revenues of the Issuer above statutory, necessary and usual charges in each of the Fiscal Years during which the Bonds are outstanding, including without limitation royalty revenues remitted to the Issuer by the State of Louisiana (the "State") in accordance with the provisions of Article VII, Section 4(E) of the Louisiana Constitution of 1974 (the "Royalty Revenues"), and other available revenues of the Issuer. The Royalty Revenues remitted are an amount equal to one-tenth of the royalties accruing to the State in each month from mineral leases on State owned lands, lake and river beds, and other water bottoms belonging to the State or the title to which is in the public for mineral development, which moneys are required to be remitted to the governing authority of the parish in which severance or production occurs. There is irrevocably pledged and dedicated to the payment of the Bonds and the Outstanding Parity Obligations, an amount of such excess of annual revenues sufficient to pay same in principal and interest as they respectively mature.

In the Bond Ordinance the Issuer represents that it has not heretofore made a pledge of, granted a lien on or security interest in, or made an assignment or sale of the revenues pledged herein that ranks on a parity with or prior to the pledge granted under the Ordinance, except to secure the Outstanding Parity Obligations.

The Bond Ordinance obligates the Issuer, itself and its successors in office, to budget annually a sum of money sufficient to pay the principal of and the interest on the Bonds and the Outstanding Parity Obligations, and to levy and collect in each year taxes and to collect other revenues, including the Royalty Revenues, within the limits prescribed by law, sufficient to pay the principal of and the interest on the Bonds and the Outstanding Parity Obligations, after the payment in such years of all such statutory, necessary and usual charges.

It is recognized that the surplus of revenues over expenditures in the Issuer's budget for the Fiscal Year 2005, as hereinabove recited, contemplates the receipt of Royalty Revenues and the other revenue sources set forth in said budget. The Parish Council has covenanted and agreed that as long as the Bonds and the Outstanding Parity Obligations, or any portion thereof, are outstanding without provision having been made for the payment thereof, the Governing Authority will not issue, sell nor deliver any bonds, certificates or other obligations that are secured by a greater lien on or create a superior claim to the Royalty Revenues than that of the Bonds and the Outstanding Parity Obligations. More specifically, the Governing Authority and the Issuer have covenanted and agreed that no bonds or other obligations will be issued under the provisions of R.S. 30:145 to R.S. 147, inclusive, or any similar law payable from a direct pledge or dedication of the Royalty Revenues without first obtaining the consent of the Owners of the Bonds, the Bond Insurer and the owners of the Outstanding Parity Obligations or secondly, making provisions for the refunding or other payment of the Bonds and the Outstanding Parity Obligations.

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**Intergovernmental Agreement**

It is recognized in the Bond Ordinance that a portion of the proceeds of the Bonds will be used with respect to roads and bridges in Road Sales Tax District No. 3, Road Sales Tax District No. 5 and Road Sales Tax District No. 6 of the Parish of Lafourche, State of Louisiana (collectively, the "Districts"), and that said Districts may have revenues available from sales and use taxes in the respective Districts which may be used to pay a portion of the debt service on the Bonds. The Governing Authority, in compliance with Article VII, Section 14(C) of the Louisiana Constitution of 1974, acting as the governing authority of the Issuer and of each of the Districts has authorized the Issuer and the Districts to enter into an intergovernmental or agreements on behalf of the Issuer and the Districts, pursuant to the Local Services Law (La. R.S. 33:1321, *et seq.*) in order to accomplish the foregoing. It is not expected that any material amounts will be paid by the Districts pursuant to said Intergovernmental Agreement.

**Sinking Fund**

For the payment of the principal of and the interest on the Outstanding Parity Obligations and the Bonds, the Issuer has created and now maintains a special fund known as "Parish of Lafourche, State of Louisiana – Certificates of Indebtedness, Series 1999, Sinking Fund" (the "Sinking Fund"), said Sinking Fund being maintained with the regularly designated fiscal agent bank of the Issuer. For the payment of the Bonds and the Outstanding Parity Obligations, the Issuer will deposit in said Sinking Fund on or before the 20<sup>th</sup> day of each month, a sum equal to one-sixth (1/6) of the interest falling due on the next Interest Payment Date on the Bonds and the Outstanding Parity Obligations, and a sum equal to one-twelfth (1/12) of the principal falling due on the next principal payment date on the Bonds and the Outstanding Parity Obligations, together with such additional proportionate sum as may be required to pay said principal and interest as the same respectively become due. Said fiscal agent bank or banks will make available from the Sinking Fund to the Paying Agent for all obligations payable from the Sinking Fund, at least three (3) days in advance of the date on which each payment of principal and interest on the Bonds and the Outstanding Parity Obligations falls due, funds fully sufficient to pay promptly the principal and interest falling due on such date.

The Bond Ordinance provides that after the funds have actually been budgeted in any Fiscal Year sufficient to pay the principal of and interest on the Outstanding Parity Obligations and the Bonds for that Fiscal Year, then any excess of annual revenues remaining in that Fiscal Year will be free for expenditure by the Issuer for any other lawful corporate purpose.

All moneys deposited with the regularly designated fiscal agent bank or banks of the Issuer or the Paying Agent under the terms of the Bond Ordinance will constitute sacred funds for the benefit of the Owners of the Bonds, and shall be secured by said fiduciaries at all times to the full extent thereof in the manner required by law for the securing of deposits of public funds.

All or any part of the moneys in the Sinking Fund and the hereinafter described Reserve Fund will, at the written request of the Issuer, be invested in accordance with the provisions of the laws of the State of Louisiana, in which event all income derived from such investments will be added to the general fund of the Issuer, except that income on investments in the Reserve Fund will be retained in the Reserve Fund until the Reserve Requirement (hereinafter defined) is met.

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**Debt Service Reserve Fund**

As additional security for the Bonds, but not with respect to any of the Outstanding Parity Obligations, the Issuer will establish and maintain, with its designated fiscal agent, a separately identifiable fund or account designated as the "Road Bond, Series 2005, Debt Service Reserve Fund" (the "Reserve Fund"), the money in the Reserve Fund to be retained solely for the purpose of paying the principal of and interest on the Bonds, but not the Outstanding Parity Obligations, as to which there would otherwise be default, by transferring from the proceeds of the Bonds or from other available funds such amounts as will equal, giving credit to any reserve fund surety bond that may be purchased simultaneously with the delivery of the Bonds, a sum equal to the lesser of (i) 10% of the stated principal amount of the Bonds, (ii) the maximum annual principal and interest requirements of the Bonds in any future bond year (ending January 1) or (iii) 125% of the average annual principal and interest requirements of the Bonds (the "Reserve Requirement"). Up to 50% of the Reserve Requirement may be met by the delivery of a credit facility or insurance policy in form and substance satisfactory to the Bond Insurer. Moneys may be withdrawn from the Reserve Fund in the event that there are insufficient funds in the Sinking Fund to pay the principal and/or interest of the Bonds when due, and moneys in the Reserve Fund must be applied for this purpose before any call is made on the Reserve Fund credit facility or insurance policy, if any. Amounts contained in any Reserve Fund shall be invested in the instruments set forth in the Bond Ordinance with maturities of not longer than one year. No Reserve Fund credit facilities, insurance policies, forward delivery agreements, hedge or par-put agreements may be used without the prior written consent of the Bond Insurer. Any shortfall in the Reserve Fund shall be made up in twelve (12) equal monthly payments immediately succeeding such withdrawals. Any deficiency in the Reserve Fund determined upon the quarterly valuation thereof shall be replenished in three equal monthly payments prior to the next succeeding valuation date. In the event that a Reserve Fund credit facility or insurance policy is used, then the Issuer will maintain ninety (90) days of unrestricted cash on hand while such credit facility or insurance policy is in effect and the Bonds are outstanding.

The Reserve Requirement in the amount of \$1,500,000 will be fully funded upon the delivery of the Bonds by a contribution of funds by the Issuer and not by the use of any Bond proceeds.

**Investment of Public Funds**

La. R.S. 33:2955 describes the investments that are currently permitted to be made by political subdivisions in the State of Louisiana and provides generally that all municipalities, parishes, school boards, and any other political subdivisions of the state are authorized and directed to invest moneys in any general fund or special fund of the political subdivision, and any other funds under the control of the political subdivision which they, in their discretion, may determine to be available for investment in any of the following obligations:

(a) Direct United States Treasury obligations, the principal and interest of which are fully guaranteed by the government of the United States.

(b)(i) Bonds, debentures, notes, or other evidence of indebtedness issued or guaranteed by federal agencies and provided such obligations are backed by the full faith and credit of the United States of America; and (ii) bonds, debentures, notes, or other evidence of indebtedness issued or guaranteed by U.S. government instrumentalities, which are federally sponsored, provided that notwithstanding the foregoing list of investments, in no instance shall a political subdivision invest in obligations described in Items (i) and (ii) of this subparagraph (b) which are collateralized mortgage obligations that have been stripped into interest only or principal only obligations, inverse floaters, or structured notes. "Structured notes" shall mean securities of U.S. government agencies, instrumentalities, or government-sponsored enterprises which have been restructured, modified, and/or reissued by private entities.

(c) Direct security repurchase agreements of any federal book entry only securities enumerated in Subparagraphs (a) and (b). "Direct security repurchase agreement" means an agreement under which the political subdivision buys, holds for a specified time, and then sells back those securities and obligations enumerated in Subparagraphs (a) and (b).

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(d) Time certificates of deposit of any bank domiciled or having a branch office in the state of Louisiana, savings accounts or shares of savings and loan associations and savings banks, as defined by R.S. 6:703(16) or (17), or share accounts and share certificate accounts of federally or state-chartered credit unions issuing time certificates of deposit. For those funds made available for investment in time certificates of deposit, the rate of interest paid by the banks shall be established by contract between the bank and the political subdivision; however, the interest rate at the time of investment shall be a rate not less than fifty basis points below the prevailing market interest rate on direct obligations of the United States Treasury with a similar length of maturity. Funds invested in accordance with this subparagraph (d) shall not exceed at any time the amount insured by the Federal Deposit Insurance Corporation in any one banking institution, or in any one savings and loan association, or National Credit Union Administration, unless the uninsured portion is collateralized by the pledge of securities in the manner provided in R.S. 39:1221.

(e) Mutual or trust fund institutions which are registered with the Securities and Exchange Commission under the Securities Act of 1933 and the Investment Act of 1940, and which have underlying investments consisting solely of and limited to securities of the United States government or its agencies.

(f) Investment grade (A-1/P-1) commercial paper of domestic United States corporations.

Under La. R.S. 33:2955, investment of funds in such mutual or trust fund institutions shall be limited to twenty-five percent of the monies considered available for investment as provided by La. R.S. 33:2955. In no event shall monies be considered available for investment under the authority of La. R.S. 33:2955 unless and until such funds are determined by the treasurer or chief financial officer of said subdivisions, in the exercise of prudent judgment, to be in excess of the immediate cash requirements of the fund to which the monies are credited. As a criteria in making such a determination, any amount of money exceeding ten thousand dollars which is on demand deposit to the credit of a subdivision, or to the credit of any fund and which is not required to meet an obligation for at least forty-five days, or any amount of money exceeding one hundred thousand dollars which is on demand to the credit of a subdivision or to the credit of any fund and which is not required to meet an obligation for at least fifteen days shall be construed available for investment.

Nothing in La. R.S. 33:2955 shall be construed as to abrogate, impair, or supersede the ability of a subdivision from combining monies from several funds in order to invest such monies at a better rate of return.

The interest earned on bonds, notes or certificates, time certificates of deposit, or mutual or trust fund investments, so purchased shall be credited by the respective subdivision to the fund from which the bonds, notes or certificates, time certificates of deposit, or mutual or trust fund investments, were acquired, or it may be applied to the payment of the principal and interest of the outstanding bonded indebtedness of the respective subdivision.

At any time that may be deemed advisable the subdivision may cash and liquidate any of the investments authorized herein which are purchased for any particular fund. The proceeds of any such liquidation shall be credited to the fund from which the authorized investments were originally purchased.

All political subdivisions of the state, as that term is defined in Article VI, Section 44 of the Constitution of Louisiana (which includes the Issuer), shall develop and adopt an investment policy that details and clarifies investment objectives and the procedures and constraints necessary to reach those objectives. All such investment policies should:

- (1) Reflect the mandate to manage public funds prudently.
- (2) Place appropriate emphasis on the goals of safety of principal first, liquidity second, and yield third.

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(3) Establish internal controls for any derivatives in use to ensure that the risks inherent in derivatives are adequately managed. For the purposes of this Section, the term "derivative" shall be defined to mean any financial instrument created from or whose value depends on the value of one or more underlying assets or indexes of asset value.

**Permitted Investments under the Bond Ordinance**

Notwithstanding the foregoing, the Bond Ordinance specifically provides that investments on deposit in all funds and accounts shall be valued at market value at least quarterly. No forward delivery agreements, hedge, purchase and resale agreements or par-put agreements may be used with respect to the investment of the Sinking Fund or the Reserve Fund without the prior written consent of Radian. Investments on deposit in all funds and accounts shall be valued at market value at least quarterly. Under the Bond Ordinance, only the following investments, to the extent allowable by Louisiana law, shall be "Permitted Investments" for moneys held in the Sinking Fund and the Reserve Fund:

(i) Certificates or interest-bearing notes or obligations of the United States, or those for which the full faith and credit of the United States are pledged for the payment of principal and interest.

(ii) Investments in any of the following obligations provided such obligations are backed by the full faith and credit of the United States (a) direct obligations or fully guaranteed certificates of beneficial interest of the Export-Import Bank of the United States, (b) debentures of the Federal Housing Administration, (c) guaranteed mortgage backed bonds of the Government National Mortgage Association, (d) certificates of beneficial interest of the Farmers Home Administration, (e) obligations of the Federal Financing Bank or (f) project notes and local authority bonds of the Department of Housing and Urban Development.

(iii) Investments in (a) senior obligations of the Federal Home Loan Bank System, (b) participation certificates or senior debt obligations of the Federal Home Loan Mortgage Corporation, (c) mortgage-backed securities and senior debt obligations (excluding stripped mortgage securities that are valued greater than par on the portion of unpaid principal) of the Federal National Mortgage Association or (d) senior debt obligations of the Student Loan Marketing Association.

(iv) Repurchase agreements with primary dealers and/or banks rated, at all times, AA and Aa2 or better by Standard & Poor's Corporation and Moody's Investors Service, Inc., respectively, collateralized with the obligations described in (i) and (ii) above, held by a third party custodian, at the levels set forth below, which repurchase agreements have been approved by the Insurer.

(v) S.E.C. registered money market mutual funds conforming to Rule 2a-7 of the Investment Company Act of 1940 that invest primarily in direct obligations issued by the U.S. Treasury and repurchase agreements backed by those obligations, including funds for which the Paying Agent or an affiliate of the Paying Agent acts as an advisor, and rated in the highest category by Standard & Poor's Corporation and Moody's Investors Service, Inc.

(vi) Certificates of deposit of any bank (including the Paying Agent), trust company or savings and loan association whose short term obligations are rated, at all times, A-1 or better by Standard & Poor's Corporation and P-1 by Moody's Investors Service, Inc. provided that such certificates of deposit are fully secured by the obligations described in (i) or (ii) above, at the levels set forth below, the depository bank has a perfected first security interest in the obligations securing the certificates and the depository bank holds (or shall have the option to appoint a bank, trust company or savings and loan association as its agent to hold) the obligations securing the certificates.

(vii) Certificates of deposit of any bank (including the Paying Agent), trust company or savings and loan association which certificates are fully insured by the Federal Deposit Insurance Corporation.

(viii) Commercial paper rated, at all times, P-1 or better by Moody's Investors Service, Inc. and A-1+ by Standard & Poor's Corporation.

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(ix) Obligations of, or obligations fully guaranteed by, any state of the United States of America or any political subdivision thereof which obligations, at all times, are rated by Standard & Poor's Corporation and Moody's Investors Service, Inc. in the highest rating categories (without regard to any refinement or graduation of rating category by numerical modifier or otherwise) and without regard to credit enhancement assigned by such rating agencies to obligations of that nature.

Collateral Levels for United States Government Securities

	<u>Remaining Maturity</u>				
	1 Year or <u>less</u>	5 Years or <u>less</u>	10 Years or <u>less</u>	15 Years or <u>less</u>	30 Years or <u>less</u>
Frequency of Valuation					
Daily.....	102%	105%	106%	107%	113%
Weekly.....	103%	110%	111%	113%	118%
Monthly.....	106%	116%	119%	123%	130%
Quarterly.....	106%	118%	128%	130%	135%

Further Requirements: (1) On each valuation date the market value of the collateral will be an amount equal to the requisite collateral percentage of the obligation (including unpaid accrued interest) that is being secured. (2) In the event the collateral level is below its collateral percentage on a valuation date, such percentage shall be restored within the following restoration periods: One business day for daily valuations, two business days for weekly valuations, and one month for monthly and quarterly valuations. The use of different restoration periods affect the requisite collateral percentage. (3) The depository shall terminate the repurchase agreement upon a failure to maintain the requisite collateral percentage after the restoration period and, if not paid by the counterparty in federal funds against transfer of the repo securities, liquidate the collateral.

**Additional Parity Obligations**

The Issuer will issue no other Bonds, certificates or obligations of any kind or nature payable from or enjoying a lien on the excess of annual revenues of the Issuer above the said statutory, necessary and usual charges, including its Royalty Revenues, having priority over or parity with the Bonds and the Outstanding Parity Obligations except that additional bonds and/or certificates of indebtedness (the "Additional Parity Obligations") may hereinafter be issued on a parity with the Bonds and the Outstanding Parity Obligations under the following conditions:

- (1) The net excess of annual revenues of the Issuer (excess of general revenues, including Royalty Road Fund Revenues, over expenditures), for the calendar year immediately preceding the issuance of Additional Parity Obligations must have been not less than 1.35 times the highest annual debt service requirements in any succeeding calendar year on all Bonds and/or Certificates of Indebtedness then outstanding which are payable from the excess of general revenues of the Issuer (but not including bonds or certificates of indebtedness which have been refunded or provisions otherwise made for their full and complete payment and redemption), and the Additional Parity Obligations proposed to be issued;
- (2) The Issuer is in full compliance with all covenants and undertakings in connection with all of its excess revenue bonds and/or certificates of indebtedness then outstanding and payable from the excess of general revenues of the Issuer or any part thereof, and there are no delinquencies in payments required to be made to the Sinking Fund and the Reserve Fund.
- (3) The existence of the facts required by the foregoing paragraphs (i) and (ii) must be determined and certified by the Finance Director of the Issuer; and
- (4) The Additional Parity Obligations must be payable as to principal annually on January 1 of each year and interest thereon must be payable on January 1 and July 1 of each year following the date thereof.

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Refunding Bonds which do not defease all of the Bonds may be issued without the consent of the Bond Insurer, provided there is no increase in maximum annual debt service. Variable rate indebtedness (indebtedness which does not bear a fixed rate of interest to maturity) and balloon indebtedness (indebtedness of which 25% or more of the principal amount comes or may come due in any one fiscal year by maturity, mandatory sinking fund redemption or optional or mandatory tender by the holder thereof), shall be subject to the prior approval of the Bond Insurer. Any certifications requiring computations establishing that debt service coverage is sufficient to authorize to support the issuance of additional parity obligations or that requisite debt service savings are available to support the issuance of refunding bonds shall, in all cases, be evidenced by a certificate of an independent certified public accountant or the Finance Director of the Issuer.

No additional bonds, notes, certificates, contracts or any other obligations shall be issued by the Issuer unless no event of default under the Bond Ordinance shall have occurred and be continuing with respect to the Bonds.

Subordinate or junior lien indebtedness may be issued with conditions set forth in the Bond Ordinance.

**Royalty Revenues**

The trend in the Royalty Revenues of the Issuer follows:

**Royalty Revenues – Lafourche Parish\***

<u>Year</u>	<u>Total</u>
1975	\$ 1,661,781.75
1976	1,609,203.66
1977	1,976,661.18
1978	2,562,874.16
1979	2,968,893.55
1980	3,152,332.86
1981	4,266,863.58
1982	4,430,696.80
1983	3,581,926.42
1984	3,201,670.67
1985	2,637,291.67
1986	1,812,797.76
1987	1,633,763.60
1988	1,446,744.32
1989	1,629,059.89
1990	2,773,990.92
1991	2,656,656.30
1992	2,513,282.83
1993	2,531,438.74
1994	2,741,626.00
1995	2,178,354.96
1996	2,523,702.51
1997	2,213,802.29
1998	1,490,360.61
1999	1,371,384.36
2000	2,805,044.19
2001	2,960,477.02
2002	1,698,412.10
2003	2,546,019.95
2004 <sup>+</sup>	2,098,553.54

\*Not a forecast of future revenues.

+Indicates a partial year.

Sources: Lafourche Parish Government, State Treasurer's Office 12/8/04. Figures unaudited.

**PARISH OF LAFOURCHE, STATE OF LOUISIANA  
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***BOOK-ENTRY ONLY SYSTEM***

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Bonds (referred to in this section as the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for the Securities in the aggregate principal amount of such issue, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 2 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instruments from over 85 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Deposit Trust & Clearing Corporation ("DTCC"). DTCC, in turn is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Government Securities Clearing Corporation, MBS Clearing Corporation, and Emerging Markets Clearing Corporation (NSCC, GSCC, MBSCC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (Indirect Participants"). DTC has Standard & Poor's highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchase of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interest in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

**PARISH OF LAFOURCHE, STATE OF LOUISIANA**  
**ROAD BONDS, SERIES 2005**

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Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices of Beneficial Owners, in the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of the notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Securities unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct participants' accounts, upon DTC's receipt of funds and corresponding detail information from Issuer or Paying Agent on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name" and will be the responsibility of such Participant and not to DTC, Agent or issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Securities at any time by giving reasonable notice to Issuer or Paying Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Security certificates are required to be printed and delivered.

The Issuer may decide to discontinue use of the system of book-entry-only transfer through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Issuer believes to be reliable, but the Issuer takes no responsibility for the accuracy thereof.

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ROAD BONDS, SERIES 2005**

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**ADDITIONAL PROVISIONS OF THE BOND ORDINANCE**

**Bond Ordinance to Constitute Contract**

The provisions of the Bond Ordinance will constitute a contract between the Issuer, or its successor, and the Owner or Owners from time to time of the Bonds, and any such Owner or Owners may at law or in equity, by suit, mandamus or other proceedings, enforce and compel the performance of all duties required to be performed by the Governing Authority or the Issuer as a result of issuing the Bonds. The Issuer shall cure any covenant default under the Bond Ordinance thirty (30) days after notice of the default. Failure (i) to pay principal of or interest on the Bonds or (ii) to comply with the requirements for issuing additional parity debt shall be an immediate event of default. No waivers of any event of default shall be granted without the prior written consent of the Insurer. Anything in the Bond Ordinance to the contrary notwithstanding, upon the occurrence and continuance of an event of default, the Bond Insurer shall be entitled to control and direct the enforcement of all rights and remedies granted to the Owners of the Bonds or any trustee appointed for the benefit of the Owners under the Bond Ordinance as if the Insurer were the Owner of the Bond insured by it. The Bonds are not subject to acceleration.

No material modification or amendment of the Bond Ordinance, or any ordinance amendatory thereof or supplemental thereto, may be made without the consent in writing of the Bond Insurer and the Owners of two-thirds (2/3) of the aggregate principal amount of the Bonds then outstanding; provided, however, that no modification or amendment will permit a change in the maturity or redemption provisions of the Bonds, or a reduction in the rate of interest thereon, or in the amount of the principal obligation thereof, or affecting the obligation of the Issuer to pay the principal of and the interest on the Bonds as the same will come due from the revenues appropriated, pledged and dedicated to the payment thereof by the Bond Ordinance, or reduce the percentage of the Owners required to consent to any material modification or amendment of the Bond Ordinance, without the consent of the Bond Insurer and the Owners of the affected Bonds.

**Covenants of the Issuer**

The Issuer has covenanted and agreed in the Bond Ordinance that, to the extent permitted by the laws of the State of Louisiana, it will comply with the requirements of the Internal Revenue Code of 1986 and any amendment thereto (the "Code") in order to establish, maintain and preserve the exclusion from "gross income" of interest on the Bonds under the Code. The Issuer further covenants and agrees in the Bond Ordinance that it will not take any action, fail to take any action, or permit any action within its control to be taken, or permit at any time or times any of the proceeds of the Bonds or any other funds of the issuer to be used directly or indirectly in any manner, the effect of which would be to cause the Bonds to be "arbitrage bonds" or would result in the inclusion of the interest on any of the Bonds in gross income under the Code, including, without limitation, (i) the failure to comply with the limitation on investment of Bond proceeds or (ii) the failure to pay any required rebate of arbitrage earnings to the United States of America or (iii) the use of the proceeds of the Bonds in a manner which would cause the Bonds to be "private activity bonds".

**Defeasance**

If the Issuer shall pay or cause to be paid, or there shall otherwise be paid to the Owners, the principal (and redemption price) of an interest on the Bonds, at the times and in the manner stipulated in the Bond Ordinance, then the pledge of the money, securities, and funds pledged under the Bond Ordinance and all covenants, agreements, and other obligations of the Issuer to the Owners of the Bonds shall thereupon cease, terminate, and become void and be discharged and satisfied, and the Paying Agent will pay over or deliver all money held by it under the Bond Ordinance to the Issuer.

**PARISH OF LAFOURCHE, STATE OF LOUISIANA**  
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Bonds or interest installments for the payment of which money will have been set aside and will be held in trust (through deposit by the Governing Authority of funds for such payment or otherwise) at the maturity date thereof will be deemed to have been paid within the meaning and with the effect expressed above. Bonds will be deemed to have been paid, prior to their maturity, within the meaning and with the effect expressed above if they have been defeased pursuant to Chapter 14 of Title 39 of the Louisiana Revised Statutes of 1950, as amended, or any successor provisions thereto, by depositing moneys or non-callable direct general obligation of the United States of America in an irrevocable trust with a bank or trust company that is a member of the FDIC, in an amount sufficient to pay when due the principal of and interest and call premiums, if any, on the Bonds to their stated maturity or to the date fixed for redemption if the Bonds are callable for redemption prior to their stated maturities and irrevocable provision has been made for the call thereof.

In addition to the foregoing, the following shall be additional conditions to defeasance of the Bonds:

(a) only non-redeemable obligations of the United States or those for which the full faith and credit of the United States are pledged for the timely payment of principal and interest may be used in the defeasance escrow fund;

(b) a verification report by a verifier acceptable to the Bond Insurer shall be furnished, in form and substance satisfactory to the Insurer;

(c) an opinion of bond counsel shall be rendered to the Bond Insurer to the effect that all of the requirements of the Ordinance for defeasance of the Bonds have been complied with; and

(d) no forward delivery agreements, hedge, purchase and resale agreements or par-put agreements may be used with respect to the investment of any funds or securities defeasing the Bonds without the prior written consent of the Bond Insurer.

**Maximum Annual Debt Service on Bonds and Outstanding Parity Bonds**

Year Ending 1/1/25:	\$2,883,450.00 (which will be adjusted to a net of \$1,383,450.00 after application of the \$1,500,000.00 Reserve Fund balance)
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For additional information, see Appendix "D" herein.

**Estimated Coverage**

The excess revenues of the Issuer for the calendar year ended December 31, 2005, including its Royalty Revenues, amounts budgeted to pay the Issuer's outstanding Certificates of Indebtedness, Series 1999, Road Bonds, Series 2001, and Road Bonds, and Series 2001-B, but excluding monies to be transferred to the Issuer by Road Sales Tax District No. 3, No. 5 and No. 6 of the Issuer to offset the Issuer's debt service payments on its Road Bonds, Series 2001 and Series 2001-B, and including fund balance available to pay debt service are expected to be approximately \$20.8\* million (as shown in Appendix C.)

\*Source: Lafourche Parish Finance Department.

**PARISH OF LAFOURCHE, STATE OF LOUISIANA  
ROAD BONDS, SERIES 2005**

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***TAX EXEMPTION***

**Interest on the Bonds**

The delivery of the Bonds is subject to the opinion of Adams and Reese LLP, Bond Counsel, New Orleans, Louisiana, to the effect that interest on the Bonds is excluded from gross income of the owners for federal income tax purposes under existing law. (See Appendix “F”).

**Louisiana Taxes**

The opinion of Bond Counsel will state that interest on the Bonds owned by corporations or residents of the State of Louisiana is exempt from Louisiana state income taxation to the extent such interest is exempt from federal income taxation.

**Alternative Minimum Tax Consideration**

Except as hereinafter described, interest on the Bonds will not be an item of tax preference for purposes of the federal alternative minimum tax on individuals and corporations. The Internal Revenue Code of 1986, as amended (the “Code”), imposes a 20% alternative minimum tax on the “alternative minimum taxable income” of a corporation, if the amount of such alternative minimum tax is greater than the amount of the corporation’s regular income tax. Generally, a corporation’s alternative minimum taxable income includes 75% of the amount by which a corporation’s “adjusted current earnings” exceeds a corporation’s alternative minimum taxable income. Because interest on tax-exempt obligations is included in a corporation’s “adjusted current earnings”, ownership of the Bonds could subject a corporation to alternative minimum tax consequences.

**General**

The Code imposes a number of requirements that must be satisfied for interest on state and local obligations to be excluded from gross income for federal income tax purposes. These requirements include limitations on the use of bond proceeds, the source of repayment of the bonds, limitations on the investment of bond proceeds prior to expenditure, a requirement that excess arbitrage earned on the investment of certain bond proceeds be paid periodically to the United States, except under certain circumstances, and a requirement that information reports be filed with the Internal Revenue Service.

The opinion of Bond Counsel will assume continuing compliance with the covenants in the Bond Ordinance pertaining to those sections of the Code which affect the exclusion from gross income of interest on the Bonds for federal income tax purposes and, in addition, will rely on representations by the Issuer with respect to matters solely within the knowledge of the Issuer, which Bond Counsel has not independently verified. If the Issuer should fail to comply with the covenants in the Bond Ordinance or if the foregoing representations should be determined to be inaccurate or incomplete, interest on the Bonds could become included in gross income from the date of original delivery of the Bonds, regardless of the date on which the event causing such inclusion occurs. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Bonds may adversely affect the value of, or the tax status of interest on, the Bonds. Further, no assurance can be given that pending or future legislation or amendments to the Code, if enacted into law, or any proposed legislation or amendments to the Code, will not adversely affect the value of, or the tax status of interest on, the Bonds.

Certain requirements and procedures contained or referred to in the Bond Ordinance, and other relevant documents may be changed and certain actions (including, without limitation, defeasance of the Bonds) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents. Bond Counsel expresses no opinion as to any of the Bonds, respectively, or the interest thereon if any such change occurs or action is taken or omitted upon the advice or approval of any counsel other than Bond Counsel.

**PARISH OF LAFOURCHE, STATE OF LOUISIANA  
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**Qualified Tax-Exempt Obligations (Non-Bank Deductibility)**

The Tax Reform Act of 1986 revised Section 265 of the Code so as to generally deny financial institutions 100% of the interest deductions that are allocable to tax-exempt obligations acquired after August 7, 1986. However, an exception is permitted under the Tax Reform Act of 1986 for certain qualified tax-exempt obligations which allows financial institutions to continue to treat the interest on such obligations as being subject to the 20% disallowance provision under the prior law if the Issuer, together with a certain subordinate entities, reasonably expects that it will not issue more than \$10,000,000 of governmental purpose bonds in a calendar year and designates such bonds as “qualified tax-exempt obligations” pursuant to the provisions of Section 265(b)(3)(B) of the Code. The Bonds are not designated as “qualified tax-exempt obligations” pursuant to Section 265(b)(3)(B) of the Code.

**Tax Treatment of Original Issue Premium and Discount**

The Bonds maturing January 1, 2007 (the “Premium Bonds”), are being offered and sold to the public at a price in excess of their stated principal amounts.

Such excess is characterized as a “bond premium” and must be amortized by an investor purchasing a Premium Bond on a constant yield basis over the remaining term of the Premium Bonds in a manner that takes into account potential call dates and call prices. An investor cannot deduct amortized bond premium related to a tax-exempt bond for federal income tax purposes. However, as bond premium is amortized, it reduces the investor’s basis in the Premium Bonds. Investors who purchase a Premium Bond should consult their own tax advisors regarding the amortization of bond premium and its effect on the Premium Bonds’ basis for purposes of computing gain or loss in connection with the sale, exchange, redemption or early retirement of the Premium Bonds.

The Bonds maturing January 1, 2009 to January 1, 2015, inclusive (the “OID Bonds”), are sold at an original issue discount (“OID”). The difference between the initial public offering prices and their stated amounts constitutes original issue discount treated as interest which is excluded from gross income for federal income tax purposes and which is exempt from all present State taxation subject to the caveats and provisions described herein.

Owners of OID Bonds should consult their own tax advisors with respect to the determination for federal income tax purposes of original issue discount accrued with respect to such OID Bonds as of any date, including the date of disposition of an OID Bond and with respect to the state and local consequences of owning of an OID Bond.

**ADDITIONAL INFORMATION**

This Official Statement was prepared in conjunction with Cypress Capital Corporation, 818 Howard Avenue, Suite 307, New Orleans, Louisiana 70113, telephone (504-524-2321 or email [rphelps@doxx.com](mailto:rphelps@doxx.com)).

For any additional information concerning the Issuer, please address Ms. Shannon Chiasson, Finance Director, Parish of Lafourche, P.O. Drawer 5548, Thibodaux, Louisiana 70302, telephone (985-446-8427). For additional information concerning the Bonds now offered for sale, please address UBS Financial Services Inc., 1100 Poydras Street, 9<sup>th</sup> Floor, Energy Centre, New Orleans, Louisiana 70163, telephone (504-584-5642), or Adams and Reese LLP, One Shell Square, 701 Poydras Street – Suite 4500, New Orleans, Louisiana 70139, telephone (504-581-3234).

The Issuer, Cypress Capital Corporation and Adams and Reese LLP are familiar with the *Disclosure Guidelines for State and Local Government Securities* published by the Government Finance Officers Association (January 1991 edition).

**PARISH OF LAFOURCHE, STATE OF LOUISIANA  
ROAD BONDS, SERIES 2005**

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**UNDERWRITING**

The Bonds are being purchased by UBS Financial Services Inc. (the "Underwriter"), at a purchase price of \$14,849,845.90 (representing the par amount of the Bonds (\$15,000,000.00), minus net original issue discount of \$15,154.10, and minus Underwriters' Discount of \$135,000.00), under the terms and conditions set forth in the Bond Purchase Agreement. As a convenience to the Issuer, the Underwriter will pay the premium for the Policy directly to the Insurer. The Bond Purchase Agreement executed by the Underwriter provides that the Underwriter will purchase all of the Bonds, if any are purchased. The Underwriter intends to offer the Bonds to the public initially at the offering prices set forth on the front cover of this Official Statement, which may subsequently change without any requirement of prior notice. The Underwriter reserves the right to join with dealers and other underwriters in offering the Bonds to the public. In connection with this offering, the Underwriter may overallocate transactions which stabilize or maintain the market price of the Bonds offered hereby at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

**LEGAL MATTERS**

No litigation has been filed questioning the validity of the Bonds or the security therefor and a certificate to that effect will be delivered by the Issuer upon the issuance of the Bonds.

The approving opinion of Adams and Reese LLP, Bond Counsel, will be printed on or otherwise attached to the Bonds. The opinion of Bond Counsel is limited to the matters set forth therein and Bond Counsel is not passing upon the accuracy or completeness of this Official Statement. A manually executed original of said opinion will be delivered to the Underwriter on the date of payment for and delivery of the Bonds. The form of said legal opinion appears in Appendix "F" to this Official Statement. For additional information regarding the opinion of Bond Counsel, see the preceding section titled "TAX EXEMPTION". The compensation of said Bond Counsel is contingent upon the sale and delivery of the Bonds.

Certain legal matters will be passed upon for UBS Financial Services Inc., by Foley & Judell, L.L.P. and Roedel, Parsons, Koch, Blache, Balhoff & McCollister, a L.C., Co-Underwriter's Counsel.

**GOVERNING AUTHORITY**

The Issuer is governed by the Lafourche Parish Council, State of Louisiana. Said Council consists of nine members. The names of the members of the Governing Authority, as well as the Parish President, appear at the beginning of this Official Statement. The current terms of office of the council members and Parish President end on December 31, 2007.

**CONTINUING DISCLOSURE**

The Issuer will, pursuant to a Continuing Disclosure Certificate, covenant for the benefit of Bond owners to provide certain financial information and operating data relating to the Issuer by not later than July 1 in each year commencing July 1, 2005 (the "Annual Report"), and to provide notices of the occurrence of certain enumerated events, if deemed by the Issuer to be material (the "Undertaking"). Any Filing under the Agreement may be made electronically solely by transmitting such filing to the Texas Municipal Advisory Council (the "MAC") as provided at [www.disclosureusa.org](http://www.disclosureusa.org), an Internet-based electronic filing system maintained by the MAC, for immediate transmission, together with CUSIP numbers and other indexing information, or to each NRMSIR and any appropriate SID, unless the United States Securities and Exchange Commission has withdrawn the interpretive advice in its letter to the MAC dated September 7, 2004. The specific nature of the information to be contained in the Annual Report or the notices of material events are set forth in their respective captions in Appendix "H" - Form of Continuing Disclosure Certificate. The covenants have been made in order to assist the Participating Underwriters in complying with the Securities and Exchange Commission Rule 15c2-12 (17 C.F.R. Part 240, §240.15c2-12) (the "Rule"). See Appendix "G" - Form of Continuing Disclosure Certificate.

**PARISH OF LAFOURCHE, STATE OF LOUISIANA  
ROAD BONDS, SERIES 2005**

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The Issuer's Dissemination Agent is the Finance Director, Parish of Lafourche, P.O. Drawer 5548, Thibodaux, Louisiana 70302 (telephone 985-446-8427).

According to the Issuer's Finance Director, the Issuer has not failed to comply with any prior such undertaking under the Rule. A failure by the Issuer to comply with the Undertaking will not constitute an Event of Default under the Bond Ordinance (although Bondholders will have any available remedy at law or in equity).

**BOND RATINGS**

Moody's Investors Service, Inc. and Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc. have assigned their ratings of "Aa3" and "AA", respectively, to the Bonds with the understanding that, upon delivery of the Bonds, a Financial Guaranty Insurance Policy guaranteeing the payment when due of principal of an interest on the Bonds will be issued by Radian Asset Assurance Inc. Such ratings reflect only the views of such organizations and are not a recommendation to buy, sell or hold the Bonds. Any desired explanation of the significance of such ratings should be obtained from the rating agency furnishing the same, at the following addresses:

Moody's Investors Service, Inc.  
99 Church Street  
New York, New York 10007  
Telephone: (212) 553-0300

Standard & Poor's Ratings Services  
55 Water Street  
New York, New York 10041  
Telephone: (212) 438-2076.

Generally a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance such ratings will continue for any given period of time or that such ratings will not be revised downward or withdrawn entirely by the rating agencies, if in the judgment of such ratings agencies, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the Bonds.

**CERTIFICATION AS TO OFFICIAL STATEMENT**

At the time of payment for and delivery of the Bonds, the Governing Authority will furnish the Underwriter a certificate, signed by its Finance Director, to the effect that (i) the descriptions and statements, including financial data, of or pertaining to the Issuer, on the date of the Official Statement, on the date of the sale of the Bonds and on the date of the delivery thereof, were and are true in all material respects, and, insofar as such matters are concerned, the Official Statement did not and does not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, (ii) insofar as the descriptions and statements, including financial data, of or pertaining to governmental and/or non-governmental entities other than the Issuer and their activities contained in the Official Statement are concerned, such descriptions, statements, and data have been obtained from sources which the Governing Authority believes to be reliable and the Governing Authority has no reason to believe that they are untrue or incomplete in any material respect, and (iii) there has been no adverse material change in the affairs of the Issuer between the date of the Official Statement and the date of delivery of the Bonds.

**PARISH OF LAFOURCHE, STATE OF LOUISIANA  
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***MISCELLANEOUS***

Potential purchasers of the Bonds should consult their own tax advisors as to the consequences of investing in the Bonds. Also, see "TAX EXEMPTION" herein.

The Issuer has authorized and directed the delivery of this Official Statement to the Underwriter.

**PARISH OF LAFOURCHE,  
STATE OF LOUISIANA**

/s/ CHARLOTTE A. RANDOLPH .  
Parish President

/s/ SHEILA BOUDREAUX .  
Council Clerk

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**APPENDIX “A”**

**FINANCIAL AND STATISTICAL DATA RELATIVE TO  
THE PARISH OF LAFOURCHE,  
STATE OF LOUISIANA**

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**FINANCIAL AND STATISTICAL DATA**  
**RELATIVE TO THE PARISH OF LAFOURCHE,**  
**STATE OF LOUISIANA**  
***GENERAL INFORMATION***

**Population of the Parish**

The population trend of the Parish of Lafourche is as follows:

<u>YEAR</u>	<u>PARISH ESTIMATED POPULATION</u>
JUL,2003	91,034
JUL,2002	90,477
JUL,2001	90,255
2000	89,974
1990	85,860
1980	82,483
1970	68,941
1960	55,381
1950	42,209

Sources: Louisiana Tech University, February 2004 and US Census, May 2001.

***ECONOMIC INDICATORS***

**Personal Income**

Revised Estimates of State Personal Income were published by the Bureau of Economic Analysis of the US Department of Commerce. The most recent multi-year trend in revised per capita income for the Nation, Louisiana and Lafourche Parish is as follows:

<u>YEAR</u>	<u>UNITED STATES</u>	<u>LOUISIANA</u>	<u>PARISH</u>
2002	\$30,941	\$25,296	\$25,835
2001	\$30,413	\$24,517	\$24,960
2000	\$29,760	\$23,080	\$22,543
1999	\$27,880	\$22,014	\$20,959
1998	\$26,893	\$21,772	\$20,713

Source: US Department of Commerce, Bureau of Economic Analysis, May 2004.

## Effective Buying Income

<u>YEAR</u>	<u>UNITED STATES</u>	<u>LOUISIANA</u>	<u>PARISH</u>
2003	\$38,201	\$31,394	\$33,973
2002	\$38,035	\$31,272	\$33,332
2001	\$38,365	\$31,370	\$32,335
2000	\$39,129	\$30,623	\$31,535
1999	\$37,233	\$29,726	\$30,310

Source: Sales and Marketing Management, Survey of Buying Power, October 2004.

## Employment

The Louisiana Department of Employment and Training has issued revised annual average statistics for various employment areas within Louisiana. The annual average figures for the Lafourche Parish Labor Market area were reported as follows:

<u>YEAR</u>	<u>LABOR FORCE</u>	<u>EMPLOYMENT</u>	<u>UNEMPLOYMENT</u>	<u>PARISH RATE</u>	<u>STATE RATE</u>	<u>US RATE</u>
2003	46,700	44,900	1,800	3.85%	6.60%	6.00%
2002	45,300	43,500	1,800	3.97%	6.10%	5.80%
2001	44,600	43,000	1,600	3.59%	6.20%	4.70%
2000	43,200	41,400	1,800	4.17%	5.50%	4.00%
1999	42,600	41,000	1,600	3.76%	5.10%	4.20%

Source: Louisiana Dept. of Labor, Office of Employment Security, Research and Statistics Unit, March 2004.

The recent trend in employment for Lafourche Parish is as follows:

<u>MONTH</u>	<u>LABOR FORCE</u>	<u>EMPLOYMENT</u>	<u>UNEMPLOYMENT</u>	<u>PARISH RATE</u>
January-04	46,200	44,200	2,000	4.33%
February-04	46,300	44,600	1,700	3.67%
March-04	46,500	45,000	1,500	3.23%
April-04	46,100	44,500	1,600	3.47%
May-04	45,700	43,900	1,800	3.94%
June-04	46,800	44,400	2,400	5.13%
July-04	47,300	45,000	2,300	4.86%
August-04	46,400	44,600	1,800	3.88%
September-04	46,500	44,700	1,800	3.87%
October-04	46,600	44,700	1,900	4.08%
November-04*	46,700	44,800	1,900	4.07%

\*Preliminary Figures.

Source: Louisiana Dept. of Labor, Office of Employment Security, Research and Statistics Unit, December 2004.

**Lafourche Parish**  
**Non-Agricultural Wage and Salary Employment**

<u>CLASSIFICATION</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
Public Administration	1,122	1,204	1,255
Management of Companies & Enterprises	753	1,058	1,051
Administrative and Waste Services	1,681	1,864	3,241
Educational Services	3,182	3,242	3,423
Health Care and Social Assistance	3,539	3,502	3,584
Arts, Entertainment, and Recreation	306	323	310
Accommodation and Food Services	1,808	1,771	1,781
Finance and Insurance	685	767	798
Other Services, Except Public Administration	522	516	572
Mining	827	749	752
Real Estate and Rental & Leasing	1,580	1,584	1,575
Professional & Technical Services	583	606	621
Utilities	161	160	176
Construction	1,501	1,563	1,750
Manufacturing	3,148	3,005	2,773
Wholesale Trading	617	659	645
Retail Trade	3,892	3,883	3,889
Transportation and Warehousing	4,311	4,488	4,532
Information	457	452	439

Source: Louisiana Dept. of Labor, Office of Employment Security, Research and Statistics Unit, October 2004

*Effective January 2001, the Louisiana Department of Labor converted its database from the Standard Industrial Classification (SIC) system to the North American Industry Classification System (NAICS). For detailed information on NAICS, refer to <http://www.census.gov/epcd/www/naics.html>.*

<u>YEAR</u>	<u>MINING</u>	<u>CONSTRUCTION</u>	<u>MANUFACTURING</u>	<u>TRANSPORTATION</u>	<u>WHOLESALE TRADE</u>
2000	1,265	1,107	3,271	5,367	841
1999	831	1,319	3,712	4,856	842
1998	640	1,543	3,768	5,002	927
1997	722	1,257	3,248	4,651	908

<u>YEAR</u>	<u>RETAIL TRADE</u>	<u>FINANCE</u>	<u>SERVICES</u>	<u>PUBLIC ADMINISTRATION</u>
2000	5,429	793	10,525	1,086
1999	5,351	749	9,988	1,037
1998	5,226	769	10,222	991
1997	5,169	861	9,698	914

Source: Louisiana Dept. of Labor, Office of Employment Security, Research and Statistics Unit, January 2001.

## Largest Employers

The names of several of the largest employers located within the boundaries of Lafourche Parish are as follows:

<u>NAME OF EMPLOYER</u>	<u>APPROXIMATE NUMBER OF EMPLOYEES</u>
LAFOURCHE PARISH SCHOOL BOARD	1000+
BOLLINGER SHIPYARDS LOCKPORT LLC	500-999
DANOS & CUROLE MARINE CONTRACTORS INC	500-999
GALLIANO MARINE SERVICE LLC	500-999
GALLIANO MARINE SERVICE LLC (LA QJ)	500-999
GOOD JOB INC	500-999
NICHOLLS STATE UNIVERSITY - SELF SUP	500-999
THIBODAUX REGIONAL MEDICAL CENTER	500-999
WALMART STORES INC	500-999
ROUSES ENTERPRISES INC	250-499

Source: Louisiana Dept. of Labor, Office of Employment Security, Research and Statistics Unit, January 2004.

## Retail Sales

According to the *Survey of Buying Power*, estimated retail sales in Lafourche Parish were as follows:

*(In Thousands)*

<u>YEAR</u>	<u>TOTAL RETAIL SALES</u>	<u>FOOD</u>	<u>EAT/DRINK</u>	<u>GEN MDSE</u>	<u>FURN/APPL</u>	<u>AUTO</u>
2003	\$825,697	\$191,909	\$69,805	\$183,510	\$18,627	\$130,856
2002	\$757,129	\$165,124	\$67,674	\$181,311	\$17,132	\$110,615
2001	\$748,699	\$184,861	\$61,135	\$148,620	\$15,436	\$138,555
2000	\$789,412	\$204,267	\$62,338	\$144,933	\$17,953	\$152,812
1999	\$759,313	\$198,944	\$56,411	\$137,509	\$18,365	\$153,414

Source: Sales and Marketing Management, Survey of Buying Power, October 2004.

## Banking Facilities

The Federal Deposit Insurance Corporation insures a number of commercial and savings banks in Lafourche Parish whose aggregate deposits (\$ in thousands) are as follows:

<u>TYPE</u>	<u>BANKS</u>	<u>OFFICES</u>	<u>TOTAL DEPOSITS</u>
Commercial	10	41	\$1,221,000
Savings	1	1	\$5,000

Source: FDIC, June 2004.

## **SALES TAXES**

### **Sales Taxes Levied in the Parish**

The following is a summary by area of sales and use taxes being levied within the Parish of Lafourche as of 12/31/04. *The Parish does not collect a sales tax. Four Road Tax Districts in unincorporated areas each collect a one percent (1%) sales tax.*

<u>ENTITY/AREA</u>	<u>PARISH*</u>	<u>SCHOOL BOARD</u>	<u>MUNICIPAL</u>	<u>LAW ENF</u>	<u>SOLID WASTE</u>	<u>LOUISIANA</u>	<u>TOTAL</u>
LAFOURCHE	1.00%	2.00%	0.00%	1.00%	0.70%	4.00%	8.70%
GOLDEN MEADOW	0.00%	2.00%	1.00%	0.00%	0.70%	4.00%	7.70%
LOCKPORT	0.00%	2.00%	1.30%	0.00%	0.70%	4.00%	8.00%
THIBODAUX	0.00%	2.00%	2.00%	0.00%	0.00%	4.00%	8.00%

\*Unincorporated areas of Lafourche.

Source: Louisiana Department of Revenue and Taxation, Sales Tax Division.

### **Sales Tax Collections – (School Board 2.00%)**

#### Annual Collections

<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005*</u>
<u>\$18,390,264.36</u>	<u>\$19,223,619.03</u>	<u>\$19,145,587.68</u>	<u>\$19,526,790.47</u>	<u>\$20,132,423.90</u>	<u>\$1,786,261.73</u>

Source: Sales Tax Division, Lafourche Parish School Board.

\*Partial year.

#### Monthly Collections

<u>Month</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005*</u>
January	\$ 2,091,747.04	\$ 1,665,146.93	\$ 1,923,316.20	\$ 1,821,788.23	\$ 1,817,730.37	\$1,786,261.73
February	\$ 1,315,031.24	\$ 1,317,782.82	\$ 1,458,454.11	\$ 1,483,760.40	\$ 1,488,807.90	
March	\$ 1,368,465.56	\$ 1,335,395.42	\$ 1,404,477.12	\$ 1,380,786.37	\$ 1,441,640.26	
April	\$ 1,503,717.06	\$ 1,606,321.97	\$ 1,732,892.37	\$ 1,542,637.69	\$ 1,700,815.19	
May	\$ 1,512,880.48	\$ 1,605,272.33	\$ 1,615,441.55	\$ 1,546,932.78	\$ 1,621,116.97	
June	\$ 1,586,800.79	\$ 1,640,505.90	\$ 1,556,705.92	\$ 1,908,860.48	\$ 1,619,309.17	
July	\$ 1,574,121.93	\$ 1,771,149.21	\$ 1,662,750.11	\$ 1,606,399.12	\$ 2,092,276.05	
August	\$ 1,443,706.03	\$ 1,669,694.18	\$ 1,567,467.17	\$ 1,575,123.96	\$ 1,701,258.38	
September	\$ 1,450,100.71	\$ 1,654,367.66	\$ 1,618,887.54	\$ 1,690,517.56	\$ 1,728,272.97	
October	\$ 1,595,057.53	\$ 1,678,378.65	\$ 1,626,462.28	\$ 1,680,065.83	\$ 1,728,102.25	
November	\$ 1,485,928.29	\$ 1,696,282.88	\$ 1,561,185.08	\$ 1,828,589.81	\$ 1,602,851.47	
December	\$ 1,462,707.70	\$ 1,583,321.08	\$ 1,417,548.23	\$ 1,461,328.24	\$ 1,590,242.92	
<b>Total</b>	<u>\$18,390,264.36</u>	<u>\$19,223,619.03</u>	<u>\$19,145,587.68</u>	<u>\$19,526,790.47</u>	<u>\$20,132,423.90</u>	<u>\$1,786,261.73</u>

Source: Sales Tax Division, Lafourche Parish School Board.

\*Partial year.

## ***Sales Tax Collections (Continued)***

### **Road Tax District No. 2 (1.00%)**

[Includes Ward 9-Precinct 2, Ward 4-Precinct 6 and all of Ward 10 outside the limits of Golden Meadow.]

#### **Monthly Collections**

<b><u>Month</u></b>	<b><u>2000</u></b>	<b><u>2001</u></b>	<b><u>2002</u></b>	<b><u>2003</u></b>	<b><u>2004</u></b>	<b><u>2005*</u></b>
January	\$309,193.43	\$291,966.44	\$352,907.68	\$334,037.96	\$359,181.29	\$311,914.31
February	\$208,520.20	\$228,875.99	\$255,946.44	\$256,234.71	\$274,571.65	
March	\$217,139.70	\$237,088.50	\$238,805.54	\$217,221.87	\$263,913.60	
April	\$260,153.87	\$288,033.40	\$331,384.56	\$257,617.46	\$313,508.86	
May	\$232,389.98	\$265,314.62	\$291,896.67	\$252,699.83	\$279,661.71	
June	\$282,604.60	\$336,506.63	\$281,379.61	\$247,726.72	\$301,957.71	
July	\$249,791.94	\$352,809.43	\$289,218.66	\$277,102.96	\$435,744.75	
August	\$280,119.10	\$282,611.76	\$305,764.45	\$298,582.44	\$328,927.02	
September	\$255,378.00	\$302,851.95	\$290,239.55	\$286,754.77	\$335,338.49	
October	\$284,640.16	\$314,043.20	\$283,365.25	\$317,398.54	\$348,134.29	
November	\$259,566.93	\$302,833.82	\$285,503.82	\$311,497.59	\$275,899.00	
December	\$262,384.03	\$282,061.56	\$232,597.92	\$266,694.70	\$285,296.06	
Total	\$3,101,881.94	\$3,484,997.30	\$3,439,010.15	\$3,323,569.55	\$3,802,134.43	\$311,914.31

Source: Sales Tax Division, Lafourche Parish School Board.

\*Partial year.

### **Road Tax District No. 3 (1.00%)**

[Includes Ward 4-Precincts 1, 2 & 5; Ward 8-Precinct 1; Ward 9-Precinct 1 and Ward 11-Precincts 1, 2, 3 & 4, outside the limits of Lockport.]

#### **Monthly Collections**

<b><u>Month</u></b>	<b><u>2000</u></b>	<b><u>2001</u></b>	<b><u>2002</u></b>	<b><u>2003</u></b>	<b><u>2004</u></b>	<b><u>2005*</u></b>
January	\$104,465.19	\$76,637.14	\$67,417.81	\$74,945.52	\$73,255.42	\$74,767.18
February	\$71,545.19	\$52,569.23	\$75,163.08	\$71,853.37	\$62,951.96	
March	\$43,570.35	\$60,889.47	\$73,251.79	\$72,546.96	\$62,842.39	
April	\$59,981.72	\$80,401.38	\$59,247.77	\$74,784.23	\$84,510.61	
May	\$67,878.58	\$81,913.23	\$100,413.62	\$80,750.90	\$83,762.15	
June	\$76,911.71	\$85,121.33	\$77,338.53	\$138,905.35	\$59,711.03	
July	\$62,515.54	\$83,992.23	\$71,077.87	\$83,304.48	\$62,079.17	
August	\$42,581.48	\$79,532.89	\$91,123.96	\$42,917.05	\$61,457.51	
September	\$72,585.48	\$76,630.65	\$63,997.69	\$65,567.14	\$66,544.00	
October	\$71,266.15	\$72,045.22	\$31,947.70	\$55,951.31	\$59,119.27	
November	\$69,307.40	\$91,833.88	\$69,646.13	\$72,462.47	\$78,532.03	
December	\$64,657.24	\$63,617.89	\$80,137.59	\$57,747.41	\$61,412.09	
Total	\$807,266.03	\$905,184.54	\$860,763.54	\$891,736.19	\$816,177.63	\$74,767.18

Source: Sales Tax Division, Lafourche Parish School Board.

\*Partial year.

## ***Sales Tax Collections (Continued)***

### **Road Tax District No. 5 (1.00%)**

[Includes Ward 1-Precincts 1, 2, 3 & 4; Ward 2-Precincts 12 & 13; Ward 3-Precinct 1; Ward 5-Precincts 1 & 2; Ward 7-Precinct 1 and all of Police Jury Ward 6.]

#### **Monthly Collections**

<b><u>Month</u></b>	<b><u>2000</u></b>	<b><u>2001</u></b>	<b><u>2002</u></b>	<b><u>2003</u></b>	<b><u>2004</u></b>	<b><u>2005*</u></b>
January	\$104,881.02	\$106,129.46	\$122,401.15	\$78,800.10	\$65,423.61	\$78,302.52
February	\$87,759.20	\$55,080.86	\$79,192.91	\$75,792.64	\$52,461.56	
March	\$80,245.31	\$65,722.40	\$71,004.65	\$70,048.06	\$65,191.32	
April	\$104,007.54	\$88,032.43	\$88,159.08	\$73,742.13	\$83,398.09	
May	\$92,014.88	\$80,601.37	\$94,400.29	\$90,143.12	\$84,459.41	
June	\$88,700.74	\$56,789.54	\$91,837.72	\$77,206.51	\$82,043.03	
July	\$87,463.22	\$81,141.21	\$82,099.05	\$76,648.45	\$81,352.38	
August	\$64,174.81	\$79,964.88	\$90,119.45	\$82,169.41	\$64,887.04	
September	\$82,511.68	\$88,344.11	\$84,117.46	\$96,516.24	\$75,163.74	
October	\$86,816.70	\$95,644.59	\$83,397.95	\$79,206.56	\$79,921.28	
November	\$89,565.82	\$89,875.55	\$73,047.62	\$95,278.78	\$83,207.02	
December	\$73,210.49	\$91,527.05	\$67,288.10	\$70,262.89	\$96,051.05	
Total	<u>\$1,041,351.41</u>	<u>\$978,853.45</u>	<u>\$1,027,065.43</u>	<u>\$965,814.89</u>	<u>\$913,559.53</u>	<u>\$78,302.52</u>

Source: Sales Tax Division, Lafourche Parish School Board.

\*Partial year.

### **Road Tax District No. 6 (1.00%)**

[Includes Ward 3-Precincts 2, 3, 4, 5 & 6; and Ward 7-Precincts 2, 3 & 4.]

#### **Monthly Collections**

<b><u>Month</u></b>	<b><u>2000</u></b>	<b><u>2001</u></b>	<b><u>2002</u></b>	<b><u>2003</u></b>	<b><u>2004</u></b>	<b><u>2005*</u></b>
January	\$60,834.34	\$64,896.39	\$67,625.83	\$86,241.40	\$66,343.02	\$75,578.65
February	\$53,603.93	\$47,357.89	\$70,194.16	\$66,625.78	\$68,669.90	
March	\$48,644.52	\$66,555.73	\$54,595.91	\$64,254.75	\$54,386.96	
April	\$46,537.34	\$73,366.05	\$73,776.70	\$63,628.41	\$42,253.25	
May	\$63,642.97	\$59,979.79	\$58,299.89	\$58,763.70	\$65,785.89	
June	\$56,335.88	\$46,992.96	\$69,377.69	\$69,801.73	\$63,093.76	
July	\$76,366.13	\$70,312.97	\$74,410.20	\$78,043.54	\$166,357.45	
August	\$74,019.97	\$77,122.49	\$76,174.84	\$80,905.73	\$76,180.19	
September	\$48,515.09	\$74,354.07	\$76,888.89	\$75,414.83	\$76,164.48	
October	\$51,607.27	\$64,087.71	\$105,593.22	\$77,344.11	\$79,921.28	
November	\$60,710.10	\$72,033.86	\$63,667.80	\$81,802.69	\$63,040.34	
December	\$55,014.12	\$68,759.46	\$55,325.88	\$58,898.11	\$62,751.04	
Total	<u>\$695,831.66</u>	<u>\$785,819.37</u>	<u>\$845,931.01</u>	<u>\$861,724.78</u>	<u>\$884,947.56</u>	<u>\$75,578.65</u>

Source: Sales Tax Division, Lafourche Parish School Board.

\*Partial year.

## ROYALTY REVENUES

The trend in the Royalty Revenues of the Issuer follows:

### Royalty Revenues – Lafourche Parish\*

<u>Year</u>	<u>Total</u>
1975	\$ 1,661,781.75
1976	1,609,203.66
1977	1,976,661.18
1978	2,562,874.16
1979	2,968,893.55
1980	3,152,332.86
1981	4,266,863.58
1982	4,430,696.80
1983	3,581,926.42
1984	3,201,670.67
1985	2,637,291.67
1986	1,812,797.76
1987	1,633,763.60
1988	1,446,744.32
1989	1,629,059.89
1990	2,773,990.92
1991	2,656,656.30
1992	2,513,282.83
1993	2,531,438.74
1994	2,741,626.00
1995	2,178,354.96
1996	2,523,702.51
1997	2,213,802.29
1998	1,490,360.61
1999	1,371,384.36
2000	2,805,044.19
2001	2,960,477.02
2002	1,698,412.10
2003	2,546,019.95
2004 <sup>+</sup>	2,098,553.54

\*Not a forecast of future revenues.

+Indicates a partial year.

Sources: Lafourche Parish Government, State Treasurer's Office 12/8/04. Figures unaudited.

## ***PROPERTY TAXES***

### **Assessed Valuation of the Parish**

The recent trend in the Parishwide assessed valuation of the Parish of Lafourche is as follows:

<u>YEAR</u>	<u>PARISHWIDE TAXABLE ASSESSED VALUATION</u>	<u>PARISHWIDE HOMESTEAD EXEMPTIONS</u>	<u>PARISHWIDE TOTAL ASSESSED VALUATION</u>
2004*	\$435,712,800	\$141,480,420	\$577,193,220
2003	\$393,096,700	\$132,431,900	\$525,528,600
2002	\$379,636,150	\$129,306,360	\$508,942,510
2001	\$328,505,970	\$127,192,300	\$455,698,270
2000	\$300,039,270	\$122,835,770	\$422,875,040

Source: Lafourche Parish Assessor's Office.

\*Reassessment year.

A breakdown of the Parishwide assessed valuation of the Parish of Lafourche by classification of property is as follows:

<u>YEAR</u>	<u>REAL ESTATE</u>	<u>PERSONAL PROPERTY</u>	<u>PUBLIC SERVICE</u>	<u>TOTAL</u>
2004*	\$244,835,270	\$259,091,400	\$73,266,550	\$577,193,220
2003	\$213,781,080	\$242,464,650	\$69,282,870	\$525,528,600
2002	\$210,301,270	\$228,855,200	\$69,786,040	\$508,942,510
2001	\$208,444,620	\$177,495,600	\$69,758,050	\$455,698,270
2000	\$197,894,310	\$160,542,160	\$64,438,570	\$422,875,040

Source: Lafourche Parish Assessor's Office.

\*Reassessment year.

### **Millage Rates**

The recent trend in the ad valorem tax rates levied (in mills) within the boundaries of the Parish of Lafourche follows:

<u>PARISHWIDE MILLAGES LEVIED</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
ASSESSMENT DIST	2.39	2.39	2.50	2.50	2.27
CONSOLIDATED SCHOOL DIST #1	0.00	0.00	7.49	7.49	7.49
CONSOLIDATED SCHOOL DIST #1	43.12	43.60	3.93	3.93	3.63
CONSOLIDATED SCHOOL DIST #1 - A/C	0.00	0.00	7.49	7.49	7.49
CONSOLIDATED SCHOOL DIST #1 - BOND	0.00	0.00	17.20	17.20	17.20
CONSOLIDATED SCHOOL DIST #1 - SALARY	0.00	0.00	3.93	7.49	7.49
DR HEALTH LIB	5.17	5.17	5.17	5.17	4.69
HEALTH UNIT	0.90	0.90	0.90	0.90	0.82
JUVENILE JUST	3.20	3.20	3.20	3.20	3.20
LAW ENF	10.37	10.37	10.37	10.37	10.37
LIBRARY #1	8.50	8.50	1.82	1.82	1.65
LIBRARY #2	0.00	0.00	6.68	6.68	6.06
PARISH COUNCIL	3.12	3.12	3.12	3.12	2.83
PARISH DRAIN	3.68	3.68	3.68	3.68	3.34
PARISH RECR	1.82	1.82	1.82	1.82	1.65
PUBLIC BUILD	2.75	2.75	2.75	2.75	2.49

Sources: Louisiana Tax Commission and Lafourche Parish Assessor's Office.

## Millage Rates (Continued)

<u>ADDITIONAL MILLAGES LEVIED</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
B LAF FR WATER	1.50	1.50	1.50	1.93	2.11
C L AMBULANCE	7.65	2.60	2.60	7.65	4.00
CRIMINAL	0.84	0.84	0.84	0.84	0.76
DRAIN 1 OF 12	20.00	20.00	20.00	20.00	17.39
DRAIN 2 OF 12	20.00	20.00	20.00	20.00	17.10
DRAIN 3 OF 12	20.00	20.00	20.00	20.00	16.55
DRAIN DIST #1	0.83	0.83	0.83	0.83	12.80
DRAIN DIST #5	4.69	4.69	4.69	4.69	4.62
FIRE DIST #1 BOND	7.65	7.65	2.90	2.90	2.90
FIRE DIST #1 MAINT	0.00	0.00	10.00	10.00	9.90
FIRE DIST #2	5.09	5.24	5.24	5.24	5.24
FIRE DIST #3	7.66	7.66	8.00	8.00	8.00
FIRE DIST #4	8.45	8.45	8.45	8.45	6.98
FIRE DIST #5	5.39	5.39	5.39	12.12	12.12
FIRE DIST #6 BOND	9.09	9.09	4.00	4.00	4.00
FIRE DIST #6 MAINT	0.00	0.00	5.09	5.09	4.60
FIRE DIST #7	12.73	12.73	12.73	12.73	12.97
FIRE DIST #9	7.77	7.77	10.00	10.00	9.62
FIRE T&L #6	12.50	12.50	12.50	12.50	12.50
GR LAF PORT	6.94	6.94	6.00	6.00	5.40
HOSP #1 BOND	0.00	0.00	1.60	1.00	0.80
HOSP #1 MAINT	0.00	0.00	3.71	3.71	3.34
HOSP DIST #1	5.56	5.56	0.00	0.00	0.00
HOSP DIST #2	2.00	2.00	2.00	2.00	2.00
LAF AMBULANCE	2.97	2.97	2.97	2.97	2.67
LAFOURCHE LEVEE	3.23	3.20	4.17	4.02	4.02
NO LAF LEVEE	12.00	12.00	0.00	0.00	0.00
NO LAF LEVEE 1999	0.00	0.00	7.00	7.00	6.27
NO LAF LEVEE CONST	0.00	0.00	5.00	5.00	4.48
RECREATION #1	2.41	2.48	2.48	2.48	2.48
RECREATION #11	12.29	12.29	0.00	0.00	0.00
RECREATION #11 BOND	0.00	0.00	6.50	6.50	6.50
RECREATION #11 MAINT	0.00	0.00	5.79	5.79	4.73
RECREATION #2	9.33	9.33	0.00	0.00	0.00
RECREATION #2 BOND	0.00	0.00	6.25	6.25	4.00
RECREATION #2 MAINT	0.00	0.00	3.08	3.08	3.00
RECREATION #8	10.00	10.00	10.00	10.00	9.98
ROAD DIST #1	4.77	4.77	4.77	4.77	4.32
ROAD LIGHT	1.80	1.80	1.80	1.80	1.63
SO LAF LEVEE	9.46	9.46	0.00	0.00	0.00
SO LAF LEVEE 1998	0.00	0.00	4.80	5.00	5.00
SO LAF LEVEE CONST	0.00	0.00	4.66	4.86	4.86
SP ED DIST #1	5.83	3.85	3.00	4.77	1.00
STREETS & PUBLIC IMPROVEMENT	5.00	0.00	0.00	0.00	0.00
WATER DIST #1	3.81	3.81	3.81	3.81	3.81

Sources: Louisiana Tax Commission and Lafourche Parish Assessor's Office.

## Leading Taxpayers

The ten largest property taxpayers of the Parish of Lafourche in 2004 and their assessed valuation are as follows:

<u>NAME OF TAXPAYER</u>	<u>2004 ASSESSED VALUATION</u>
CHOUEST EDISON OFFSHORE	\$ 27,283,740
MARS OIL PIPELINE COMPANY	\$ 13,864,290
HORNBECK OFFSHORE SERVICE	\$ 11,101,010
LOOP LLC	\$ 10,519,370
ALPHA MARINE SERVICES, LLP	\$ 10,065,020
HIBERNIA NATIONAL BANK	\$ 9,515,730
ENTERGY LOUISIANA, INC.	\$ 8,639,690
LOCAP, INC.	\$ 8,438,820
CHEVRONTEXACO EXPLORATION	\$ 8,087,980
DISCOVERY GAS TRANSMISSION	\$ 6,598,130
TOTAL	<u>*\$114,113,780</u>

Source: Lafourche Parish Assessor's Office.

*\*Approximately 19% of the 2004 Total Assessed Valuation of the Parish.*

## ***ISSUER FINANCIAL INFORMATION***

### **Audit Report**

Included in Appendix "B" to the Official Statement is a copy of the audited financial statements of the Parish of Lafouche for the period ending December 31, 2003.

Included in Appendix "C" hereto is a summary of the current budget of the Parish of Lafourche for the 2004/2005 Budget.

### **Outstanding Short-Term Indebtedness**

According to the Director of Finance of the Governing Authority of the Issuer, the Issuer has no short-term indebtedness, other than normal accounts payable or as otherwise stated in this Official Statement.

### **Default Record**

According to the Director of Finance of the Issuer, the Issuer has never defaulted in the payment of its outstanding bonds or obligations.

## ***SCHOOL STATISTICS***

### **Trend in Enrollment**

The recent trends in public school registration, average daily membership and average daily attendance in the Lafourche Parish school system are as follows:

<b><u>REGISTRATION</u></b>	<b><u>98-99</u></b>	<b><u>99-00</u></b>	<b><u>00-01</u></b>	<b><u>01-02</u></b>	<b><u>02-03</u></b>
AVERAGE DAILY ATTENDANCE	14,635	14,307	14,068	13,936	13,763
AVERAGE DAILY MEMBERSHIP PUBLIC	15,564	15,213	14,997	14,907	14,857
	15,741	15,371	15,165	15,085	15,023

“Average Daily Attendance” reflects the average daily attendance of member public school students during the session.

“Average Daily Membership” reflects the average daily count of public school students registered during the session.

“Public” reflects the count of public school students registered on the first day of the school year, including pre-kindergarten.

Additional data for the Lafourche Parish School Board are as follows:

<b><u>EXPENDITURES</u></b>	<b><u>98-99</u></b>	<b><u>99-00</u></b>	<b><u>00-01</u></b>	<b><u>01-02</u></b>	<b><u>02-03</u></b>
AVERAGE TEACHER'S SALARY	\$30,990	\$31,139	\$31,030	\$33,605	\$35,718
CURRENT EXPENDS. PER STUDENT	\$5,556	\$5,867	\$6,002	\$6,566	\$7,154
CAPITAL OUTLAY	\$3,762,555	\$10,807,545	\$18,747,156	\$10,082,134	\$3,226,680
DEBT SERVICE	\$3,056,638	\$3,513,672	\$3,815,036	\$3,705,609	\$3,721,127
CURRENT EXPENDITURES	\$87,301,399	\$90,040,105	\$115,071,638	\$113,948,538	\$115,502,869

Source: Louisiana Department of Education.

## **APPENDIX “B”**

### **AUDITED FINANCIAL STATEMENTS**

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# **LAFOURCHE PARISH**

## **Primary Government Financial Statements and Schedules**

**December 31, 2003**

**With Independent Auditors' Report Thereon**

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

Release Date 7-7-04



**Postlethwaite & Netterville**

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**LAFOURCHE PARISH**  
**Thibodaux, Louisiana**

Primary Government Financial Statements

For the year ended December 31, 2003

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**LAFOURCHE PARISH**  
**Thibodaux, Louisiana**

Primary Government Financial Statements

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**LAFOURCHE PARISH**  
**Thibodaux, Louisiana**

Primary Government Financial Statements

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**Independent Auditors' Report**

To the President and Members of the  
Council of Lafourche Parish:

We have audited the accompanying financial statements of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information of Lafourche Parish (the Parish) as of and for the year ended December 31, 2003, which collectively comprise the Parish's basic financial statements of the Parish's primary government as listed in the table of contents. These financial statements are the responsibility of the Parish's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

The financial statements referred to above include only the primary government of the Parish, which consists of all funds, organizations, institutions, agencies, departments, and offices that comprise the Parish's legal entity. The financial statements do not include financial data for the Parish's legally separate component units, which accounting principles generally accepted in the United States of America require to be reported with the financial data of the Parish's primary government. As a result, the primary government financial statements do not purport to, and do not, present fairly the financial position of the reporting entity of the Parish, as of December 31, 2003, and the changes in its financial position and its cash flows, where applicable, for the year ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 14 to the financial statements, Lafourche Parish adopted the provisions of Governmental Accounting Standards Board Statement No. 34 – *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* in 2003.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information for the primary government of the Parish, as of December 31, 2003, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated June 4, 2004 on our consideration of the Parish's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The management's discussion and analysis and budgetary comparison information on pages 3 through 11 and 45 through 49 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Parish's basic financial statements. The accompanying financial information as listed in the Table of Contents as Supplemental Information Schedules, pages 56 through 99 is presented for purposes of additional analysis and is not a required part of the primary government financial statements of the Parish. Such information has been subjected to the auditing procedures applied in the audit of the primary government financial statements and the combining and individual fund financial statements and schedules, and, in our opinion, is fairly stated in all material respects in relation to the financial statements of each of the respective individual funds taken as a whole.



Metairie, Louisiana  
June 4, 2004



## MANAGEMENT'S DISCUSSION AND ANALYSIS

As financial management of the Parish government, we offer readers of this financial statement an overview and analysis of the financial activities of the Lafourche Parish Government. This narrative is designed to assist the reader in focusing on significant financial issues, identify changes in the government's financial position, identify any material deviations from the approved budget documents, and identify individual fund issues or concerns. The Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes, and currently known facts. It should be read in conjunction with the Letter of Transmittal and the financial statements that begin with Statement A.

### FINANCIAL HIGHLIGHTS

- Assets of the Lafourche Parish primary government exceeded its liabilities at the close of the most recent fiscal year by \$17,930,000 (*net assets*). Of this amount, \$11,330,000 may be used to meet the government's ongoing obligations to citizens and creditors.
- The primary government's total net assets increased by \$6,030,000 during 2003. Governmental activities' net assets increased \$6,000,000 during 2003, primarily as a result of the increase in net capital assets (\$3,300,000), the reduction of prior-year long-term debt (\$3,800,000), the increase in ad valorem taxes (\$200,000), additional grant revenues (\$60,000), increases in state revenue sharing (\$840,000), and other miscellaneous revenue increases (\$380,000).
- As of the close of the current fiscal year, the primary government's governmental funds reported combined ending fund balances of \$40,240,000, a decrease of \$1,710,000 in comparison with the prior year.
- At December 31, 2003, unreserved fund balance for the General Fund was \$3,600,000, or 72% of total 2003 General Fund expenditures.

### OVERVIEW OF THE FINANCIAL STATEMENTS

With the implementation of Governmental Accounting Standards Board Statement 34, a government's presentation of financial statements has been greatly changed. The new statements focus on the government as a whole (government-wide) and the major individual funds. Both perspectives (government-wide and major fund) allow the reader to address relevant questions, broaden a basis for comparison (year to year or government to government) and should enhance the Parish's accountability.

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

The government-wide financial statements (see Statement A and B) are designed to be similar to those of private sector businesses in that all governmental and business-type activities are consolidated into columns which add to a total for the primary government. The statements combine all governmental funds' current financial resources with capital assets and long-term obligations. Expenditures for infrastructure prior to 2003 are expected to be included by 2007. Also presented in the government-wide financial statements is a total column for the business-type activities of the primary government. All Parish component unit agencies issue separate independently audited financial statements.

The Statement of Net Assets (Statement A) presents information on all the government's assets and liabilities, with the difference between the two reported as net assets. Over time, changes in net assets may serve as a useful indicator of whether the financial position of the Parish is improving or

deteriorating.

The Statement of Activities (Statement B) presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows only in future fiscal periods. For example, uncollected taxes and earned but unused vacation leave result in cash flows for future periods. The focus of the Statement of Activities is on both the gross and net cost of various activities which are funded by the Parish's general tax and other revenues. This is intended to summarize information and simplify the user's analysis of the cost of various governmental services and/or subsidy to various business-type activities.

The governmental activities reflect the Parish's basic services including general government services (executive, legislative, judicial), public safety (fire, law enforcement, emergency medical services, emergency preparedness, communications), public works (solid waste treatment and street and road maintenance), health and welfare (mosquito control and animal control), conservation and development (social programs), culture and recreation (library and athletics), and intergovernmental.

These services are financed primarily with taxes. The business-type activities reflect private sector type operations (sewer utilities) where the fee for service typically covers all or most of the cost of operations, including depreciation.

### **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. Traditional users of governmental financial statements will find the fund financial statements presentation more familiar. The focus is now on major funds, rather than generic fund types.

**Governmental Funds** are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. The Governmental Major Fund (see Statement C and E) presentation is presented on a modified accrual basis. This is the manner in which the financial plan is typically developed excluding certain timing differences between the budget basis and the generally accepted accounting principle (GAAP) basis. Unlike the government-wide financial statements, governmental fund financial statements focus on near-term outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's current financing requirements. The Parish has presented the General Fund, Royalty Road Fund, Solid Waste Fund, Head Start Fund, and Board of Health Fund as major funds. All non-major governmental funds are presented in one column, titled Non-Major Fund Type. Combining financial statements of the non-major funds can be found in the Combining and Individual Fund Statements and Schedules that follow the basic financial statements.

**Proprietary Funds** encompass both enterprise and internal service funds on the fund financial statements. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Internal service funds are an accounting device used to accumulate and allocate costs internally among the Parish's various functions. The government uses internal service funds to account for the self insurance of worker's compensation. Because these services predominantly benefit governmental rather than business-type functions, they have been included within

the governmental activities section in the government-wide financial statements. Combining statements of the non-major individual enterprise and internal service funds can be found in the Combining and Individual Fund Statements following the basic financial statements.

Fund financial statements also allow the Parish to present *fiduciary funds*. While these funds represent a trust responsibility, these assets are restricted in purpose and do not represent discretionary assets of the government. Therefore, these assets are not presented as part of the government-wide financial statements.

While the total column on the business-type fund financial statements for enterprise funds (see Statement H) is the same as the business-type column at the government-wide financial statement, the governmental major funds total column requires a reconciliation because of the different measurement focus which is reflected on the page following each statement (see Statements D and F). The flow of current financial resources will reflect bond proceeds and interfund transfers as other financing sources and will show capital expenditures and bond principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligations into the Governmental Activities column in the government-wide statements.

### **Capital Assets**

General capital assets include land, improvements to land, easements, buildings, vehicles, machinery and equipment, infrastructure, and all other tangible assets that are used in operations and that have initial useful lives greater than two years and exceed the government's capitalization threshold (see Financial Statement Note 2). The Parish has capitalized all purchased general capital assets. Infrastructure assets (those placed into the government's maintenance through contributions from private development) have not been capitalized in this financial presentation for the years 1980 through 2002. Governmental Accounting Standards Board Statement No. 34 allows the Parish a transitional period for reporting infrastructure assets purchased prior to 2003 until 2007. Prior to the implementation of the new reporting model, no depreciation was charged on general capital assets. Accumulated depreciation was recorded for the first time based on the date of acquisition and the life span of the asset in the 2003 financial statements.

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

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are a required part of the basic financial statements.

### **Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning major fund budgetary comparisons. Required supplementary information can be found at Schedules 1.1 to 1.5.

The combining statements referred to earlier in connection with the non-major governmental and proprietary funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules include Schedules 2 through 18 of the report.

Certain supplementary financial information can be found in Schedule 19 of this report. This schedule is included for additional information and analysis and does not constitute a part of the audited financial statements.

### Government-Wide Financial Analysis

The following table reflects the condensed Statement of Net Assets for 2003:

**Lafourche Parish Government  
Condensed Statement of Net Assets  
December 31, 2003**

	<u>Governmental Activities</u>	<u>Type Activities</u>	<u>Total</u>
<b>Assets:</b>			
Current and Other Assets	\$ 42,750,000	\$ 20,000	\$ 42,770,000
Restricted Assets	2,500,000	-	2,500,000
Capital Assets	<u>8,300,000</u>	<u>3,040,000</u>	<u>11,340,000</u>
Total Assets	<u>53,550,000</u>	<u>3,060,000</u>	<u>56,610,000</u>
<b>Liabilities:</b>			
Current Liabilities	3,740,000	90,000	3,830,000
Long-Term Liabilities	<u>34,850,000</u>	-	<u>34,850,000</u>
Total Liabilities	<u>38,590,000</u>	<u>90,000</u>	<u>38,680,000</u>
<b>Net Assets:</b>			
Invested in Capital Assets Net of Debt	(26,530,000)	3,040,000	(23,490,000)
Restricted	6,600,000	-	6,600,000
Unrestricted	<u>34,890,000</u>	<u>(70,000)</u>	<u>34,820,000</u>
Total Net Assets	<u>\$ 14,960,000</u>	<u>\$ 2,970,000</u>	<u>\$ 17,930,000</u>

For more detailed information see Statement A, the Statement of Net Assets. Approximately (\$23,490,000) of the Parish's net assets as of December 31, 2003, reflects the government's investment in capital assets (land, buildings, infrastructure, machinery and equipment) less any related outstanding debt used to acquire those assets. The Parish government uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Another \$6,600,000 of the government's net assets is subject to external restrictions on how those assets may be used, such as sales tax approved by the electorate for specific purposes.

The table below provides a summary of the changes in net assets for the year ended December 31, 2003:

**Lafourche Parish Government  
Condensed Statement of Changes in Net Assets  
For the Year Ended December 31, 2003**

	<u>Governmental Activities</u>	<u>Business- Type Activities</u>	<u>Total</u>
<b>Revenues:</b>			
<b>Program Revenue:</b>			
Charges for Services	\$ 1,040,000	\$ 100,000	\$ 1,140,000
Operating Grants and Contributions	7,640,000	-	7,640,000
Capital Grants and Contributions	910,000	-	910,000
<b>General Revenue:</b>			
Advalorem Taxes	8,270,000	-	8,270,000
Sales Taxes	10,750,000	-	10,750,000
State Revenue Sharing	4,270,000	-	4,270,000
Grants and Contributions Not Restricted to Specific Program	700,000	-	700,000
Other	2,140,000	210,000	2,350,000
<b>Total Revenues</b>	<u>35,720,000</u>	<u>310,000</u>	<u>36,030,000</u>
<b>Expenses:</b>			
General Government	4,860,000	-	4,860,000
Public Safety	1,440,000	-	1,440,000
Public Works	14,700,000	-	14,700,000
Sewer	-	280,000	280,000
Health and Welfare	5,370,000	-	5,370,000
Culture and Recreation	820,000	-	820,000
Other	70,000	-	70,000
Depreciation	660,000	-	660,000
Interest on Long-Term Debt	1,800,000	-	1,800,000
<b>Total Expenses</b>	<u>29,720,000</u>	<u>280,000</u>	<u>30,000,000</u>
<b>Increase in Net Assets</b>	<u>6,000,000</u>	<u>30,000</u>	<u>6,030,000</u>
Net Assets, January 1	8,960,000	2,940,000	11,900,000
Net Assets, December 31	<u>\$ 14,960,000</u>	<u>\$ 2,970,000</u>	<u>\$ 17,930,000</u>

The government's net assets increased \$6,030,000 during the current fiscal year. *Governmental Activities* net assets increased \$6,000,000 in 2003, primarily due to:

- (1) An increase in net capital assets of approximately \$3,300,000 capitalized during the year which included \$2,990,000 of road construction and/overlays. Of this total \$700,000 was for the St. Charles and Burma Roads.
- (2) An additional \$200,000 in ad valorem tax due to growth of the tax rolls.
- (3) An additional \$840,000 in state revenue sharing.

- (4) A net decrease of approximately \$3,800,000 in long-term debt caused by the principal payments and refunding of bonds payable.
- (5) Grant revenues of approximately \$5,140,000 (\$5,080,000 in 2002) which included the Head Start grant of \$3,290,000 from the Department of Health and Human Services and other grants totaling \$810,000 from the Federal Emergency Management Agency.
- (6) Other miscellaneous increases of \$380,000.

*Business Type Activities'* net assets increased \$30,000 in 2003. Charges for services and other sewer revenue was \$310,000 and sewer expenses totaled \$280,000.

### **Financial Analysis of the Government's Funds**

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

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

As of the end of the current fiscal year, the primary government's governmental funds reported combined ending fund balances of \$40,240,000, a decrease of \$1,710,000 in comparison with the prior year. Certain balances in the fund balance are *reserved* to indicate that it is not available for new spending because it has already been committed to: (1) liquidation of contracts and purchase orders of the prior period (\$310,000), (2) payment of debt service (\$6,600,000), or (3) prepaid insurance (\$450,000).

The General Fund is the chief operating fund of the Lafourche Parish Government. At the end of the current fiscal year fund balance of the General Fund was \$4,010,000, which included an unreserved and undesignated balance of \$3,560,000 and \$450,000 reserved for prepaid insurance. The fund balance of the General Fund at the end of 2002 was also \$4,010,000.

The fund balance of the Royalty Road Fund increased from \$5,490,000 to \$6,340,000. The increase was the result of receiving \$2,550,000 from State revenue sharing and transferring out \$1,760,000. Other revenue in the Fund totaled \$60,000.

The fund balance of the Solid Waste Fund decreased \$2,120,000 resulting from public works expenditures of \$6,870,000 and only \$4,750,000 of sales and use tax revenue.

The Head Start Program Fund accounts for the Head Start cost reimbursement grant. The Fund had total expenditures of \$4,150,000, including the Parish match of \$860,000. The Parish received \$3,290,000 in grant funds from the Department of Health and Human Services.

The fund balance of the Board of Health Fund increased \$880,000. The fund received \$1,320,000 of ad valorem taxes and \$100,000 of other revenue. Health and Welfare expenditures in the Fund totaled \$540,000.

*Proprietary Funds:* The Parish's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Net assets of the Sewerage Funds (Enterprise Funds) at December 31, 2003 totaled \$2,970,000. The Funds had unrestricted net assets of (\$70,000) and net assets of \$3,060,000 invested in capital assets, net of related debt. The funds received revenue from charges for services of \$100,000 and a capital contribution of \$210,000. General operating expenditures of the funds were \$130,000 and depreciation totaled \$150,000.

Net assets of the Workers' Compensation Fund (Internal Service Fund) at December 31, 2003 totaled \$730,000. Charges for insurance received from the other funds totaled \$320,000 and investment income totaled \$10,000. The fund's operating expenses totaled \$310,000. Of this total \$230,000 was for insurance premiums and \$80,000 was for claims.

### **General Fund Budgetary Highlights**

The Parish did not adopt an operating budget for 2003. The Parish operated under the 2000 budget for the year with the Parish Council approving supplemental appropriations to amend certain 2000 budgeted line items. Major increases in appropriations were as follows (1) \$900,000 in the Recreation Fund for improvements and land purchases, (2) \$150,000 in the General Fund for animal control, (3) \$2,100,000 in the Board of Health Fund for major expansion and renovation of two Health Units, (4) \$120,000 in the General Fund for the feeding of prisoners, (5) \$190,000 in the General Fund for salaries in the District Attorney's office. Material differences between actual results and final amended budgeted amounts are as follows:

- The four road construction funds budgeted \$5,900,000 for expenditures. Actual expenditures in the funds were only \$3,000,000 because a court order during the year ceased road construction and maintenance. New road construction and maintenance ceased until it could be determined by the courts which elected officials of the Parish had the authority sign contracts on behalf of the Parish.
- The FEMA Acquisition Fund budgeted \$1,300,000 for the purchase and demolition or the raising of homes in flood prone areas. During the year only \$580,000 was spent for this purpose. The project will continue in 2004.
- The Morristown Sewerage Project Fund budgeted \$990,000 for the construction of a sewerage treatment plant in a low income community. During the year only \$70,000 was spent for engineering services. The Parish applied for the funds from the Department of Housing and Urban Development. The funds to complete the project should be received in 2004.
- The DOTD/DNR Fund budgeted \$3,200,000 for a feasibility study regarding the construction of an overpass on State Highway LA 1 which is the sole flood and hurricane evacuation route of many Parish residents. In addition, the overpass would service Port Fourchon and allow for increased commercial use of the Port. During 2003 only \$1,710,000 has been spent relating to the project. Costs related to the feasibility study should continue in 2004.
- The Recreation Fund received increased appropriations of \$900,000 in 2003 for improvements and land purchases. The total budget after the appropriations was \$1,490,000, but only \$850,000 was spent. The additional funds appropriated will be used for 2004 expenditures.
- The Board of Health Fund received increased appropriations of \$2,100,000 for the expansion of the Thibodeaux Health Center and the renovation of the Galliano Health Center. The projects

were not completed during the year, and as a result, the fund had only \$550,000 of expenditures.

### Capital Asset and Debt Administration

**Capital Assets:** The Lafourche Parish Government's investment in capital assets for its governmental and business type activities as of December 31, 2003, amounts to \$11,560,000 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, machinery and equipment, vehicles, roads and highways, and sewerage systems. The total increase in the Parish's investment in capital assets for the current fiscal year was \$3,900,000, a 28% increase for governmental activities. This increase includes \$2,990,000 of roads and highways. Governmental Accounting Standards Board Statement No. 34 allows the Parish a transitional period for reporting infrastructure assets purchased prior to 2003 until 2007. For business-type activities, capital assets increased \$210,000 or 5%.

#### Lafourche Parish Government Capital Assets (Net of Depreciation) December 31, 2003

	<u>Activities</u>	<u>Activities</u>	<u>Total</u>
Land	\$ 450,000	\$ -	\$ 450,000
Buildings	6,420,000	-	6,420,000
Roads	2,990,000	-	2,990,000
Sewerage System Plant and Equipment	-	4,200,000	4,200,000
Construction In Progress	440,000	-	440,000
Improvements, Other Than Buildings	470,000	-	470,000
Furniture and Equipment	4,360,000	-	4,360,000
Automobiles	1,420,000	-	1,420,000
	<u>16,550,000</u>	<u>4,200,000</u>	<u>20,750,000</u>
Less: Accumulated Depreciation	<u>(8,030,000)</u>	<u>(1,160,000)</u>	<u>(9,190,000)</u>
	<u>\$ 8,520,000</u>	<u>\$ 3,040,000</u>	<u>\$ 11,560,000</u>

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

- Road construction or overlays totaling \$2,990,000.
- Furniture and equipment purchases for the Head Start Program of \$400,000.
- Construction in progress of \$440,000, including \$170,000 for the Kraemer Pump Station Project and \$70,000 for the Morristown Sewerage Project.
- Capital improvements to the drainage system of \$210,000, including \$90,000 for the Leighton Pump Project.

Additional information on the Parish's capital assets can be found in Note 7 of this report.

**Long-Term Debt:** At the end of the current fiscal year, the Parish had total bonded debt outstanding of \$34,670,000. The debt represents bonds secured by specified revenue sources such as the general sales tax. On April 1, 2003, the Parish issued \$10,000,000 Refunding Bonding Bonds Series 2003 Road Sales Tax District 2. The bond proceeds were used in the redemption of \$3,200,000 Certificate of Indebtedness Series 1999 Road Sales Tax District 2, \$1,880,000 of Certificate of Indebtedness Series 2000A Road Sales Tax District 1, and \$6,290,000 Certificate of Indebtedness Series 1998. Additional information on debt administration can be found in Note 8 of this report.

#### **Economic Factors and Next Year's Budget and Rates**

The Parish receives approximately 30% of its revenues from sales tax levied by the Parish and 25% from ad valorem taxes; therefore, economic indicators are very important in forming the budget estimates for the Parish funds. Revenue assumptions are reviewed by the Parish Council and Parish President. The uncertainties of the national, state and local economy requires prudent budgeting by the Parish's elected officials. As a result of economic uncertainties, 2004 budgets of sales tax and ad valorem taxes are similar to 2003. The Parish continues to apply for federal and state grants in order to improve the quality of life for the people of the Parish. The budget for 2004 reflects federal and state awards and the anticipated expenditures of the various grant programs.

#### **Requests For Information**

This financial report is designed to provide a general overview of the finances of the Parish of Lafourche, for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Department of Finance, Accounting Division, P.O. Drawer 5548, Thibodeaux, Louisiana, 70302.

## LAFOURCHE PARISH

## Statement of Net Assets

December 31, 2003

	Governmental Activities	Business Type Activities	Total
<b>Assets:</b>			
Cash and cash equivalents	\$ 2,360,858	9,779	2,370,637
Investments	27,523,317	9	27,523,326
Receivables	12,091,619	7,602	12,099,221
Prepays and other assets	765,585	-	765,585
Restricted assets:			
Cash	1,967,756	-	1,967,756
Investments	457,303	-	457,303
Other	77,531	-	77,531
Capital assets:			
Land	450,681	-	450,681
Capital assets, net of depreciation	7,416,590	3,041,356	10,457,946
Construction in progress	438,961	-	438,961
<b>Total assets</b>	<b>\$ 53,550,201</b>	<b>3,058,746</b>	<b>56,608,947</b>
<b>Liabilities:</b>			
Accounts, salaries and other payables	\$ 3,348,693	17,138	3,365,831
Internal balances	(69,597)	69,597	-
Deferred revenues	36,711	-	36,711
Claims payable	75,966	-	75,966
Other liabilities	354,751	-	354,751
Long-term liabilities:			
Due within one year	4,645,287	-	4,645,287
Due in more than one year	30,195,555	-	30,195,555
<b>Total liabilities</b>	<b>\$ 38,587,366</b>	<b>86,735</b>	<b>38,674,101</b>
<b>Net Assets:</b>			
Invested in capital assets, net of related debt	\$ (26,591,686)	3,041,356	(23,550,330)
Restricted for debt service	6,600,832	-	6,600,832
Unrestricted	34,953,689	(69,345)	34,884,344
<b>Total net assets</b>	<b>\$ 14,962,835</b>	<b>2,972,011</b>	<b>17,934,846</b>

See accompanying notes to financial statements.

## LAFOURCHE PARISH

## Statement of Activities

For the year ended December 31, 2003

Functions/Programs	Expenses	Charges for Services	Operating Grants and Contribu- tions	Capital Grants and Contribu- tions	Net (Expense) Revenue and Changes in Net Assets		
					Governmental Activities	Business-type Activities	Total
<b>Governmental Activities:</b>							
General Government:							
Legislative	\$ 434,250	\$ -	\$ -	\$ -	\$(434,250)	\$ -	\$(434,250)
Judicial	2,332,718	604,956	309,522	-	(1,418,240)	-	(1,418,240)
Elections	74,984	-	-	-	(74,984)	-	(74,984)
Finance and Administrative	1,708,681	-	-	-	(1,708,681)	-	(1,708,681)
Other	319,367	24,282	68,192	-	(226,893)	-	(226,893)
Allocated Costs In (Out)	(6,858)	-	-	-	6,858	-	6,858
Public Safety	1,443,267	-	24,166	-	(1,421,101)	-	(1,421,101)
Public Works	14,736,336	415,493	2,362,221	911,266	(11,047,356)	-	(11,047,356)
Health and Welfare	5,373,013	-	4,856,973	-	(516,040)	-	(516,040)
Conservation	2,437	-	18,000	-	15,563	-	15,563
Culture and Recreation	823,065	-	-	-	(823,065)	-	(823,065)
Economic Development	16,126	-	-	-	(16,126)	-	(16,126)
Depreciation	657,227	-	-	-	(657,227)	-	(657,227)
Interest and Fiscal Charges	1,803,630	-	-	-	(1,803,630)	-	(1,803,630)
Total governmental activities	29,720,243	1,044,731	7,639,074	911,266	(20,125,172)	-	(20,125,172)
<b>Business-Type Activities:</b>							
Sewer	281,805	100,521	-	214,143	-	32,859	32,859
Total governmental activities	\$ 30,002,048	\$ 1,145,252	\$ 7,639,074	\$ 1,125,409	(20,125,172)	32,859	(20,092,313)
<b>General revenues</b>							
Taxes:							
Ad valorem (property) taxes					8,267,773	-	8,267,773
Sales and use taxes					10,746,240	-	10,746,240
State revenue sharing					4,270,718	-	4,270,718
Other State funding sources, including grants:							
Fines, forfeitures and other					1,709,514	-	1,709,514
Grants and contributions not restricted to specific programs					698,289	-	698,289
Interest and investment earnings					397,976	-	397,976
Miscellaneous					36,557	-	36,557
Total general revenues					26,127,067	-	26,127,067
Changes in net assets							
					6,001,895	32,859	6,034,754
Net assets, beginning of year as restated							
					8,960,940	2,939,152	11,900,092
Net assets, end of year							
					\$ 14,962,835	\$ 2,972,011	\$ 17,934,846

See accompanying notes to financial statements.

**LAFOURCHE PARISH**  
 Governmental Funds - Balance Sheet  
 December 31, 2003

	Major Fund Types					Non-Major Fund Type	Total
	001 General	108 Royalty Road	107 Solid Waste	130 Head Start	109 Board of Health		
<b>ASSETS</b>							
Cash	\$ 1,313,038	\$ 606,510	\$ 364	\$ 54,201	\$ 8,452	\$ 2,190,104	\$ 4,172,669
Investment in LAMP	1,388,025	5,189,659	5,940,103	-	4,209,966	10,780,213	27,507,966
Receivables	1,980,974	649,501	341,055	204,374	1,285,424	6,828,225	11,289,553
Due from Other Funds	849,614	101,213	210	90,211	-	462,542	1,503,790
Other	194	-	-	-	-	170	364
Prepaid Assets	453,953	-	-	-	-	-	453,953
<b>Total Assets</b>	<b>\$ 5,985,798</b>	<b>\$ 6,546,883</b>	<b>\$ 6,281,732</b>	<b>\$ 348,786</b>	<b>\$ 5,503,842</b>	<b>\$ 20,261,254</b>	<b>\$ 44,928,295</b>
<b>LIABILITIES AND FUND BALANCES</b>							
<b>LIABILITIES</b>							
Accounts Payable and Accrued Expenses	\$ 1,000,097	\$ 210,000	\$ 601,693	\$ 262,552	\$ 14,589	\$ 342,330	\$ 2,431,261
Retainage Payable	-	-	-	-	-	21,206	21,206
Salaries and Benefits Payable	142,766	-	6,084	69,936	5,769	164,763	389,318
Due to Other Funds	830,030	-	273	16,530	131	605,389	1,452,353
Due to Other Governmental Agencies	-	-	-	-	-	354,751	354,751
Deferred Revenue	-	-	-	-	-	36,711	36,711
<b>Total Liabilities</b>	<b>1,972,893</b>	<b>210,000</b>	<b>608,050</b>	<b>349,018</b>	<b>20,489</b>	<b>1,525,150</b>	<b>4,685,600</b>
<b>FUND BALANCES</b>							
Reserved for Prepaid Insurance	453,953	-	-	-	-	-	453,953
Reserved for Debt Service	-	-	-	-	-	6,600,832	6,600,832
Reserved for Capital Contracts	-	-	-	-	-	311,751	311,751
Unreserved and Undesignated	3,558,952	6,336,883	5,673,682	(232)	5,483,353	11,823,521	32,876,159
<b>Total Fund Balances</b>	<b>4,012,905</b>	<b>6,336,883</b>	<b>5,673,682</b>	<b>(232)</b>	<b>5,483,353</b>	<b>18,736,104</b>	<b>40,242,695</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 5,985,798</b>	<b>\$ 6,546,883</b>	<b>\$ 6,281,732</b>	<b>\$ 348,786</b>	<b>\$ 5,503,842</b>	<b>\$ 20,261,254</b>	<b>\$ 44,928,295</b>

See accompanying notes to financial statements.

## LAFOURCHE PARISH

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

December 31, 2003

Total fund balances – governmental funds	\$	40,242,695
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The cost of capital assets (land, buildings, furniture and equipment) purchased or constructed is reported as an expenditure in governmental funds. The Statement of Net Assets includes those capital assets among the assets of the Parish as a whole. The cost of those assets is allocated over their estimated useful lives (as depreciation expense) to the various programs and reported as governmental activities in the Statement of Activities. Because depreciation expense does not affect financial resources, it is not reported in governmental funds.

Cost of capital assets	\$	16,546,613	
Accumulated depreciation		<u>(8,240,381)</u>	8,306,232

Net assets of the internal service fund reported as proprietary fund type in the fund financial statement but included as governmental activities in the government-wide financial statement.

Total net assets		<u>728,954</u>	728,954
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Change in revenue accruals – Under modified accrual basis of accounting, revenues are not recognized unless they are deemed “available” to finance the expenditures of the current period. Accrual basis recognition is not limited to availability, so certain revenues need to be reduced by the amounts that were unavailable at the beginning of the year and increased by the amounts that were unavailable at the end of the year. This adjustment records a net increase in revenues.

		<u>758,131</u>	758,131
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Accrual basis recognition of prepaid expenditures anticipated to be recognized over the next several years

		<u>311,268</u>	311,268
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Accrual basis recognition of interest expenditures

		<u>(543,603)</u>	(543,603)
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Long-term liabilities applicable to the School Board's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All Liabilities – both current and long-term – are reported in the Statement of Net Assets.

Balance at June 30, 2003 are:

Bonds payable		(34,666,066)	
Compensated absences		<u>(174,776)</u>	<u>(34,840,842)</u>

Net assets – governmental activities	\$	<u>14,962,835</u>
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See accompanying notes to financial statements.

**LAFOURCHE PARISH**  
**Statement of Revenues, Expenditures, and Changes in**  
**Fund Balances - All Governmental Fund Types**  
**For the year ended December 31, 2003**

	Major Fund Types					Total
	001 General	108 Royalty Road	107 Solid Waste	130 Head Start	109 Board of Health	
<b>REVENUES</b>						
Taxes						
Ad Valorem	\$ 1,105,974	\$ -	\$ -	\$ -	\$ 1,325,148	\$ 8,250,795
Sales and Use	-	-	4,668,468	-	-	10,711,314
Other	34,926	-	-	-	-	34,926
Intergovernmental						
Federal Grants	24,166	-	-	3,284,451	-	4,929,473
State Funds						
State Revenue Sharing	1,089,598	2,546,020	-	-	51,257	4,270,718
Parish Transportation Funds	-	-	-	-	-	544,906
Other	1,007,911	-	-	-	-	1,839,038
Fees, Licenses and Permits	2,125,007	-	-	-	-	19,348
Fines and Forfeitures	53,358	-	-	-	-	544,898
Use of Money and Property	62,440	60,847	79,431	-	47,463	147,395
Other	28,159	-	-	805,175	-	82,158
<b>Total Revenues</b>	<b>5,531,539</b>	<b>2,606,867</b>	<b>4,747,899</b>	<b>4,149,626</b>	<b>1,424,268</b>	<b>35,705,160</b>
<b>EXPENDITURES</b>						
General Government						
Legislative	434,250	-	-	-	-	434,250
Judicial	1,646,232	-	-	-	-	666,486
Elections	74,984	-	-	-	-	74,984
Finance and Administrative	872,433	-	-	-	-	911,406
Other	209,796	-	-	-	-	109,571
Allocated Costs In (Out)	(115,456)	-	-	77,311	-	39,279
Public Safety	1,445,267	-	-	-	-	-
Public Works	177,443	-	6,845,349	-	-	11,193,317
Health and Welfare	137,211	-	-	4,053,993	480,559	701,250
Conservation	-	-	-	-	-	2,437
Culture and Recreation	-	-	-	-	-	823,065
Economic Development	16,126	-	-	-	-	-
Transportation	-	-	-	-	-	-
Debt Service	-	360	100	-	62	5,684,099
Capital Outlay	10,438	-	25,591	18,322	65,707	790,369
<b>Total Expenditures</b>	<b>4,923,746</b>	<b>360</b>	<b>6,871,040</b>	<b>4,149,626</b>	<b>546,328</b>	<b>20,921,379</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>607,793</b>	<b>2,506,507</b>	<b>(2,123,141)</b>	<b>-</b>	<b>877,940</b>	<b>(3,676,418)</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Proceeds from issuance of bonds payable	-	-	-	-	-	10,000,000
Refunding of bonds	-	-	-	-	-	(10,000,000)
Operating Transfers In	215,578	-	-	-	-	17,694,834
Operating Transfers Out	(815,309)	(1,761,352)	-	-	-	(15,333,751)
<b>Total Other Financing Sources (Uses)</b>	<b>(599,731)</b>	<b>(1,761,352)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,361,083</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES AND EXPENDITURES AND OTHER USES</b>	<b>3,062</b>	<b>845,155</b>	<b>(2,123,141)</b>	<b>-</b>	<b>877,940</b>	<b>(1,315,335)</b>
<b>FUND BALANCES - BEGINNING OF YEAR</b>	<b>4,009,843</b>	<b>5,491,728</b>	<b>7,796,823</b>	<b>(232)</b>	<b>4,605,413</b>	<b>20,051,439</b>
<b>FUND BALANCES - END OF YEAR</b>	<b>\$ 4,012,905</b>	<b>\$ 6,336,883</b>	<b>\$ 5,673,682</b>	<b>\$ (232)</b>	<b>\$ 5,483,353</b>	<b>\$ 18,736,104</b>

See accompanying notes to financial statements.

## LAFOURCHE PARISH

## Reconciliation of the Governmental Funds' Balance Sheet to the Statement of Activities

For the year ended December 31, 2003

Total net changes in fund balances – governmental funds	\$	(1,712,319)
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Amounts reported for governmental activities in the Statement of Activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeds capital outlays in the project.

Capital outlays	\$ 4,390,200	
Depreciation expense	<u>(657,227)</u>	3,732,973

New bond issues provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets.	<u>(10,000,000)</u>	(10,000,000)
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Repayment of bond principal and capital leases is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. This is the amount of repayments and refunding of bonds payables.	<u>13,835,512</u>	13,835,512
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Change in revenue accruals - Under modified accrual basis of accounting, revenues are not recognized unless they are deemed "available" to finance the expenditures of the current period. Accrual basis recognition is not limited to availability, so certain revenues not available for spending are recognized in the current year.	<u>16,978</u>	16,978
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Change in accrual basis recognition of prepaid expenditures	<u>75,160</u>	75,160
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Change in accrual basis recognition of interest expenditures	<u>45,479</u>	45,479
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In the Statement of Activities, certain operating expenses-compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year, vacation and sick time earned exceeded the amounts used by \$9,300.	<u>(9,300)</u>	(9,300)
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All revenues, expenses and changes in fund net assets (deficits) of the internal service fund are reported as proprietary fund type in the fund financial statement, but included as governmental activities in the government-wide financial statement.	<u>17,412</u>	<u>17,412</u>
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Change in net assets of governmental activities	\$	<u><u>6,001,895</u></u>
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See accompanying notes to financial statements.

## LAFOURCHE PARISH

Proprietary Funds  
Statement of Net Assets

December 31, 2003

	Enterprise Funds	Internal Service Fund
	<u>        </u>	<u>        </u>
<b>ASSETS</b>		
Cash	\$ 9,779	\$ 155,945
Investment in LAMP	9	472,654
Accounts Receivable	7,602	60,403
Due from Other Funds	5,193	60,164
Due from Other Agencies	-	61,063
	<u>        </u>	<u>        </u>
Total Current Assets	22,583	810,229
<b>PROPERTY, PLANT, AND EQUIPMENT</b>		
Vehicles and Equipment	4,203,882	-
Less: Accumulated Depreciation	(1,162,526)	-
	<u>        </u>	<u>        </u>
Property, Plant, and Equipment, net	3,041,356	-
	<u>        </u>	<u>        </u>
Total Assets	\$ 3,063,939	\$ 810,229
	<u>        </u>	<u>        </u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts and Other Payables	\$ 12,793	\$ 4,013
Salaries and Benefits Payable	-	1,296
Claims Payable	-	75,966
Retainage Payable	4,345	-
Due to Other Funds	74,790	-
	<u>        </u>	<u>        </u>
Total Liabilities	91,928	81,275
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	3,041,356	-
Restricted	-	-
Unrestricted	(69,345)	728,954
	<u>        </u>	<u>        </u>
Total Net Assets	2,972,011	728,954
	<u>        </u>	<u>        </u>
Total Liabilities and Net Assets	\$ 3,063,939	\$ 810,229
	<u>        </u>	<u>        </u>

See accompanying notes to financial statements.

## LAFOURCHE PARISH

Proprietary Funds  
Statement of Revenues, Expenses, and Changes in Net Assets

For the year ended December 31, 2003

	Enterprise Funds	Internal Service Fund
<b>OPERATING REVENUES</b>		
Charges for Insurance	\$ -	\$ 321,465
Charges for Service	100,521	-
Total Operating Revenues	100,521	321,465
<b>OPERATING EXPENSES</b>		
Insurance Premiums	-	234,620
Claims	-	75,818
General Operating and Other	129,197	150
Depreciation	152,608	-
Total Operating Expenses	281,805	310,588
Operating Income (Loss)	(181,284)	10,877
<b>NON-OPERATING REVENUES</b>		
Investment Income	-	6,535
Total Non-Operating Revenues	-	6,535
<b>CAPITAL CONTRIBUTIONS</b>	214,143	-
<b>CHANGES IN NET ASSETS</b>	32,859	17,412
<b>NET ASSETS:</b>		
<b>BEGINNING OF YEAR</b>	2,939,152	711,542
<b>END OF YEAR</b>	\$ 2,972,011	\$ 728,954

See accompanying notes to financial statements.

## LAFOURCHE PARISH

Proprietary Funds  
Statements of Cash Flows

For the year ended December 31, 2003

	Enterprise Funds	Internal Service Fund
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash Received from Customers	\$ 165,768	\$ -
Cash Received for Premiums	-	308,355
Cash Payments for Operating Costs	<u>(171,641)</u>	<u>(281,395)</u>
Net Cash Provided by (Used in) Operating Activities	<u>(5,873)</u>	<u>26,960</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Capital Contributions Received	214,143	-
Acquisition and Construction of Capital Assets	<u>(214,142)</u>	<u>-</u>
Net Cash Provided by Capital and Related Financing Activities	<u>1</u>	<u>-</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Investment Income	-	6,535
Net Cash Provided by Investing Activities	<u>-</u>	<u>6,535</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(5,872)	33,495
<b>CASH AND CASH EQUIVALENTS:</b>		
<b>BEGINNING OF YEAR</b>	<u>15,660</u>	<u>595,104</u>
<b>END OF YEAR</b>	<u>\$ 9,788</u>	<u>\$ 628,599</u>
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:</b>		
Operating Income (Loss)	\$ (181,284)	\$ 10,877
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities		
Depreciation	152,608	-
Increase (Decrease) in Assets:		
Receivables	65,247	26,106
Due from Other Funds	-	(13,110)
Other Assets	-	(2,194)
Increase (Decrease) in Liabilities:		
Claims Payable	(66,180)	899
Accounts, Salaries and Other Payables	-	4,382
Due to Other Funds	<u>23,736</u>	<u>-</u>
Net Cash Provided By (Used In) Operating Activities	<u>\$ (5,873)</u>	<u>\$ 26,960</u>

See accompanying notes to financial statements.

## LAFOURCHE PARISH

Fiduciary Fund  
Statement of Fiduciary Net Assets - Agency Funds

December 31, 2003

Assets:	
Cash and Cash Equivalents	\$ 1,308
Receivables	<u>56,251</u>
Total assets	\$ <u><u>57,559</u></u>
Liabilities:	
Accounts Payable	\$ 2,389
Salaries and Benefits Payable	11,858
Due to Other Funds	42,004
Due to Others	<u>1,308</u>
Total liabilities	\$ <u><u>57,559</u></u>

See accompanying notes to financial statements.

## LAFOURCHE PARISH

Fiduciary Fund  
Statement of Changes in Net Assets - Agency Funds

For the year ended December 31, 2003

	Balance January 1, 2003	Additions	Deletions	Balance December 31, 2003
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 1,296	\$ 12	\$ -	\$ 1,308
Receivables	<u>68,833</u>	<u>523,186</u>	<u>535,768</u>	<u>56,251</u>
Total assets	<u>\$ 70,129</u>	<u>\$ 523,198</u>	<u>\$ 535,768</u>	<u>\$ 57,559</u>
<b>Liabilities:</b>				
Accounts Payable	\$ -	\$ 21,362	\$ 18,973	\$ 2,389
Salaries and Benefits Payable	9,914	11,858	9,914	11,858
Due to Other Funds	58,919	614,665	631,580	42,004
Due to Others	<u>1,296</u>	<u>12</u>	<u>-</u>	<u>1,308</u>
Total liabilities	<u>\$ 70,129</u>	<u>\$ 647,897</u>	<u>\$ 660,467</u>	<u>\$ 57,559</u>

See accompanying notes to financial statements.

**LAFOURCHE PARISH**  
**Thibodaux, Louisiana**

**NOTES TO PRIMARY GOVERNMENT FINANCIAL STATEMENTS**

**1. INTRODUCTION**

Lafourche Parish (the Parish) is a political subdivision of the State of Louisiana. Nine Parish members representing the various districts within the Parish govern the Parish. The Parish President, elected by the voters of the Parish, is the chief executive officer of the Parish and is responsible for carrying out the policies adopted by the Parish and for administration of all Parish departments, offices, and agencies. A new Parish President and six new Parish members were elected in 2003 and began serving four year terms on January 10, 2004.

As provided by Article III of the Home Rule Charter, the Parish has all powers, functions, privileges, immunities, and authority previously possessed under Louisiana Revised Statute 33:1236. The more notable of those are the power to make regulations for its own government; to regulate the construction and maintenance of roads, bridges, and drainage systems; to regulate the sale of alcoholic beverages; and to provide for health and welfare of the poor, disadvantaged, and unemployed in the Parish. Funding to accomplish these tasks is provided by Ad Valorem taxes, beer and alcoholic beverage permits, state revenue sharing, and various other state and federal grants.

Lafourche Parish covers an area of 1,295 square miles and has a population of approximately 90,000. The Parish maintains over 1,250 roads covering in excess of 500 miles. At December 31, 2003, the Parish had approximately 400 employees.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Presentation**

The accompanying financial statements of the Parish have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Government Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

**Reporting Entity**

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Parish for financial reporting purposes. The basic criterion for determining whether a governmental department, agency, institution, commission, public authority, or other governmental organization should be included in a primary governmental unit's reporting entity for general-purpose financial statements is financial accountability. Financial accountability includes the appointment of a voting majority of the organization's governing body and the ability of the primary government to impose its will on the organization or if there is a financial benefit/burden relationship. In addition, an organization that is fiscally dependent on the primary government should be included in its reporting entity.

**LAFOURCHE PARISH**  
**Thibodaux, Louisiana**

**NOTES TO PRIMARY GOVERNMENT FINANCIAL STATEMENTS**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Based upon the previous criteria, the Parish had determined that the following component units are part of the reporting entity:

- Ambulance Service District No. 1
- Central Lafourche Ambulance Service District
- Lafourche Commission for Women
- Lafourche Communications District
- Drainage District No. 1
- Drainage District Fifth Ward Gravity
- Drainage District No. 6
- Drainage District No. 12 - Sub District No. 3
- Fire Protection District No. 1
- Fire Protection District No. 2
- Fire Protection District No. 3
- Fire Protection District No. 4
- Fire Protection District No. 5
- Fire Protection District No. 6
- Fire Protection District No. 7
- Fire Protection District No. 8
- Fire Protection District No. 9
- Lafourche Parish Game and Fish Commission
- Home Mortgage Authority
- Hospital Service District No. 1
- Hospital Service District No. 2
- Hospital Service District No. 3
- Juvenile Justice Commission
- Lafourche Parish Library
- Nuisance Alligator Hunters
- Recreation District No. 1
- Recreation District No. 2
- Recreation District No. 3
- Recreation District No. 4
- Recreation District No. 5
- Recreation District No. 8
- Recreation District No. 11
- Sewerage District No. 1
- Sewerage District No. 2
- Sewerage District No. 7

**LAFOURCHE PARISH**  
**Thibodaux, Louisiana**

**NOTES TO PRIMARY GOVERNMENT FINANCIAL STATEMENTS**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Sewerage District No. 11  
South Lafourche Airport District  
Lafourche Parish Water District No. 1  
Lafourche Parish Tourist Commission  
Lafourche Parish Coroner  
Seventeenth Judicial District - District Court  
The Private Industry Parish for Terrebonne Consortium,  
Service Delivery Area Thirty-One, Inc. (d/b/a The Work Connection)

The Parish, as reporting entity, is the primary government. Governmental Accounting Standards Board Statement No. 14 provides for the issuance of primary governmental financial statements that are separate from those of the reporting entity.

However, a primary government's financial statements are not a substitute for the reporting entity's financial statements. The Parish has chosen to issue financial statements of the primary government only. As such, the accompanying financial statements are not intended to and do not report in accordance with Governmental Accounting Standards Board Statement No. 14.

**Fund Accounting**

The accounts of the Parish are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self balancing accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Revenues are accounted for in these individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

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

**Governmental Funds**

Governmental Funds are those through which most governmental functions of the Parish are financed. The acquisition, use and balances of the Parish's expendable financial resources and the related liabilities (except those accounted for in the proprietary funds) are accounted through government funds. The measurement focus is upon determination of changes in financial position, rather than net income determination.

**LAFOURCHE PARISH**  
Thibodaux, Louisiana

**NOTES TO PRIMARY GOVERNMENT FINANCIAL STATEMENTS**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Governmental Funds include:

1. **General Fund** - The general operating fund of the Parish accounts for all financial resources, except those required to be accounted for in other funds.
2. **Special Revenue Funds** – Special revenue funds account for the collection and disbursement of earmarked revenues. In addition, the General Fund of the Seventeenth Judicial District Court is reported as a special revenue fund.
3. **Debt Service Funds** – Debt service funds are established to meet the requirements of bond ordinances and to account for transactions relating to resources retained and used for the payment of principal and interest of those long-term obligations and related costs.
4. **Capital Projects Funds** – Capital projects funds account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in other governmental funds.

**Proprietary Funds**

Proprietary Funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration.

1. **Internal Service Funds** - Internal Service Funds account for operations that provide services to other departments or agencies of the Parish, on a cost-reimbursement basis.
2. **Enterprise Funds** - Enterprises Funds account for operations that provide services to external parties of the Parish, on a user fee basis.

**Fiduciary Funds - Agency Funds**

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

**Basis of Accounting/Measurement Focus**

**Government-Wide Financial Statements (GWFS)**

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

**LAFOURCHE PARISH**  
Thibodaux, Louisiana

**NOTES TO PRIMARY GOVERNMENT FINANCIAL STATEMENTS**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

The Statement of Net Assets and the Statement of Activities were prepared using the economic resources management focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from the exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 "Accounting and Financial Reporting for Non-Exchange Transactions."

**Internal Activities** - The worker's compensation fund provides services to the governmental funds. Accordingly, this fund was rolled up into the governmental activities. Pursuant to GASB 34, as much as possible, the internal activities have been eliminated in order to avoid the "grossing-up" effect of a straight inclusion.

**Program Revenues** - Program revenues include 1) charges for services provided, 2) operating grants and contributions, and 3) capital grants and contributions; program revenues reduce the cost of the function to be financed from the Parish's general revenues. Charges for services consist primarily of sewerage service. Operating grants and contributions consist of the many grants received from the federal and state government.

**Allocation of Indirect Expenses** - The Parish reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately in the Statement of Activities. Other indirect expenses are not allocated.

**Fund Financial Statements (FFS)**

Fund financial statements report detailed information about the Parish. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. The major funds reported are the Royalty Road Fund, Solid Waste Fund, Head Start Fund, and Board of Health Fund. Non-major funds are aggregated and presented in a single column. The internal service funds are presented in a single column on the face of the proprietary fund statements.

**Governmental Funds**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e. revenues and other financing resources) and decreases (i.e. expenditures and other financing uses) in net current assets.

**LAFOURCHE PARISH**  
**Thibodaux, Louisiana**

**NOTES TO PRIMARY GOVERNMENT FINANCIAL STATEMENTS**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

The proprietary fund type is accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of this fund type are included on the balance sheet.

The Parish applies all applicable FASB pronouncements issued on or before November 30, 1989 in accounting for its proprietary fund operations unless those pronouncements conflict with or contradict GASB pronouncements.

The governmental and fiduciary fund types (agency funds) are reported in the financial statements on the modified accrual basis of accounting. Under the modified accrual basis, revenues are recorded when they become both measurable and available. Revenues not considered available are recorded as deferred revenues.

The following practices in recording revenues and expenditures have been used for governmental funds:

**Revenues**

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

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the Parish; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

Federal and state grants are recorded when the Parish is entitled to the funds. Interest income on investments is recorded when earned. Sales and use tax revenues are recorded in the month collected by the Lafourche Parish School Board, which is contracted to collect the sales taxes.

At the time of levy, a special assessment receivable is recognized and is offset by deferred revenues. As the assessment becomes measurable and available, deferred revenues are reduced and the revenue is recognized. In addition, interest earned on special assessments is accrued when due, rather than when earned, because it approximately offsets the related interest expenditures that is also recognized when due. Substantially all other revenues are recorded when they become available to the Parish.

**LAFOURCHE PARISH**  
Thibodaux, Louisiana

**NOTES TO PRIMARY GOVERNMENT FINANCIAL STATEMENTS**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Expenditures**

Salaries are recorded as expenditures when incurred. Compensated absences are recorded when earned by employees. Commitments under construction contracts are recognized as expenditures when earned by the contractor. All other expenditures are generally recognized under the accrual basis of accounting when the related fund liability is incurred.

All Proprietary Funds are accounted for using the accrual basis of accounting. Revenues are recognized when they are earned, and expenses are recognized when they are incurred.

**Other Financing Sources**

Proceeds from bond sales are recognized when the money becomes measurable and available.

**Budget Practices**

The Parish President prepares a comprehensive operating budget on the modified accrual basis of accounting. Prior to the beginning of each fiscal year, the Parish President is required to submit a budget to the Council for approval. The Parish adopted budgets for the General Fund, Special Revenue Funds, Enterprise Funds, and Capital Projects Funds for the year ended December 31, 2000. The Parish had not adopted a budget since 2000. The proposed budgets for 2000 were published in the official journal and made available for public inspection. The proposed budgets were legally adopted by ordinance on November 9, 1999. The Parish did not adopt a budget for 2003; therefore, the 2000 budget, by the charter of the Parish, was the budget for 2003.

The Parish employs formal budgetary integration and interim budget reporting practices. Budgeted amounts included in the accompanying financial statements include the original budget amounts and all subsequent amendments. The president and administrator are authorized to transfer amounts between budgeted line items within any fund. However, any unfavorable variances of revenues or expenditures of five percent or more within a fund must be presented to the Parish for action to amend fund budgets. Unexpended appropriations lapse at year-end.

**Cash, Cash Equivalents, and Investments**

Cash includes amounts in petty cash, demand deposits, interest-bearing demand deposits, money market accounts, and cash with the state treasury. Cash equivalents include amounts in certificates of deposit with original maturities of three months or less and U.S. Treasury obligations.

**LAFOURCHE PARISH**  
**Thibodaux, Louisiana**

**NOTES TO PRIMARY GOVERNMENT FINANCIAL STATEMENTS**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Under state law, the Parish may deposit or invest funds in demand deposits, interest bearing demand deposits, money market accounts, or certificates of deposit with state banks organized under Louisiana law and national banks having their principal offices in Louisiana and United States obligations. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool (LAMP), a non-profit corporation formed by the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool. Investments are stated at cost, which approximates fair value, and is the same as the value of the pool shares.

**Interfund Receivables/Payables**

During the normal course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as due from other funds or due to other funds.

**Capital Assets**

Land, building and improvements, and furniture and equipment are recorded as expenditures in the governmental or business-type activities columns in the government wide financial statements. Capital assets are recorded at historical cost or estimated historical cost, if actual historical cost is not available. Donated assets are valued at their estimated market value on the date of donation. 100% of general fixed assets are valued at historical cost. Capital assets are defined by the government as assets with an initial individual cost of more than \$1,000.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized over the remaining useful lives of the assets.

Capital assets are depreciated over their estimated useful lives (excluding any applicable salvage value). Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight line depreciation is used based on the following estimated useful lives:

Land	n/a
Building and improvements	10 - 40 Years
Roads	7 Years
Heavy equipment	7 - 10 Years
Office equipment	3 - 5 Years
Furniture and fixtures	5 - 7 Years

**LAFOURCHE PARISH**  
Thibodaux, Louisiana

**NOTES TO PRIMARY GOVERNMENT FINANCIAL STATEMENTS**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

The Parish has elected the option for its enterprise funds to close out depreciation expense on its contributed assets to "contributed capital" rather than to "retained earnings." The full amount of depreciation is still reported in the enterprise funds' operating statement, where it reduces the amount of net income reported. The amount of depreciation on contributed assets is then "added back", effectively decreasing contributed capital rather than retained earnings.

**Encumbrances**

The Parish uses encumbrance accounting, under which purchase orders, contracts, and other commitments are recorded. Encumbrances lapse at year-end.

**Compensated Absences**

Employees of the Parish and the Seventeenth Judicial District Criminal Court earn from 5 to 17 days of both vacation and sick leave each year, depending upon their length of service. Vacation leave may be accumulated to a maximum of 20 days and sick leave to a maximum of 90 days. All accumulated vacation days vest to the employees. However, all accumulated sick leave days lapse at separation of employment. Accumulated vacation and sick leave are recorded as an expenditure in the period in which incurred. Also, employees are not able to accrue compensatory time from year to year.

At December 31, 2003, employees of the Parish have accumulated and vested \$174,776 of compensated absence benefits in salary and salary related payments.

**Reserves of Fund Balance**

Reserves represent those portions of fund balances that are not available for appropriations or legally segregated for a specific use. Contributions from third-party entities to the enterprise funds for the acquisition of property, plant, and equipment are recorded as contributed capital in fund equity. Depreciation related to these contributed items is charged to contributed capital.

**Interfund Transfers**

Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions, except reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

Louisiana Revised Statute 15:571.11 requires that one-half of any balance remaining in the Criminal Court Fund at year end must be transferred to the Parish General Fund. At December 31, 2003, the amount due the General Fund was \$5,578 and was recorded as a transfer.

**LAFOURCHE PARISH**  
**Thibodaux, Louisiana**

**NOTES TO PRIMARY GOVERNMENT FINANCIAL STATEMENTS**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Sales Tax**

Effective August 1, 1986, the Parish levied a one percent sales tax within Lafourche Parish. The sales tax proposition provides that the net proceeds of tax (after paying necessary and reasonable costs and expenses of collecting and administering the tax) are to be dedicated and used to pay the cost of constructing, acquiring, maintaining, and operating solid waste collection and disposal facilities and closing garbage dumps for the entire Parish of Lafourche. This tax was reduced to 7/10 per cent in November 1996. The net proceeds are deposited in the Solid Waste Special Revenue Fund.

Effective January 1, 1998, the Parish levied a ten-year one percent sales tax in Road Sales Tax District No. 2. The sales tax proposition provides that the net proceeds of tax (after paying necessary and reasonable costs and expenses of collecting and administering the tax) are to be dedicated and used for the purpose of constructing, improving, maintaining, and resurfacing public roads in Road Sales Tax District No. 2, including incidental drainage. This tax is also authorized to pay bonded debt incurred from time to time for such capital projects. The net proceeds are deposited in the Road Sales Tax District No. 2 Special Revenue Fund.

Effective January 1, 1999, the Parish levied a ten-year one percent sales tax in Road Sales Tax District No. 3. The sales tax proposition provides that the net proceeds of tax (after paying necessary and reasonable costs and expenses of collecting and administering the tax) are to be dedicated and used for the purpose of constructing, improving, maintaining, and resurfacing public roads in Road Sales Tax District No. 3, including incidental drainage. This tax is also authorized to pay bonded debt incurred from time to time for such capital projects. The net proceeds are deposited in the Road Sales Tax District No. 3 Special Revenue Fund.

Effective October 1, 1999, the Parish levied a ten-year one percent sales tax in Road Sales Tax District No. 5. The sales tax proposition provides that the net proceeds of tax (after paying necessary and reasonable costs and expenses of collecting and administering the tax) are to be dedicated and used for the purpose of constructing, improving, maintaining, and resurfacing public roads in Road Sales Tax District No. 5, including incidental drainage. This tax is also authorized to pay bonded debt incurred from time to time for such capital projects. The net proceeds are deposited in the Road Sales Tax District No. 5 Special Revenue Fund.

Effective October 1, 1999, the Parish levied a ten-year one percent sales tax in Road Sales Tax District No. 6. The sales tax proposition provides that the net proceeds of tax (after paying necessary and reasonable costs and expenses of collecting and administering the tax) are to be dedicated and used for the purpose of constructing, improving, maintaining, and resurfacing public roads in Road Sales Tax District No. 6, including incidental drainage. This tax is also authorized to pay bonded debt incurred from time to time for such capital projects. The net proceeds are deposited in the Road Sales Tax District No. 6 Special Revenue Fund.

**LAFOURCHE PARISH**  
Thibodaux, Louisiana

**NOTES TO PRIMARY GOVERNMENT FINANCIAL STATEMENTS**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Claims and Judgments**

The Parish accounts for its workmen's compensation self-insurance program in its internal service fund. The liabilities for claims and judgments are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Because actual claims liabilities depend on such complex factors as inflation, changes in legal doctrines, and damage awards, the process used in computing claims liability does not necessarily result in an exact amount. Claims liabilities are reevaluated periodically to take into consideration recently settled claims, the frequency of claims, and other economic and social factors.

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America includes the use of estimates that affect the financial statements. Accordingly, actual results could differ from those estimates.

**3. LEVIED TAXES**

The following is a summary of authorized and levied Ad Valorem taxes for the year.

	<u>Authorized</u>	<u>Levied</u>	<u>Expiration</u>
Parishwide Taxes:			
Parish	3.33	3.12	None
Criminal	0.88	0.84	None
Public Buildings	2.88	2.75	2006
Health Unit	0.96	0.90	2006
Parish Drainage	3.85	3.68	2006
Road Light	1.89	1.80	2006
Parish Recreation	1.91	1.82	2006
Road District No. 1	5.00	4.77	2008
Drainage	1.68	1.60	2008
Health	2.76	2.64	2008

**LAFOURCHE PARISH**  
**Thibodaux, Louisiana**

**NOTES TO PRIMARY GOVERNMENT FINANCIAL STATEMENTS**

**4. DEPOSITS AND INVESTMENTS**

At December 31, 2003, the book balance and bank balance of the Parish's cash and cash equivalents deposits were \$4,339,701 and \$3,849,809, respectively. The bank balance of cash on hand and demand deposits as of December 31, 2003 was \$3,849,809. The bank balance is categorized as follows:

Amount insured by the FDIC, or collateralized with securities held by the Parish's agent in the Parish's name	\$ 336,298
Uncollateralized (includes balance that is collateralized with securities held by the pledging financial institution but not in the Parish's name)	<u>3,513,511</u>
	<u>\$ 3,849,809</u>

The deposits and investments are stated at cost. The market value of deposits and investments is not materially different from the carrying value. Under state law, demand deposits, interest-bearing demand deposits (or the resulting bank balances) and certificates of deposit must be secured by the federal deposit insurance corporation 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. Other deposits were pledged with securities that are considered uncollateralized (Category 3) under the provisions of GASB Statement 3; Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Parish that the fiscal agent has failed to pay deposited funds upon demand.

The Parish had \$27,980,629 invested in the Louisiana Asset Management Pool (LAMP), a local government investment pool. In accordance with GASB Codification Section 150.165, the investment in LAMP as of December 31, 2003 is not categorized in the three risk categories provided by GASB Codification 150.164 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form. LAMP is administered by LAMP, Inc., which is a nonprofit corporation organized under the laws of the State of Louisiana which was formed by an initiative of the State Treasurer, representatives from various organizations of local government, the Government Finance Officers Association of Louisiana, and the Society of Louisiana CPAs. 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. 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, of 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. Due to this immediate access feature, investments in LAMP are considered cash equivalents by the Parish.

**LAFOURCHE PARISH**  
Thibodaux, Louisiana

**NOTES TO PRIMARY GOVERNMENT FINANCIAL STATEMENTS**

**5. RECEIVABLES**

Receivables at December 31, 2003 consisted of the following:

Ad valorem taxes	\$ 9,648,360
Sales and use taxes	674,158
State and federal grants	535,258
Special assessments	77,531
Other	<u>1,163,914</u>
Total	<u>\$12,099,221</u>

**6. INTERFUND ASSETS/LIABILITIES**

Balances due from/to other funds at December 31, 2003 are as follows:

	Interfund Receivable	Interfund Payable
<b>Governmental Funds</b>		
General Fund	\$ 849,614	\$ 830,030
<b>Special Revenue Funds</b>		
Board of Health	-	131
Building Maintenance	-	2,298
Roads and Bridges	428	18,700
Drainage Maintenance	-	17,268
Royalty Road	101,213	-
Solid Waste	210	273
Criminal Court	-	90,493
Recreation	-	2,320
CACFP Head Start	-	75,685
Head Start	90,211	16,530
LCAA Operating Fund	85,216	109,895
CACFP OCA	-	29,174
Weatherization	(1)	8,785
LIHEAP Grant Fund	1	1,696
BA- II Project	46	-
Coastal Zone Management	602	86
Christmas Tree Program	-	(51)
CSBG Summer Child Care Program	218	12,587

**LAFOURCHE PARISH**  
Thibodaux, Louisiana

**NOTES TO PRIMARY GOVERNMENT FINANCIAL STATEMENTS**

**6. INTERFUND ASSETS/LIABILITIES. (continued)**

**Special Revenue Funds, Continued**

CSBG Child Care Program	\$ 82	\$ -
Child Care Block Grant-Wrap Around Program	-	32,279
Road Sales Tax District No. 2	3,262	24,208
DOTD/DNR Fund	283,323	-
	<hr/>	<hr/>
Subtotal	564,811	441,694

**Debt Service Funds**

District #1 Series 2000 and 2001	34,970	-
Sales Tax Bond Sinking Fund Series 2003	20,808	33,115
Road Sales Tax District No. 5 Reserve	195	-
Road Sales Tax District No. 6 Reserve	97	-
Special Assessment Funds	33,295	33,295
	<hr/>	<hr/>
Subtotal	89,365	66,410

**Capital Projects Funds**

Kracmer Drainage	-	49,857
State Highway 308	-	64,362
	<hr/>	<hr/>
Subtotal	-	114,219

**Subtotal – Governmental Funds**

	<hr/>	<hr/>
	1,503,790	1,452,353

**Enterprise Funds**

Sewerage District No. 3	3,679	20,649
Sewerage District No. 4	443	20,008
Sewerage District No. 14	1,071	32,141
Rita Community Sewerage Fund	-	1,992
	<hr/>	<hr/>
Subtotal	5,193	74,790

**Internal Service Funds**

Workers' Compensation Fund	60,164	-
	<hr/>	<hr/>

**Agency Funds**

Drug Court Supreme Court Fund	-	42,004
	<hr/>	<hr/>

Totals	<hr/>	<hr/>
	\$ 1,569,147	\$ 1,569,147

**LAFOURCHE PARISH**  
Thibodaux, Louisiana

**NOTES TO PRIMARY GOVERNMENT FINANCIAL STATEMENTS**

**7. FIXED ASSETS**

A summary of changes in general fixed assets is as follows:

	January 1, 2003	Additions	Deletions	December 31, 2003
Land	\$ 450,681	\$ -	\$ -	\$ 450,681
Buildings	6,415,565	-	-	6,415,565
Roads	-	2,987,373	-	2,987,373
Construction in progress	-	438,961	-	438,961
Improvements, other than buildings	471,989	-	-	471,989
Furniture and equipment	3,946,994	412,468	-	4,359,462
Automobiles	1,363,591	58,991	-	1,422,582
Less: Accumulated Depreciation	(7,583,154)	(657,227)	-	(8,240,381)
	<u>\$ 5,065,666</u>	<u>\$ 3,240,566</u>	<u>\$ -</u>	<u>\$ 8,306,232</u>

A summary of the Enterprise Funds – Property, Plant and Equipment at December 31, 2003 is as follows:

	January 1, 2003	Additions	Deletions	December 31, 2003
Sewerage System Plant and Equipment	\$ 3,989,740	\$ 214,142	\$ -	\$ 4,203,882
Less: Accumulated Depreciation	(1,009,918)	(152,608)	-	(1,162,526)
	<u>\$ 2,979,822</u>	<u>\$ 61,534</u>	<u>\$ -</u>	<u>\$ 3,041,356</u>

**8. CHANGES IN GENERAL LONG-TERM OBLIGATIONS**

A summary of changes in long-term obligations are as follows for the year ended December 31, 2003:

	Bonded Debt				Total
	Special Assessments	Other	Compensated Absences	Lease Purchase Agreements	
January 1	\$ 96,578	\$ 38,405,000	\$ 165,476	\$ 7,894	\$38,674,948
Additions	-	10,000,000	9,300	-	10,009,300
Reductions	(40,512)	(13,795,000)	-	(7,894)	(13,843,406)
December 31,	<u>\$ 56,066</u>	<u>\$ 34,610,000</u>	<u>\$ 174,776</u>	<u>\$ -</u>	<u>\$34,840,842</u>
Due within one year	<u>\$ 40,511</u>	<u>\$4,430,000</u>	<u>\$ 174,776</u>	<u>\$ -</u>	<u>\$4,645,287</u>

**LAFOURCHE PARISH**  
Thibodaux, Louisiana

**NOTES TO PRIMARY GOVERNMENT FINANCIAL STATEMENTS**

**8. CHANGES IN GENERAL LONG-TERM OBLIGATIONS (continued)**

Bonded debt is comprised of the following individual issues:

**Special Assessments:**

Paving Certificates (Series 1994) of \$249,564 were issued on January 15, 1994, due in annual installments of \$24,956 bearing an interest rate of 5.51% per annum and are payable through January 15, 2004. \$ 24,956

Paving Certificates (Series 1995) of \$155,550 were issued on March 15, 1995, due in annual installments of \$15,555 bearing an interest rate of 6.44% per annum and are payable through March 15, 2005. 31,110

Total Special Assessment 56,066

**Other:**

\$385,000 of certificates of indebtedness (Series 1999) dated January 1, 1999, due in varying annual installments of \$35,000 to \$50,000, plus varying interest at 4.55% to 5.15% due in semi-annual installments through January 1, 2009. 255,000

\$4,500,000 of public improvement refunding bonds (Series 1999) dated May 1, 1999, due in varying annual installments of \$225,000 to \$425,000, plus varying interest at 5.3% to 4.8% due in semi-annual installments through May 1, 2014. 3,625,000

\$10,000,000 of refunding bonds, road sales tax bonds (Series 2003) dated April 1, 2003, due in varying annual installments of \$1,895,000 to \$2,120,000, plus varying interest at 2.0% to 3.2% due in semi-annual installments through March 2008. 10,000,000

\$9,000,000 of public improvement sales tax bonds (Series 2000) dated May 1, 2000, due in varying annual installments of \$420,000 to \$855,000, plus varying interest at 5.6% to 7.0% due in semi-annual installments through March 2015. 7,740,000

**LAFOURCHE PARISH**  
**Thibodaux, Louisiana**

**NOTES TO PRIMARY GOVERNMENT FINANCIAL STATEMENTS**

**8. CHANGES IN GENERAL LONG-TERM OBLIGATIONS (continued)**

\$4,500,000 of public improvement sales tax bonds (Series 2000) dated May 1, 2000, due in varying annual installments of \$210,000 to \$430,000, plus varying interest at 5.6% to 7.0% due in semi-annual installments through March 2015.	\$ 3,870,000
\$1,550,000 of refunding bonds (Series 2001) dated March 1, 2001, due in varying annual installments of \$85,000 to \$160,000, plus interest at 5.2% due in semiannual installments through May 2014.	1,375,000
\$3,000,000 of road bonds (Series 2001) dated November 1, 2001, due in varying annual installments of \$170,000 to \$310,000, plus interest at 5.25% due in semiannual installments through January 2015.	2,830,000
\$2,000,000 of road bonds (Series 2001-B) dated December 1, 2001, due in varying annual installments of \$120,000 to \$200,000, plus interest at 5.25% due in semiannual installments through January 2015.	1,880,000
\$2,000,000 of certificates of indebtedness dated June 1, 2001, due in varying annual installments of \$170,000 to \$340,000, plus varying interest at 0.1% to 5.5% due in semiannual installments through March 2008.	1,560,000
\$1,990,000 of refunding bonds dated October 3, 2002, due in varying annual installments of \$515,000 to \$860,000, plus varying interest at 0.1% to 3.5% due in semiannual installments through January 2005.	<u>1,475,000</u>
Total Other	<u>34,610,000</u>
Total Bonded Debt	<u>\$ 34,666,066</u>

**LAFOURCHE PARISH**  
**Thibodaux, Louisiana**

**NOTES TO PRIMARY GOVERNMENT FINANCIAL STATEMENTS**

**8. CHANGES IN GENERAL LONG-TERM OBLIGATIONS (continued)**

At December 31, 2003, the Parish has accumulated \$6,600,832 in the debt service funds for future debt requirements. The annual requirements to amortize all bonds and certificates outstanding at December 31, 2003, including interest of \$8,791,136 are as follows:

Year Ended December 31,	Paving Certificates	Other Bonds	Total
2004	\$ 43,890	\$ 5,950,756	\$ 5,994,646
2005	16,557	5,682,212	5,698,769
2006	-	5,038,683	5,038,683
2007	-	5,034,101	5,034,101
2008	-	5,032,685	5,032,685
2009 – 2013	-	12,437,690	12,437,690
2014 – 2018	-	4,220,628	4,220,628
	<u>\$ 60,447</u>	<u>\$ 43,396,755</u>	<u>\$ 43,457,202</u>

The paving certificates of \$56,066 are secured by the property held by the owners in the various owner-participation projects. The certificates of indebtedness of \$10,000,000 and \$3,625,000 are secured by sales taxes collected in Road Tax District No. 2 and No. 3, respectively. The certificates of indebtedness of \$255,000 are secured by excess annual revenues of the issuer above statutory payments of the General Fund. The \$7,740,000 of public improvement sales tax bonds are secured by a 1% sales tax collected in Road District No. 5. The \$3,870,000 of public improvement sales tax bonds are secured by a 1% sales tax collected in Road District No. 6. The \$1,375,000 of refunding bonds are secured by the excess revenues of the 1% sales and use tax collected in Road Sales Tax District No. 3. The \$2,830,000 and \$1,880,000 of road bonds are secured by excess annual revenues of the issuer above statutory payments of the General Fund. The \$1,560,000 of certificates of indebtedness are secured by a pledge of Ad Valorem taxes collected in Road Sales Tax District No. 1. The \$1,475,000 of refunding bonds are secured by the excess of annual revenues of the issuer above statutory payments of the Royalty Road Fund.

In accordance with Louisiana Revised Statutes 39:562, the Parish is legally restricted from incurring long-term bonded debt payable solely from Ad Valorem taxation in excess of ten percent of the assessed value of taxable property in the Parish. At December 31, 2003, the statutory limit is \$36,424,239. At December 31, 2003, outstanding debt payable solely from Ad Valorem taxation totaled \$1,560,000, and the legal debt margin was \$34,864,239.

The litigation and claims represent general damage claims. Compensated absences are computed on a net basis.

**LAFOURCHE PARISH**  
**Thibodaux, Louisiana**

**NOTES TO PRIMARY GOVERNMENT FINANCIAL STATEMENTS**

**9. FUND DEFICITS**

The Parish has deficits in the following funds that are all expected to be eliminated by operations in the coming years.

**Special Revenue Funds:**

Head Start Fund	\$ 232
CSBG Grant Fund	43
CACFP – OCA Fund	4,522
Commodities Grant Fund	12
LIHEAP	2,866
Medicaid Enrollment Center Program Fund	29
Child Care Block Grant – Wrap Around Program Fund	32,279

**Capital Projects Fund:**

Kraemer Drainage Project	21,206
Road Construction District No. 3	68,316

The Parish has deficits in the following funds that are all expected to be eliminated with the collection of assessments.

**Debt Service Funds - Special Assessment:**

West 86 <sup>th</sup> Street Assessment Fund	\$4,469
Emerald Park Drive Special Assessment Fund	3,134
Country Club Garden Special Assessment Fund	2,807
Bayou Oaks Subdivision Special Assessment Fund	10,896

The Parish has deficits in the following funds that are all expected to be eliminated with the collection of user fees in the coming years.

**Enterprise Funds:**

Sewerage District No. 3	\$14,887
Sewerage District No. 4	21,903
Sewerage District No. 14	30,387
Rita Community Sewerage	2,168

**LAFOURCHE PARISH**  
**Thibodaux, Louisiana**

**NOTES TO PRIMARY GOVERNMENT FINANCIAL STATEMENTS**

**10. EXCESS EXPENDITURES OVER APPROPRIATIONS**

The following individual funds had actual expenditures over budgeted expenditures for the year ended December 31, 2003:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable</u>	<u>Percent Variance</u>
<b>Special Revenue Funds:</b>				
Criminal Court	\$ 569,409	\$667,778	\$98,369	17.28%
LCAA Operating	-	3,344	3,344	100.00%
<b>Special Assessment Funds:</b>				
Oakview-Holly Street Special Assessment	-	28,060	28,060	100.00%
Dugas Subdivision Parkside Drive Special Assessment	-	18,645	18,645	100.00%
<b>Debt Service Funds:</b>				
Road Sales Tax District District No. 2	5,000	260,606	255,606	5112.12%
<b>Capital Projects Funds:</b>				
Kraemer Drainage Project	164,700	169,554	4,854	2.95%
<b>Enterprise Funds:</b>				
Sewerage District No. 3	146,665	156,521	9,856	6.72%
Sewerage District No. 4	52,618	70,919	18,301	34.78%
Sewerage District No. 14	24,055	26,456	2,401	9.98%

**11. RISK MANAGEMENT**

The Parish is subject to various legal proceedings, which arise in the normal course of operations and is exposed to various risks of loss related to theft of, damage to, and destruction of assets; error and omissions; injuries to employees; providing health, dental, and other medical benefits to employees; natural disasters; and worker's compensation claims. The Parish has purchased commercial liability insurance to cover risks of loss related to torts or negligence by employees and council members. Commercial insurance has also been obtained to cover risk of damages to or theft of computer equipment, boilers and other machinery, employee's health insurance, and general liability claims. Claims have not exceeded insurance coverage in any of the past three years.

The Parish established the Worker's Compensation Fund (Internal Service Fund) to account for and finance its uninsured risks of loss. The Parish carries commercial insurance coverage for worker's compensation claims in excess of \$10,000 with a \$300,000 limit per occurrence for a benefit period of two years. Claims in excess of \$300,000 with \$1,000,000 limit per occurrence are insured indefinitely. The Parish has \$57,817 in reinsurance receivable at December 31, 2003. The Parish carries commercial insurance coverage for group health insurance claims.

**LAFOURCHE PARISH**  
Thibodaux, Louisiana

**NOTES TO PRIMARY GOVERNMENT FINANCIAL STATEMENTS**

**11. RISK MANAGEMENT, (continued)**

All funds of the Parish participate in the program and make payments to the Worker's Compensation Fund based on estimates of the amounts needed to pay prior and current year claims and to establish a reserve for anticipated losses. The estimated claims liability is based on estimates provided by the third party claims administrator, and includes claims incurred but not paid and claims incurred but not reported and out of pocket expenses. The estimated claims liability was \$75,966 at December 31, 2003. Changes in the Fund's claims liabilities balance in fiscal year 2003 and 2002 were:

	<u>Beginning Balance</u>	<u>Current Year Claims and Changes in Estimate</u>	<u>Claim Payments</u>	<u>Balance At Fiscal Year End</u>
2002	\$ 107,981	37,166	(70,080)	75,067
2003	\$ 75,067	215,099	(214,200)	75,966

**12. DEFERRED COMPENSATION PLAN**

The Parish offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all employees, permits them to defer a portion of their salary until future years. The deferred compensation plan is available to employees until termination, retirement, death, or an unforeseeable emergency.

All amounts of compensation deferred under this plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or beneficiary) held in trust for the exclusive benefit of the participants and their beneficiaries, and the benefits may not be diverted to any other use.

It is the opinion of the Parish that the Parish has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. The assets of the plan are managed by the Plan's trustee (Prudential). In accordance with GASB Statement No. 32, Accounting and Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans, the Parish is no longer required to account for the assets and related liabilities in an agency fund.

**13. COMMITMENTS AND CONTINGENCIES**

The Parish received funding under grants from various Federal and state governmental agencies. These grants specify the purpose of which the grant monies are to be used and such grants are subject to audit by the granting agency or its representative. If the grant monies received are not expended, the Parish may be required to reimburse the granting agency.

**LAFOURCHE PARISH**  
**Thibodaux, Louisiana**

**NOTES TO PRIMARY GOVERNMENT FINANCIAL STATEMENTS**

**14. CHANGE IN REPORTING**

The Parish adopted Government Accounting Standards Board Statement No. 34 in 2003 which implemented a new reporting model for financial statement presentation for the Parish. The primary impact of the adoption of this statement was a change in format of the financial statements to include government-wide and fund financial statements.

## LAFOURCHE PARISH

001 General Fund  
Budget Comparison Schedule (GAAP Basis)

For the year ended December 31, 2003

	Original Budget	Actual	Variance - Favorable (Unfavorable)
<b>REVENUES</b>			
Taxes			
Ad Valorem	\$ 1,059,008	\$ 1,105,974	\$ 46,966
Other	20,000	34,926	14,926
Intergovernmental			
Federal Grants	38,822	24,166	(14,656)
State Funds			
State Revenue Sharing	991,892	1,089,598	97,706
Other	1,077,206	1,007,911	(69,295)
Fees, Licenses and Permits	2,214,000	2,125,007	(88,993)
Fines and Forfeitures	49,500	53,358	3,858
Use of Money and Property	57,600	62,440	4,840
Other	9,600	28,159	18,559
<b>Total Revenues</b>	<b>5,517,628</b>	<b>5,531,539</b>	<b>13,911</b>
<b>EXPENDITURES</b>			
General Government			
Legislative	428,565	434,250	(5,685)
Judicial	1,635,610	1,666,232	(30,622)
Elections	79,742	74,984	4,758
Finance and Administrative	874,111	872,435	1,676
Other	240,195	209,796	30,399
Allocated Costs In (Out)	(90,432)	(115,436)	25,004
Public Safety	1,378,895	1,445,267	(66,372)
Public Works	197,763	177,443	20,320
Health and Welfare	159,729	137,211	22,518
Economic Development	16,775	16,126	649
Capital Outlay	52,159	10,438	41,721
<b>Total Expenditures</b>	<b>4,973,112</b>	<b>4,928,746</b>	<b>44,366</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>544,516</b>	<b>602,793</b>	<b>(58,277)</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating Transfers In	251,574	215,578	(35,996)
Operating Transfers Out	(910,465)	(815,309)	95,156
<b>Total Other Financing Sources (Uses)</b>	<b>(658,891)</b>	<b>(599,731)</b>	<b>59,160</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	<b>(114,375)</b>	<b>3,062</b>	<b>117,437</b>
<b>FUND BALANCE:</b>			
<b>BEGINNING OF YEAR</b>	<b>4,009,843</b>	<b>4,009,843</b>	<b>-</b>
<b>END OF YEAR</b>	<b>\$ 3,895,468</b>	<b>\$ 4,012,905</b>	<b>\$ 117,437</b>

See accompanying independent auditors' report.

## LAFOURCHE PARISH

108 Royalty Fund  
Budget Comparison Schedule (GAAP Basis)

For the year ended December 31, 2003

	Original Budget	Actual	Variance - Favorable (Unfavorable)
<b>REVENUES</b>			
Intergovernmental			
State Funds			
State Revenue Sharing	\$ 2,440,000	\$ 2,546,020	\$ 106,020
Use of Money and Property	96,500	60,847	(35,653)
Total Revenues	<u>2,536,500</u>	<u>2,606,867</u>	<u>70,367</u>
<b>EXPENDITURES</b>			
Debt Service	-	360	(360)
Total Expenditures	<u>-</u>	<u>360</u>	<u>(360)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>2,536,500</u>	<u>2,606,507</u>	<u>70,727</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating Transfers In	33,000	-	(33,000)
Operating Transfers Out	<u>(2,075,202)</u>	<u>(1,761,352)</u>	<u>313,850</u>
Total Other Financing Sources (Uses)	<u>(2,042,202)</u>	<u>(1,761,352)</u>	<u>313,850</u>
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	494,298	845,155	350,857
<b>FUND BALANCE:</b>			
BEGINNING OF YEAR	<u>5,491,728</u>	<u>5,491,728</u>	<u>-</u>
END OF YEAR	<u>\$ 5,986,026</u>	<u>\$ 6,336,883</u>	<u>\$ 350,857</u>

See accompanying independent auditors' report.

## LAFOURCHE PARISH

107 Solid Waste  
Budget Comparison Schedule (GAAP Basis)

For the year ended December 31, 2003

	Original Budget	Actual	Variance - Favorable (Unfavorable)
<b>REVENUES</b>			
Taxes			
Sales and Use	\$ 4,592,555	\$ 4,668,468	\$ (75,913)
Use of Money and Property	114,000	79,431	34,569
Other	1,500	-	1,500
	<u>4,708,055</u>	<u>4,747,899</u>	<u>(39,844)</u>
Total Revenues			
<b>EXPENDITURES</b>			
Public Safety	6,794,678	6,845,349	(50,671)
Debt Service	100	100	-
Capital Outlay	51,200	25,591	25,609
	<u>6,845,978</u>	<u>6,871,040</u>	<u>(25,062)</u>
Total Expenditures			
<b>DEFICIENCY OF REVENUES OVER EXPENDITURES</b>	(2,137,923)	(2,123,141)	(14,782)
<b>FUND BALANCE:</b>			
BEGINNING OF YEAR	<u>7,796,823</u>	<u>7,796,823</u>	<u>-</u>
END OF YEAR	<u>\$ 5,658,900</u>	<u>\$ 5,673,682</u>	<u>\$ 14,782</u>

See accompanying independent auditors' report.

## LAFOURCHE PARISH

130 Head Start  
Budget Comparison Schedule (GAAP Basis)

For the year ended December 31, 2003

	Original Budget	Actual	Variance - Favorable (Unfavorable)
<b>REVENUES</b>			
Taxes			
Intergovernmental			
Federal Grants	\$ 3,313,976.00	\$ 3,284,451.00	\$ (29,525.00)
Other	828,494	865,175	36,681
Total Revenues	<u>4,142,470</u>	<u>4,149,626</u>	<u>7,156</u>
<b>EXPENDITURES</b>			
General Government			
Allocated Costs In (Out)	22,000	77,311	(55,311)
Health and Welfare	4,120,470	4,053,993	66,477
Capital Outlay	-	18,322	(18,322)
Total Expenditures	<u>4,142,470</u>	<u>4,149,626</u>	<u>(7,156)</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>			
	-	-	-
<b>FUND BALANCE:</b>			
BEGINNING OF YEAR	(232)	(232)	-
END OF YEAR	<u>\$ (232)</u>	<u>\$ (232)</u>	<u>-</u>

See accompanying independent auditors' report.

## LAFOURCHE PARISH

109 Board of Health  
Budget Comparison Schedule (GAAP Basis)

For the year ended December 31, 2003

	Original Budget	Actual	Variance - Favorable (Unfavorable)
<b>REVENUES</b>			
Taxes			
Ad Valorem	\$ 1,220,000	\$ 1,325,148	\$ 105,148
Intergovernmental			
Other	51,200	51,257	57
Use of Money and Property	64,500	-	(64,500)
Other	15,800	47,863	32,063
	<u>1,351,500</u>	<u>1,424,268</u>	<u>72,768</u>
Total Revenues			
<b>EXPENDITURES</b>			
General Government			
Health and Welfare	470,455	480,559	(10,104)
Debt Service	100	62	38
Capital Outlay	2,027,590	65,707	1,961,883
	<u>2,498,145</u>	<u>546,328</u>	<u>1,951,817</u>
Total Expenditures			
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(1,146,645)</u>	<u>877,940</u>	<u>(1,879,049)</u>
<b>FUND BALANCE: BEGINNING OF YEAR</b>	<u>4,605,413</u>	<u>4,605,413</u>	<u>-</u>
<b>END OF YEAR</b>	<u>\$ 3,458,768</u>	<u>\$ 5,483,353</u>	<u>\$ 2,024,585</u>

See accompanying independent auditors' report.

## LAFOURCHE PARISH

Non-Major Governmental Funds  
Combining Balance Sheet - By Fund Type

December 31, 2003

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
<b>Assets</b>				
Cash	\$ 202,595	\$ 1,967,756	\$ 19,753	\$ 2,190,104
Investment in LAMP	5,828,313	4,570,303	381,597	10,780,213
Receivables	6,636,475	77,531	114,219	6,828,225
Due from Other Funds	373,177	89,365	-	462,542
Other	170	-	-	170
Total Assets	<u>\$ 13,040,730</u>	<u>\$ 6,704,955</u>	<u>\$ 515,569</u>	<u>\$ 20,261,254</u>
<b>Liabilities and Equity</b>				
<b>Liabilities:</b>				
Accounts and Other Payables	\$ 272,736	\$ 1,201	\$ 68,393	\$ 342,330
Retainage Payable	-	-	21,206	21,206
Salaries and Benefits Payable	164,763	-	-	164,763
Due to Other Funds	424,760	66,410	114,219	605,389
Due to Other Governmental Agencies	354,751	-	-	354,751
Deferred Revenue	199	36,512	-	36,711
Total liabilities	<u>1,217,209</u>	<u>104,123</u>	<u>203,818</u>	<u>1,525,150</u>
<b>Equity:</b>				
<b>Fund balances:</b>				
Reserved for Debt Service	-	6,600,832	-	6,600,832
Reserved for Capital Projects	-	-	311,751	311,751
Unreserved - Designated	11,823,521	-	-	11,823,521
Total Equity	<u>11,823,521</u>	<u>6,600,832</u>	<u>311,751</u>	<u>18,736,104</u>
Total Liabilities and Equity	<u>\$ 13,040,730</u>	<u>\$ 6,704,955</u>	<u>\$ 515,569</u>	<u>\$ 20,261,254</u>

See accompanying independent auditors' report.

## LAFOURCHE PARISH

Non-Major Governmental Funds  
Combining Statement of Revenue, Expenditures, and Changes in Fund Balance

For the year ended December 31, 2003

REVENUES	Special Revenue	Debt Service	Capital Projects	Total
Taxes				
Ad Valorem	\$ 5,819,673	\$ -	\$ -	\$ 5,819,673
Sales and Use	6,042,846	-	-	6,042,846
Intergovernmental				
Federal Grants	1,394,967	-	225,889	1,620,856
State Funds				
State Revenue Sharing	583,843	-	-	583,843
Parish Transportation Funds	544,906	-	-	544,906
Other	1,839,038	-	-	1,839,038
Fees, Licenses and Permits	19,348	-	-	19,348
Fines and Forfeitures	544,898	-	-	544,898
Use of Money and Property	77,511	54,249	15,635	147,395
Other	82,154	-	4	82,158
<b>Total Revenues</b>	<b>16,949,184</b>	<b>54,249</b>	<b>241,528</b>	<b>17,244,961</b>
EXPENDITURES				
General Government				
Legislative	-	-	-	-
Judicial	666,486	-	-	666,486
Elections	-	-	-	-
Finance and Administrative	911,406	-	-	911,406
Other	107,192	2,379	-	109,571
Allocated Costs In (Out)	39,379	-	-	39,379
Public Works	8,109,044	-	3,084,273	11,193,317
Health and Welfare	701,250	-	-	701,250
Conservation	2,437	-	-	2,437
Culture and Recreation	823,065	-	-	823,065
Debt Service	152,596	5,531,503	-	5,684,099
Capital Outlay	543,274	-	247,095	790,369
<b>Total Expenditures</b>	<b>12,056,129</b>	<b>5,533,882</b>	<b>3,331,368</b>	<b>20,921,379</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>4,893,055</b>	<b>(5,479,633)</b>	<b>(3,089,840)</b>	<b>(3,676,418)</b>
OTHER FINANCING SOURCES (USES)				
Proceeds from issuance of bonds payable	-	10,000,000	-	10,000,000
Refunding of bonds	-	(10,000,000)	-	(10,000,000)
Operating Transfers In	1,668,922	15,889,053	136,859	17,694,834
Operating Transfers Out	(5,281,030)	(10,052,721)	-	(15,333,751)
<b>Total Other Financing Sources (Uses)</b>	<b>(3,612,108)</b>	<b>5,836,332</b>	<b>136,859</b>	<b>2,361,083</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	<b>1,280,947</b>	<b>356,699</b>	<b>(2,952,981)</b>	<b>(1,315,335)</b>
FUND BALANCES:				
BEGINNING OF YEAR	10,542,574	6,244,133	3,264,732	20,051,439
END OF YEAR	\$ 11,823,521	\$ 6,600,832	\$ 311,751	\$ 18,736,104

See accompanying independent auditors' report.

## LAFOURCHE PARISH

### SPECIAL REVENUE FUNDS

**BUILDING AND MAINTENANCE FUND** - The Building and Maintenance Fund accounts for the cost of acquiring, constructing, improving, operating, and maintaining public buildings. Financing is provided by specific Ad Valorem tax, state revenue sharing, and interest earnings.

**ROADS AND BRIDGES FUND** - The Roads and Bridges Fund accounts for maintenance of Parish highways, streets, and bridges. Major financing is provided by Ad Valorem Taxes, the State of Louisiana Parish Transportation Fund, and transfers from the Parish's Royalty Road Fund.

**STREET LIGHT FUND** - The Street Light Fund accounts for the cost of acquiring, constructing, improving, and maintaining electric lights on the streets, roads, highways, alleys, and public places throughout the parish. Financing is provided by a specific Ad Valorem tax and interest earnings.

**PLANNING COMMISSION FUND** - The Lafourche Parish Planning Commission Fund accounts for the planning of new subdivisions. Financing is provided by service charges and processing fees.

**CRIMINAL COURT FUND** - The Seventeenth Judicial District Criminal Court Fund is established under Section 571:11 of Title 15 of the Louisiana Revised Statutes of 1950, which provides that fines and forfeitures imposed by the district courts and district attorney conviction fees in criminal cases be transferred to the Parish treasurer and deposited into a special Criminal Court Fund to be used for the expenses of the criminal courts of the Parish. Expenditures are made from the fund on motion of the district attorney and approval of the district judges. The statute also requires that one-half of the fund balance in the Criminal Court Fund at December 31<sup>st</sup> of each year be transferred to the Parish's General Fund.

**RECREATION FUND** - The Recreation Fund accounts for the cost of acquiring, constructing, improving, maintaining, and providing recreational facilities for residents of the parish. Major financing is provided by Ad Valorem taxes and state revenue sharing.

**RURAL DEVELOPMENT FUND** - The Rural Development Fund accounts for funds used for the development of rural areas in the Parish. Financing for the projects are provided by State rural development funds.

**HEAD START FUND** - The Head Start Fund accounts for the financial resources received from the Department of Health and Human Services to provide comprehensive health, education, nutritional, social, and other services primarily to economically disadvantaged preschool children so that the children will attain social competence.

**LAFOURCHE COMMUNITY ACTION AGENCY (LCAA) OPERATING FUND** - The Operating Fund accounts for community action resources received from the Parish and other resources not required to be accounted for in other community action funds.

**COMMUNITY SERVICES BLOCK GRANT (CSBG) FUND**- The CSBG Fund accounts for the financial resources from the U.S. Department of Health and Human Services through the State of Louisiana, Department of Labor, and the Parish to provide for community based programs that assist in ameliorating the causes and consequences of poverty.

## LAFOURCHE PARISH

### SPECIAL REVENUE FUNDS

**CHILD/ADULT CARE FOOD PROGRAM (CACFP) -- HEAD START FUND - CACFP** -- Head Start is a nutrition program that accounts for the financial resources from the U.S. Department of Agriculture through the State of Louisiana Department of Education for those persons in the Head Start program. The provider is reimbursed for the meals they serve these children.

**CHILD/ADULT CARE FOOD PROGRAM (CACFP) -- OCA FUND - CACFP** is a nutrition program that accounts for the financial resources from the U.S. Department of Agriculture through the State of Louisiana Department of Education for those persons that care for children in their homes. The provider is reimbursed for the meals they serve these children.

**WEATHERIZATION GRANT FUND** - The Weatherization Fund accounts for the financial resources received from the U.S. Department of Energy through the State of Louisiana Department of Social Services for the development, administration, and management of weatherization assistance to aid low-income persons.

**COMMODITIES GRANT FUND** - The Commodities Grant Fund accounts for the financial resources received from the U.S. Department of Agriculture, state and Parish on Aging for the distribution of various products to eligible households.

**LOW INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP) GRANT FUND** - LIHEAP accounts for the financial resources received from the Department of Energy through the State of Louisiana Department of Social Services to assist households in meeting the costs associated with heating and cooling. Participants must show financial need and meet the state income guidelines.

**MEDICAID ENROLLMENT CENTER PROGRAM FUND** - The purpose of an Enrollment Center is to offer the opportunity for families and individuals to apply for Medicaid services through outreach by assisting potential Medicaid eligible to complete an initial application for health care coverage.

**B.A. II GIWW/CLOVELLY FUND** - The purpose of the B.A. II GIWW/Clovelly Fund is to fund local administration, land rights, and monitoring of a 60,000-acre marsh management project located south of the Gulf Intracoastal Waterway and east of the Hurricane Protection levee.

**COASTAL ZONE MANAGEMENT FUND** - The purpose of the Coastal Zone Management Fund is for operating and/or managing a local wetlands management program. This program is to address land loss and protect natural resources while promoting energy activities.

**CHRISTMAS TREE PROGRAM FUND** - The purpose of the Christmas Tree Program Fund is to fund local wetland restoration efforts. Lafourche Parish has three sediment fences constructed out of Christmas trees. Also, this funding can be used to plant marsh vegetation.

**COMMUNITY SERVICES BLOCK GRANT (CSBG) SUMMER CHILD CARE PROGRAM FUND** - The purpose of the CSBG Summer Child Care Program is to provide quality child care to children identified by Head Start during the summertime.

**CHILD CARE BLOCK GRANT - WRAP AROUND PROGRAM FUND** - The Child Care Block Grant - Wrap Around Program Fund accounts for the financial resources from the Office of Family Support through the State of Louisiana Department of Social Services to provide childcare services for working parents.

## LAFOURCHE PARISH

### SPECIAL REVENUE FUNDS

**ROAD SALES TAX DISTRICT NO. 2 FUND** - The Road Sales Tax District No. 2 Fund accounts for the sales taxes collected in this District dedicated and used for the purpose of constructing, improving, maintaining, and resurfacing public roads in this district. This tax is also authorized to pay incidental drainage costs associated with the road projects and to pay bonded debt incurred from time to time for such capital projects.

**ROAD SALES TAX DISTRICT NO. 3 FUND** - The Road Sales Tax District No. 3 Fund accounts for the sales taxes collected in this District dedicated and used for the purpose of constructing, improving, maintaining, and resurfacing public roads in this district. This tax is also authorized to pay incidental drainage costs associated with the road projects and to pay bonded debt incurred from time to time for such capital projects.

**ROAD SALES TAX DISTRICT NO. 5 FUND** - The Road Sales Tax District No. 5 Fund accounts for the sales taxes collected in this District dedicated and used for the purpose of constructing, improving, maintaining, and resurfacing public roads in this district. This tax is also authorized to pay incidental drainage costs associated with the road projects and to pay bonded debt incurred from time to time for such capital projects.

**ROAD SALES TAX DISTRICT NO. 6 FUND** - The Road Sales Tax District No. 6 Fund accounts for the sales taxes collected in this District dedicated and used for the purpose of constructing, improving, maintaining, and resurfacing public roads in this district. This tax is also authorized to pay incidental drainage costs associated with the road projects and to pay bonded debt incurred from time to time for such capital projects.

**HEALTH AND SAFETY HOUSING REHABILITATION PROGRAM FUND** - The purpose of the Health and Safety Housing Rehabilitation Program is to provide housing rehabilitation service to income eligible Lafourche Parish residents and to assure that all housing repairs meet housing quality standards.

**HEAT CRISIS EMERGENCY FUND** - The Heat Crisis Emergency Fund accounts for the financial resources received from the U.S. Department of Health and Human Services through the State of Louisiana Department of Social Services to assist households in meeting the costs associated with cooling in a heat crisis emergency. Participants must show financial need and meet the state income guidelines.

**TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF) FUND** - The TANF fund provides grants to States, Territories, or Tribes to assist needy families with children so that children can be cared for in their own homes; to reduce dependency by promoting job preparation, work, and marriage; reduce and prevent out-of-wedlock pregnancies; and to encourage the formation and maintenance of two-parent families

**DNR LOCAL PERMIT OFFICE FUND** - The DNR Local Permit Office Project accounts for funding received from the State of Louisiana Department of Natural Resources to establish a local permit information and training center, where prospective applicants can meet with a permitting expert for assistance in finding out what permits they need and to help them prepare applications.

**DRAINAGE MAINTENANCE FUND** - The Drainage Maintenance Fund accounts for the cost of acquiring, constructing, improving, maintaining, and operating the Parish drainage system. Major financing is provided by parish wide Ad Valorem tax transfers from the Parish's Royalty Road Fund.

**LAFOURCHE PARISH**

**SPECIAL REVENUE FUNDS**

**FEMA ACQUISITION FUND** – The FEMA Acquisition Fund accounts for funding received from FEMA as part of the Hazard Mitigation Grant Program to purchase or elevate property located in flood prone areas.

**LAFOURCHE PARISH**  
**Non-Major Special Revenue Funds**  
**Combining Balance Sheet**

December 31, 2003

	102	103	105	118	113	110
	Building Maintenance Fund	Roads and Bridges Fund	Street Light Fund	Planning Commission Fund	Criminal Court Fund	Recreation Fund
<b>ASSETS</b>						
Cash	\$ 32,032	\$ 4,632	\$ 3,848	\$ 5,287	\$ 10,021	\$ 8,434
Investment in LAMP	373,713	9,653	1,376,559	101,831	27,865	831,431
Receivables	1,020,965	1,597,984	581,315	-	81,618	717,067
Due from Other Funds	-	428	-	-	-	-
Other	-	-	-	-	-	170
<b>Total Assets</b>	<b>\$ 1,426,710</b>	<b>\$ 1,612,697</b>	<b>\$ 1,961,722</b>	<b>\$ 107,118</b>	<b>\$ 119,504</b>	<b>\$ 1,557,102</b>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts Payable	\$ 51,340	\$ 27,771	\$ 42,886	\$ 65	\$ 16,060	\$ 53,937
Salaries and Benefits Payable	7,720	90,912	-	-	7,372	6,808
Due to Other Funds	2,298	18,700	-	-	90,493	2,320
Due to Other Governmental Agencies	-	-	-	-	-	-
Deferred Revenue	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>61,358</b>	<b>137,383</b>	<b>42,886</b>	<b>65</b>	<b>113,925</b>	<b>63,065</b>
<b>FUND BALANCES</b>						
Fund Balances (Accumulated Deficits):						
Unreserved and Undesignated	1,365,352	1,475,314	1,918,836	107,053	5,579	1,494,037
<b>Total Fund Balances (Accumulated Deficits)</b>	<b>1,365,352</b>	<b>1,475,314</b>	<b>1,918,836</b>	<b>107,053</b>	<b>5,579</b>	<b>1,494,037</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 1,426,710</b>	<b>\$ 1,612,697</b>	<b>\$ 1,961,722</b>	<b>\$ 107,118</b>	<b>\$ 119,504</b>	<b>\$ 1,557,102</b>

(Continued)

See accompanying independent auditors' report.

**LAFOURCHE PARISH**  
**Non-Major Special Revenue Funds**  
**Combining Balance Sheet**

December 31, 2003

	122	131	142	150	141	143
	Rural Development Fund	CACFP Head Start Fund	LCAA Operating Fund	CSBG Grant Fund	CACFP - OCA Fund	Weatherization Grant Fund
<b>ASSETS</b>						
Cash	\$ -	\$ -	\$ 30,510	\$ 159	\$ 21,587	\$ -
Investment in LAMP	-	-	-	-	-	-
Receivables	10,000	75,685	14,521	21,695	18,807	9,198
Due from Other Funds	-	-	85,216	218	-	(1)
Other	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 10,000</b>	<b>\$ 75,685</b>	<b>\$ 130,247</b>	<b>\$ 22,072</b>	<b>\$ 40,394</b>	<b>\$ 9,197</b>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts Payable	\$ -	\$ -	\$ (14,525)	\$ 5,470	\$ 13,624	\$ 205
Salaries and Benefits Payable	-	-	499	4,058	1,919	678
Due to Other Funds	-	75,685	109,895	12,587	29,174	8,314
Due to Other Governmental Agencies	-	-	-	-	-	-
Deferred Revenue	-	-	-	-	199	-
<b>Total Liabilities</b>	<b>-</b>	<b>75,685</b>	<b>95,869</b>	<b>22,115</b>	<b>44,916</b>	<b>9,197</b>
<b>FUND BALANCES</b>						
Fund Balances (Accumulated Deficits):						
Unreserved and Undesignated	10,000	-	34,378	(43)	(4,522)	-
<b>Total Fund Balances (Accumulated Deficits)</b>	<b>10,000</b>	<b>-</b>	<b>34,378</b>	<b>(43)</b>	<b>(4,522)</b>	<b>-</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 10,000</b>	<b>\$ 75,685</b>	<b>\$ 130,247</b>	<b>\$ 22,072</b>	<b>\$ 40,394</b>	<b>\$ 9,197</b>

(Continued)

See accompanying independent auditors' report.

**LAFOURCHE PARISH**  
Non-Major Special Revenue Funds  
Combining Balance Sheet

December 31, 2003

	145 Commodities Grant Fund	144 LIHEAP Grant Fund	146 Medicaid Enrollment Center Program Fund	182 B.A.- II Project GIWW/ Clovelly Fund	181 Coastal Zone Management Fund	183 Christmas Tree Program Fund
<b>ASSETS</b>						
Cash	\$ -	\$ -	\$ -	\$ 795	\$ 2,732	\$ 67,114
Investment in LAMP	-	-	-	-	6	-
Receivables	-	-	-	-	20,066	-
Due from Other Funds	-	1	-	46	602	-
Other	-	-	-	-	-	-
Total Assets	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 841</u>	<u>\$ 23,406</u>	<u>\$ 67,114</u>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts Payable	\$ 12	\$ 102	\$ -	\$ -	\$ 7,146	\$ 11
Salaries and Benefits Payable	-	1,069	-	-	2,389	-
Due to Other Funds	-	1,696	-	-	86	(51)
Due to Other Governmental Agencies	-	-	29	-	-	-
Deferred Revenue	-	-	-	-	-	-
Total Liabilities	<u>12</u>	<u>2,867</u>	<u>29</u>	<u>-</u>	<u>9,621</u>	<u>(40)</u>
<b>FUND BALANCES</b>						
Fund Balances (Accumulated Deficits):						
Unreserved and Undesignated	<u>(12)</u>	<u>(2,866)</u>	<u>(29)</u>	<u>841</u>	<u>13,785</u>	<u>67,154</u>
Total Fund Balances (Accumulated Deficits)	<u>(12)</u>	<u>(2,866)</u>	<u>(29)</u>	<u>841</u>	<u>13,785</u>	<u>67,154</u>
Total Liabilities and Fund Balances	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 841</u>	<u>\$ 23,406</u>	<u>\$ 67,114</u>

(Continued)

See accompanying independent auditors' report.

**LAFOURCHE PARISH**  
**Non-Major Special Revenue Funds**  
**Combining Balance Sheet**

December 31, 2003

	133 CSBG Summer Child Care Program Fund	134 Child Care Block Grant - Wrap Around Program Fund	111 Road Sales Tax Dist. No. 3 Fund	116 Road Sales Tax Dist. No. 5 Fund	117 Road Sales Tax Dist. No. 6 Fund	152 Health Safety Housing Rehabilitaion Program Fund
<b>ASSETS</b>						
Cash	\$ -	\$ -	\$ 1,487	\$ 6,948	\$ 3,915	\$ -
Investment in LAMP	-	-	738,968	223,449	690,715	-
Receivables	-	-	57,329	70,419	58,774	-
Due from Other Funds	82	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 82</b>	<b>\$ -</b>	<b>\$ 797,784</b>	<b>\$ 300,816</b>	<b>\$ 753,404</b>	<b>\$ -</b>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Salaries and Benefits Payable	-	-	-	-	-	-
Due to Other Funds	-	32,279	-	-	-	-
Due to Other Governmental Agencies	82	-	-	-	-	-
Deferred Revenue	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>82</b>	<b>32,279</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES</b>						
Fund Balances (Accumulated Deficits):						
Unreserved and Undesignated	-	(32,279)	797,784	300,816	753,404	-
<b>Total Fund Balances (Accumulated Deficits)</b>	<b>-</b>	<b>(32,279)</b>	<b>797,784</b>	<b>300,816</b>	<b>753,404</b>	<b>-</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 82</b>	<b>\$ -</b>	<b>\$ 797,784</b>	<b>\$ 300,816</b>	<b>\$ 753,404</b>	<b>\$ -</b>

(Continued)

See accompanying independent auditors' report.

**LAFOURCHE PARISH**  
**Non-Major Special Revenue Funds**  
**Combining Balance Sheet**

December 31, 2003

	153 Heat Crisis Emergency Fund	154 TANF Fund	194 DOTD/DNR Fund	104 Drainage Maintenance	106 Road Sales Tax Dist. No. 2	196 FEMA Acquisition Fund	Total
<b>ASSETS</b>							
Cash	\$ -	\$ -	\$ -	\$ 55	\$ 3,039	\$ -	\$ 202,595
Investment in LAMP	-	-	-	31,046	1,423,077	-	5,828,313
Receivables	-	-	-	2,016,604	264,428	-	6,636,475
Due from Other Funds	-	-	283,323	-	3,262	-	373,177
Other	-	-	-	-	-	-	170
<b>Total Assets</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 283,323</b>	<b>\$ 2,047,705</b>	<b>\$ 1,693,806</b>	<b>\$ -</b>	<b>\$ 13,040,730</b>
<b>LIABILITIES AND FUND BALANCES</b>							
<b>LIABILITIES</b>							
Accounts Payable	\$ -	\$ -	\$ -	\$ 68,578	\$ 54	\$ -	\$ 272,736
Salaries and Benefits Payable	-	-	-	41,339	-	-	164,763
Due to Other Funds	-	-	-	17,268	24,016	-	424,760
Due to Other Governmental Agencies	-	-	283,323	71,317	-	-	354,751
Deferred Revenue	-	-	-	-	-	-	199
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>283,323</b>	<b>198,502</b>	<b>24,070</b>	<b>-</b>	<b>1,217,209</b>
<b>FUND BALANCES</b>							
Fund Balances (Accumulated Deficits):							
Unreserved and Undesignated	-	-	-	1,849,203	1,669,736	-	11,823,521
<b>Total Fund Balances (Accumulated Deficits)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,849,203</b>	<b>1,669,736</b>	<b>-</b>	<b>11,823,521</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 283,323</b>	<b>\$ 2,047,705</b>	<b>\$ 1,693,806</b>	<b>\$ -</b>	<b>\$ 13,040,730</b>

See accompanying independent auditors' report.

**LAFORCEH PARISH**  
**Non-Major Special Revenue Funds**  
**Combining Statement of Revenue, Expenditures and Changes in Fund Balance**

For the year ended December 31, 2003

	102	103	105	118	113	110	122	131	142	150	141
	Building Maintenance Fund	Roads and Bridges Fund	Street Light Fund	Planning Commission Fund	Criminal Court Fund	Recreation Fund	Rural Development Fund	CACFP Head Start Fund	LCAA Operating Fund	CSBG Grant Fund	CACFP - OCA Fund
<b>REVENUES</b>											
Taxes											
Ad Valorem	\$ 1,030,393	\$ 1,545,622	\$ 582,341	\$ -	\$ -	\$ 681,933	\$ -	\$ -	\$ -	\$ -	\$ -
Sales and Use	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental											
Federal Grants	-	-	-	-	-	-	-	234,105	-	166,079	238,498
State Funds											
State Revenue Sharing	102,019	89,987	69,880	-	42,222	83,230	-	-	-	-	-
Parish Transportation Funds	-	544,906	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	94,012	-	-	(105)	-
Local	-	-	-	-	-	-	-	-	-	-	-
Fees, Licenses and Permits	-	-	-	19,348	-	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	544,898	-	-	-	-	-	-
Use of Money and Property	8,957	4,620	16,623	1,115	1,966	14,702	-	-	-	-	-
Other	-	208	-	-	6,700	6,399	-	-	1,780	-	-
<b>Total Revenues</b>	<b>1,141,369</b>	<b>2,185,343</b>	<b>668,844</b>	<b>20,463</b>	<b>595,786</b>	<b>786,264</b>	<b>94,012</b>	<b>234,105</b>	<b>1,780</b>	<b>165,974</b>	<b>238,498</b>
<b>EXPENDITURES</b>											
General Government											
Judicial	-	-	-	-	666,486	-	-	-	-	-	-
Finance and Administrative	911,406	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	8,010	-	-	-	-	3,344	-	-
Allocated Costs In (Out)	-	-	-	625	-	27,269	-	-	-	4,961	-
Public Works	-	2,945,685	396,299	-	-	-	84,012	-	-	-	-
Health and Welfare	-	-	-	-	-	-	-	234,105	-	161,013	237,362
Conservation	-	-	-	-	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	823,065	-	-	-	-	-
Debt Service	-	13	-	-	25	15	-	-	-	-	-
Capital Outlay	74,640	-	-	-	1,267	5,126	-	-	-	-	1,136
<b>Total Expenditures</b>	<b>986,046</b>	<b>2,945,698</b>	<b>396,299</b>	<b>8,635</b>	<b>667,778</b>	<b>855,475</b>	<b>84,012</b>	<b>234,105</b>	<b>3,344</b>	<b>165,974</b>	<b>238,498</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>155,323</b>	<b>(760,355)</b>	<b>272,545</b>	<b>11,828</b>	<b>(71,992)</b>	<b>(69,211)</b>	<b>10,000</b>	<b>-</b>	<b>(1,564)</b>	<b>-</b>	<b>-</b>
<b>OTHER FINANCING SOURCES (USES)</b>											
Operating Transfers In	-	905,187	-	-	-	-	-	-	-	-	-
Operating Transfers Out	-	-	-	-	(5,578)	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>905,187</b>	<b>-</b>	<b>-</b>	<b>(5,578)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	<b>155,323</b>	<b>144,832</b>	<b>272,545</b>	<b>11,828</b>	<b>(77,570)</b>	<b>(69,211)</b>	<b>10,000</b>	<b>-</b>	<b>(1,564)</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES (ACCUMULATED DEFICITS) - BEGINNING OF YEAR</b>	<b>1,210,029</b>	<b>1,330,482</b>	<b>1,646,291</b>	<b>95,225</b>	<b>83,149</b>	<b>1,563,248</b>	<b>-</b>	<b>-</b>	<b>35,942</b>	<b>(43)</b>	<b>(4,522)</b>
<b>FUND BALANCES (ACCUMULATED DEFICITS) - END OF YEAR</b>	<b>\$ 1,365,352</b>	<b>\$ 1,475,314</b>	<b>\$ 1,918,836</b>	<b>\$ 107,053</b>	<b>\$ 5,579</b>	<b>\$ 1,494,037</b>	<b>\$ 10,000</b>	<b>\$ -</b>	<b>\$ 34,378</b>	<b>\$ (43)</b>	<b>\$ (4,522)</b>

See accompanying independent auditors' report.

(Continued)

**LAFOURCEH PARISH**  
**Non-Major Special Revenue Funds**  
**Combining Statement of Revenue, Expenditures and Changes in Fund Balance**

For the year ended December 31, 2003

	143	145	144	146	182	181	183	133	134	111	116
	Weatherization	Commodities	LIHEAP	Medicaid	B.A. II	Coastal	Christmas	CSBG Summer	Child Care Block	Road	Road
	Grant	Grant	Grant	Enrollment Center	GIWW/	Zone	Tree	Child Care	Grant - Wrap	Sales Tax	Sales Tax
	Fund	Fund	Fund	Program	Clovelly	Management	Program	Program	Around Programs	Dist. No. 3	Dist. No. 5
	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Fund
<b>REVENUES</b>											
Taxes											
Ad Valorem	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales and Use	-	-	-	-	-	-	-	-	-	891,736	965,815
Intergovernmental											
Federal Grants	33,454	-	32,292	-	-	47,917	-	-	-	-	-
State Funds											
State Revenue Sharing	-	-	-	-	-	-	-	-	-	-	-
Parish Transportation Funds	-	-	-	-	-	-	-	-	-	-	-
Other	-	5	-	-	-	-	18,000	-	-	-	-
Local	-	-	-	-	-	-	-	-	-	-	-
Fees, Licenses and Permits	-	-	-	-	-	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-	-	-	-	-	-	-
Use of Money and Property	-	-	-	-	7	7	-	-	-	8,253	2,996
Other	471	-	-	4,934	-	18,495	-	-	-	-	-
<b>Total Revenues</b>	<b>33,925</b>	<b>5</b>	<b>32,292</b>	<b>4,934</b>	<b>7</b>	<b>66,419</b>	<b>18,000</b>	<b>-</b>	<b>-</b>	<b>899,989</b>	<b>968,811</b>
<b>EXPENDITURES</b>											
General Government											
Judicial	-	-	-	-	-	-	-	-	-	-	-
Finance and Administrative	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	2,467	-	91,591	-	-	-	-	-
Allocated Costs In (Out)	-	-	-	-	-	4,275	302	-	-	-	-
Public Works	-	-	-	-	-	-	-	-	-	8,965	9,235
Health and Welfare	33,454	-	32,292	-	-	-	-	-	-	-	-
Conservation	-	-	-	-	-	-	2,437	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>33,454</b>	<b>-</b>	<b>32,292</b>	<b>2,467</b>	<b>-</b>	<b>95,866</b>	<b>2,739</b>	<b>-</b>	<b>-</b>	<b>8,965</b>	<b>9,235</b>
<b>EXCESS (DEFICIENCY) OF REVENUES</b>											
<b>OVER EXPENDITURES</b>	<b>471</b>	<b>5</b>	<b>-</b>	<b>2,467</b>	<b>7</b>	<b>(29,447)</b>	<b>15,261</b>	<b>-</b>	<b>-</b>	<b>891,024</b>	<b>959,576</b>
<b>OTHER FINANCING SOURCES (USES)</b>											
Operating Transfers In	-	-	-	-	-	29,448	-	-	-	790	9,923
Operating Transfers Out	-	-	-	-	-	-	-	-	-	(900,158)	(1,106,491)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>29,448</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(899,368)</b>	<b>(1,096,568)</b>
<b>EXCESS (DEFICIENCY) OF REVENUES</b>											
<b>AND OTHER SOURCES OVER</b>											
<b>EXPENDITURES AND OTHER USES</b>	<b>471</b>	<b>5</b>	<b>-</b>	<b>2,467</b>	<b>7</b>	<b>1</b>	<b>15,261</b>	<b>-</b>	<b>-</b>	<b>(3,344)</b>	<b>(136,992)</b>
<b>FUND BALANCES (ACCUMULATED DEFICITS) -</b>											
<b>BEGINNING OF YEAR</b>	<b>(471)</b>	<b>(17)</b>	<b>(2,866)</b>	<b>(2,496)</b>	<b>834</b>	<b>13,784</b>	<b>51,893</b>	<b>-</b>	<b>(32,279)</b>	<b>806,128</b>	<b>437,808</b>
<b>FUND BALANCES (ACCUMULATED DEFICITS) -</b>											
<b>END OF YEAR</b>	<b>\$ -</b>	<b>\$ (12)</b>	<b>\$ (2,866)</b>	<b>\$ (29)</b>	<b>\$ 841</b>	<b>\$ 13,785</b>	<b>\$ 67,154</b>	<b>\$ -</b>	<b>\$ (32,279)</b>	<b>\$ 797,784</b>	<b>\$ 300,816</b>

See accompanying independent auditors' report.

(Continued)

**LAFOURCEH PARISH**  
**Non-Major Special Revenue Funds**  
**Combining Statement of Revenue, Expenditures and Changes in Fund Balance**

For the year ended December 31, 2003

	117 Road Sales Tax Dist. No. 6 Fund	152 Health Safety Housing Rehabilitation Program Fund	153 Heat Crisis Emergency Fund	154 TANF Fund	194 DOTD/DNR Fund	104 Drainage Maintenance	106 Road Sales Tax Dist. No. 2	196 FEMA Acquisition Fund	Total
<b>REVENUES</b>									
Taxes									
Ad Valorem	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,979,384	\$ -	\$ -	\$ 5,819,673
Sales and Use	861,725	-	-	-	-	-	3,323,570	-	6,042,846
Intergovernmental									
Federal Grants	-	-	-	3,024	-	88,066	-	551,532	1,394,967
State Funds									
State Revenue Sharing	-	-	-	-	-	167,119	-	29,386	583,843
Parish Transportation Funds	-	-	-	-	-	-	-	-	544,906
Other	-	-	-	-	1,716,677	10,449	-	-	1,839,038
Local									
Fees, Licenses and Permits	-	-	-	-	-	-	-	-	19,348
Fines and Forfeitures	-	-	-	-	-	-	-	-	544,898
Use of Money and Property	6,692	-	-	-	-	-	11,573	-	77,511
Other	-	-	402	-	-	41,748	1,017	-	82,154
<b>Total Revenues</b>	<b>868,417</b>	<b>-</b>	<b>402</b>	<b>3,024</b>	<b>1,716,677</b>	<b>2,286,766</b>	<b>3,336,160</b>	<b>580,918</b>	<b>16,949,184</b>
<b>EXPENDITURES</b>									
General Government									
Judicial	-	-	-	-	-	-	-	-	666,486
Finance and Administrative	-	-	-	-	-	-	-	-	911,406
Other	-	1,780	-	-	-	-	-	-	107,192
Allocated Costs In (Out)	-	-	-	-	-	-	1,947	-	39,379
Public Works	8,350	-	-	-	1,716,677	2,300,176	58,727	580,918	8,109,044
Health and Welfare	-	-	-	3,024	-	-	-	-	701,250
Conservation	-	-	-	-	-	-	-	-	2,437
Culture and Recreation	-	-	-	-	-	-	-	-	823,065
Debt Service	-	-	-	-	-	19,958	132,585	-	152,596
Capital Outlay	-	-	-	-	-	461,103	-	-	543,274
<b>Total Expenditures</b>	<b>8,350</b>	<b>1,780</b>	<b>-</b>	<b>3,024</b>	<b>1,716,677</b>	<b>2,781,239</b>	<b>193,259</b>	<b>580,918</b>	<b>12,056,129</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>860,067</b>	<b>(1,780)</b>	<b>402</b>	<b>-</b>	<b>-</b>	<b>(494,473)</b>	<b>3,142,901</b>	<b>-</b>	<b>4,893,055</b>
<b>OTHER FINANCING SOURCES (USES)</b>									
Operating Transfers In	4,902	-	-	-	-	718,612	-	-	1,568,922
Operating Transfers Out	(729,767)	-	-	-	-	-	(2,539,036)	-	(5,281,030)
<b>Total Other Financing Sources (Uses)</b>	<b>(724,865)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>718,612</b>	<b>(2,539,036)</b>	<b>-</b>	<b>(3,612,108)</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	<b>135,202</b>	<b>(1,780)</b>	<b>402</b>	<b>-</b>	<b>-</b>	<b>224,139</b>	<b>603,865</b>	<b>-</b>	<b>1,280,947</b>
<b>FUND BALANCES (ACCUMULATED DEFICITS) - BEGINNING OF YEAR</b>	<b>618,142</b>	<b>1,780</b>	<b>(402)</b>	<b>-</b>	<b>-</b>	<b>1,625,064</b>	<b>1,065,871</b>	<b>-</b>	<b>10,542,574</b>
<b>FUND BALANCES (ACCUMULATED DEFICITS) - END OF YEAR</b>	<b>\$ 753,404</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,849,203</b>	<b>\$ 1,669,736</b>	<b>\$ -</b>	<b>\$ 11,823,521</b>

See accompanying independent auditors' report.

## LAFOURCHE PARISH

### DEBT SERVICE - SPECIAL ASSESSMENT FUNDS

**LEE DRIVE SPECIAL ASSESSMENT FUND** - The Lee Drive Special Assessment Fund accumulates monies to pay paving certificates issued April 1, 1995, in the amount of \$106,959. The paving certificates were issued to construct street paving improvements on Lee Drive. Financing is provided by special assessments on property owners on Lee Drive and other transfers from various funds of the Parish.

**SKYLINE DRIVE SPECIAL ASSESSMENT FUND** - The Skyline Drive Special Assessment Fund accumulated monies to pay paving certificates issued August 1, 1985, in the amount of \$98,177. The paving certificates were issued to construct street paving improvements on Skyline Drive. Financing is provided by special assessments on property owners on Skyline Drive and other transfers from various funds of the Parish.

**MARY BETH STREET SPECIAL ASSESSMENT FUND** - The Mary Beth Street Special Assessment Fund accumulates monies to pay paving certificates issued January 1, 1986, in the amount of \$157,797. The paving certificates were issued to construct street paving improvements on Mary Beth Street. Financing is provided by special assessments on property owners on Mary Beth Street and other transfers from various funds of the Parish.

**ELM DRIVE SPECIAL ASSESSMENT FUND** - The Elm Drive Special Assessment Fund accumulates monies to pay paving certificates issued August 1, 1985, in the amount of \$75,217. The paving certificates were issued to construct street paving improvements on Elm Drive. Financing is provided by special assessments on property owners on Elm Drive and other transfers from various funds of the Parish.

**WEST 86TH STREET SPECIAL ASSESSMENT FUND** - The West 86th Street Special Assessment Fund accumulates monies to pay paving certificates issued August 1, 1985, in the amount of \$79,434. The paving certificates were issued to construct street paving improvements on West 86th Street. Financing is provided by special assessments on property owners on West 86th Street and other transfers from various funds of the Parish.

**HALF OAK DRIVE SPECIAL ASSESSMENT FUND** - The Half Oak Drive Special Assessment Fund accumulates monies to pay paving certificates issued January 1, 1986, in the amount of \$54,605. The paving certificates were issued to construct street paving improvements on Half Oak Drive. Financing is provided by special assessments on property owners on Half Oak Drive and other transfers from various funds of the Parish.

**WEST 159TH STREET SPECIAL ASSESSMENT FUND** - The West 159th Street Special Assessment Fund accumulates monies to pay paving certificates issued May 1, 1986, in the amount of \$39,775. The paving certificates were issued to construct street paving improvements on West 159th Street. Financing is provided by special assessments on property owners on West 159th Street and other transfers from various funds of the Parish.

**LEVERT DRIVE SPECIAL ASSESSMENT FUND** - The Levert Drive Special Assessment Fund accumulates monies to pay paving certificates issued January 1, 1986, in the amount of \$39,775. The paving certificates were issued to construct street paving improvements on Levert Drive. Financing is provided by special assessments on property owners on Levert Drive and other transfers from various funds of the Parish.

## LAFOURCHE PARISH

### DEBT SERVICE - SPECIAL ASSESSMENT FUNDS

**EMERALD PARK DRIVE SPECIAL ASSESSMENT FUND** - The Emerald Park Drive Special Assessment Fund accumulates monies to pay paving certificates issued December 1, 1986, in the amount of \$98,177. The paving certificates were issued to construct street paving improvements on Emerald Park Drive. Financing is provided by special assessments on property owners on Emerald Park and other transfers from various funds of the Parish.

**WEST 57TH STREET SPECIAL ASSESSMENT FUND** - The West 57th Street Special Assessment Fund accumulates monies to pay paving certificates issued December 1, 1986, in the amount of \$85,037. The paving certificates were issued to construct street paving improvements on West 57th Street. Financing is provided by special assessments on property owners on West 57<sup>th</sup> Street and other transfers from various funds of the Parish.

**MAXINE BOULEVARD SPECIAL ASSESSMENT FUND** - The Maxine Boulevard Special Assessment Fund accumulates monies to pay paving certificates issued December 1, 1986, in the amount of \$74,036. The paving certificates were issued to construct street paving improvements on Maxine Boulevard. Financing is provided by special assessments on property owners on Maxine Boulevard and other transfers from various funds of the Parish.

**MILL STREET SPECIAL ASSESSMENT FUND** - The Mill Street Special Assessment Fund accumulates monies to pay paving certificates issued March 1, 1988, in the amount of \$50,200. The paving certificates were issued to construct street paving improvements on Mill Street. Financing is provided by special assessments on property owners on Mill Street and other transfers from various funds of the Parish.

**COUNTRY CLUB GARDEN SPECIAL ASSESSMENT FUND** - The Country Club Garden Special Assessment Fund accumulates monies to pay paving certificates issued May 1, 1990, in the amount of \$147,940. The paving certificates were issued to construct street paving improvements on Country Club Garden. Financing is provided by special assessments on property owners on Country Club Garden and other transfers from various funds of the Parish.

**ELIZABETH AND OLEANDER STREETS SPECIAL ASSESSMENT FUND** - The Elizabeth and Oleander Street Special Assessment Fund accumulates monies to pay paving certificates issued May 1, 1990, in the amount of \$35,280. The paving certificates were issued to construct street paving improvements on Elizabeth and Oleander Streets. Financing is provided by special assessments on property owners on Elizabeth and Oleander Streets and other transfers from various funds of the Parish.

**BAYOU OAKS SUBDIVISION SPECIAL ASSESSMENT FUND** - The Bayou Oaks Subdivision Special Assessment Fund accumulates monies to pay paving certificates issued July 1, 1992, in the amount of \$256,314. The paving certificates were issued to construct street paving improvements on Bayou Oaks Subdivision. Financing is provided by special assessments on property owners on Bayou Oaks Subdivision and other transfers from various funds of the Parish.

**BAYOU BEND SUBDIVISION SPECIAL ASSESSMENT FUND** - The Bayou Bend Subdivision Special Assessment Fund accumulates monies to pay paving certificates issued July 1, 1992, in the amount of \$256,314. The paving certificates were issued to construct street paving improvements on Bayou Bend Subdivision. Financing is provided by special assessments on property owners on Bayou Bend Subdivision and other transfers from various funds of the Parish.

## LAFOURCHE PARISH

### DEBT SERVICE - SPECIAL ASSESSMENT FUNDS

**OAKVIEW - HOLLY STREET SPECIAL ASSESSMENT FUND** - The Oakview - Holly Street Bayou Bend Subdivision Special Assessment Fund accumulates monies to pay paving certificates issued January 15, 1994, in the amount of \$249,564. The paving certificates were issued to construct street paving improvements on Oakview - Holly Street. Financing is provided by special assessments on property owners on Oakview - Holly Street and other transfers from various funds of the Parish.

**CERTIFICATE OF INDEBTEDNESS, SERIES 1994 OAK MANOR FUND** - The Certificates of Indebtedness, Series 1994 Oak Manor Fund accumulates monies for the payment of \$249,564 certificates of indebtedness dated January 15, 1994. The bonds were issued for the purpose of paying the unpaid cost of the construction of street paving improvements along Oakview Drive and Holly Drive.

**CERTIFICATE OF INDEBTEDNESS, SERIES 1995 DUGAS SUBDIVISION FUND** - The Certificates of Indebtedness, Series 1995 Dugas Subdivision Fund accumulates monies for the payment of \$155,550 certificates of indebtedness dated March 15, 1995. The bonds were issued for the purpose of paying the unpaid cost of the construction of street paving improvements along Dugas Subdivision.

**DUGAS SUBDIVISION - PARKSIDE DRIVE SPECIAL ASSESSMENT FUND** - The Dugas Subdivision - Parkside Drive Special Assessment Fund accumulates monies to pay paving certificates issued March 15, 1995, in the amount of \$155,550. The paving certificates were issued to construct street paving improvements on Dugas Subdivision - Parkside Drive. Financing is provided by special assessments on property owners on Dugas Subdivision - Parkside Drive and other transfers from various funds of the Parish.

**LAFOURCHE PARISH**  
**Non-Major Debt Service Funds - Special Assessments**

Combining Balance Sheet  
 December 31, 2003

Schedule 6

	700	710	720	730	740	750
	Lee Drive Special Assessment Fund	Skyline Drive Special Assessment Fund	Mary Beth Street Special Assessment Fund	Elm Drive Special Assessment Fund	West 86th Street Special Assessment Fund	Half Oak Drive Special Assessment Fund
<b>ASSETS</b>						
Cash	\$ 4,022	\$ 3,299	\$ 24,210	\$ 25,504	\$ 536	\$ 29,524
Receivables	-	1,100	-	-	-	-
Due from Other Funds	-	-	-	5,005	-	-
<b>Total Assets</b>	<b>\$ 4,022</b>	<b>\$ 4,399</b>	<b>\$ 24,210</b>	<b>\$ 30,509</b>	<b>\$ 536</b>	<b>\$ 29,524</b>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Due to Other Funds	-	-	-	-	5,005	-
Deferred Revenue	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,005</b>	<b>-</b>
<b>FUND BALANCES</b>						
Fund Balances (Accumulated Deficits):						
Reserved for Debt Service	4,022	4,399	24,210	30,509	(4,469)	29,524
<b>Total Fund Balances (Accumulated Deficits)</b>	<b>4,022</b>	<b>4,399</b>	<b>24,210</b>	<b>30,509</b>	<b>(4,469)</b>	<b>29,524</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 4,022</b>	<b>\$ 4,399</b>	<b>\$ 24,210</b>	<b>\$ 30,509</b>	<b>\$ 536</b>	<b>\$ 29,524</b>

See accompanying independent auditors' report.

(Continued)

**LAFOURCHE PARISH**  
Non-Major Debt Service Funds - Special Assessments

Combining Balance Sheet  
December 31, 2003

Schedule 6

	760	770	780	790	800	795
	West 159th Street Special Assessment Fund	Levert Drive Special Assessment Fund	Emerald Drive Special Assessment Fund	West 57th Street Special Assessment Fund	Maxine Boulevard Special Assessment Fund	Mill Street Special Assessment Fund
<b>ASSETS</b>						
Cash	\$ 10,513	\$ 34,533	\$ 1,866	\$ 4,229	\$ 4,175	\$ 1,601
Receivables	8,831	-	-	1,017	-	-
Due from Other Funds	-	-	-	-	5,000	-
<b>Total Assets</b>	<b>\$ 19,344</b>	<b>\$ 34,533</b>	<b>\$ 1,866</b>	<b>\$ 5,246</b>	<b>\$ 9,175</b>	<b>\$ 1,601</b>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Due to Other Funds	-	-	5,000	-	-	-
Deferred Revenue	4,210	-	-	-	-	-
<b>Total Liabilities</b>	<b>4,210</b>	<b>-</b>	<b>5,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES</b>						
Fund Balances (Accumulated Deficits):						
Reserved for Debt Service	15,134	34,533	(3,134)	5,246	9,175	1,601
<b>Total Fund Balances (Accumulated Deficits)</b>	<b>15,134</b>	<b>34,533</b>	<b>(3,134)</b>	<b>5,246</b>	<b>9,175</b>	<b>1,601</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 19,344</b>	<b>\$ 34,533</b>	<b>\$ 1,866</b>	<b>\$ 5,246</b>	<b>\$ 9,175</b>	<b>\$ 1,601</b>

See accompanying independent auditors' report.

(Continued)

**LAFOURCHE PARISH**  
Non-Major Debt Service Funds - Special Assessments

Combining Balance Sheet  
December 31, 2003

Schedule 6

	796 Country Club Garden Special Assessment Fund	799 Elizabeth and Oleander Streets Special Assessment Fund	751 Bayou Oaks Subdivision Special Assessment Fund	752 Bayou Bend Subdivision Special Assessment Fund	174 Oakview-Holly Street Special Assessment Fund	226 Certificate of Indebtedness Series 1994 Oak Manor Fund
<b>ASSETS</b>						
Cash	\$ 225	\$ 17,605	\$ 695	\$ 3,040	\$ 11,717	\$ 611
Receivables	4,994	5,583	13,231	2,730	12,689	-
Due from Other Funds	-	5,529	-	17,761	-	-
<b>Total Assets</b>	<b>\$ 5,219</b>	<b>\$ 28,717</b>	<b>\$ 13,926</b>	<b>\$ 23,531</b>	<b>\$ 24,406</b>	<b>\$ 611</b>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Due to Other Funds	\$ 5,529	\$ -	\$ 17,761	\$ -	\$ -	\$ -
Deferred Revenue	2,497	2,931	7,061	1,456	7,261	-
<b>Total Liabilities</b>	<b>8,026</b>	<b>2,931</b>	<b>24,822</b>	<b>1,456</b>	<b>7,261</b>	<b>-</b>
<b>FUND BALANCES</b>						
Fund Balances (Accumulated Deficits):						
Reserved for Debt Service	(2,807)	25,786	(10,896)	22,075	17,145	611
<b>Total Fund Balances (Accumulated Deficits)</b>	<b>(2,807)</b>	<b>25,786</b>	<b>(10,896)</b>	<b>22,075</b>	<b>17,145</b>	<b>611</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 5,219</b>	<b>\$ 28,717</b>	<b>\$ 13,926</b>	<b>\$ 23,531</b>	<b>\$ 24,406</b>	<b>\$ 611</b>

See accompanying independent auditors' report.

(Continued)

**LAFOURCHE PARISH**  
Non-Major Debt Service Funds - Special Assessments

Combining Balance Sheet  
December 31, 2003

Schedule 6

	227 Certificate of Indebtedness Series 1995 Dugas Subdivision Fund	753 Dugas Subdivision Parkside Drive Special Assessment Fund	Total
<b>ASSETS</b>			
Cash	\$ 501	\$ 4,127	\$ 182,533
Receivables	-	27,356	77,531
Due from Other Funds	-	-	33,295
<b>Total Assets</b>	<b>\$ 501</b>	<b>\$ 31,483</b>	<b>\$ 293,359</b>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Due to Other Funds	\$ -	\$ -	\$ 33,295
Deferred Revenue	-	11,096	36,512
<b>Total Liabilities</b>	<b>-</b>	<b>11,096</b>	<b>69,807</b>
<b>FUND BALANCES</b>			
Fund Balances (Accumulated Deficits):			
Reserved for Debt Service	501	20,387	223,552
<b>Total Fund Balances (Accumulated Deficits)</b>	<b>501</b>	<b>20,387</b>	<b>223,552</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 501</b>	<b>\$ 31,483</b>	<b>\$ 293,359</b>

See accompanying independent auditors' report.

**LAFOURCHE PARISH**  
**Non-Major Debt Service Funds - Special Assessment**  
**Combining Statement of Revenue, Expenditures and Changes in Fund Balance**

For the year ended December 31, 2003

Schedule 7

	700	710	720	730	740	750
	Lee Drive Special Assessment Fund	Skyline Drive Special Assessment Fund	Mary Beth Street Special Assessment Fund	Elm Drive Special Assessment Fund	West 86th Street Special Assessment Fund	Half Oak Drive Special Assessment Fund
<b>REVENUES</b>						
Use of Money and Property	\$ 35	\$ 28	\$ 210	\$ 221	\$ -	\$ 256
Total Revenues	<u>35</u>	<u>28</u>	<u>210</u>	<u>221</u>	<u>-</u>	<u>256</u>
<b>EXPENDITURES</b>						
Principal Payments	-	-	-	-	-	-
Interest Payments	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>35</u>	<u>28</u>	<u>210</u>	<u>221</u>	<u>-</u>	<u>256</u>
<b>FUND BALANCES (ACCUMULATED DEFICITS) - BEGINNING OF YEAR</b>	<u>3,987</u>	<u>4,371</u>	<u>24,000</u>	<u>30,288</u>	<u>(4,469)</u>	<u>29,268</u>
<b>END OF YEAR</b>	<u>\$ 4,022</u>	<u>\$ 4,399</u>	<u>\$ 24,210</u>	<u>\$ 30,509</u>	<u>\$ (4,469)</u>	<u>\$ 29,524</u>

See accompanying independent auditors' report.

(Continued)

**LAFOURCHE PARISH**  
 Non-Major Debt Service Funds - Special Assessment  
 Combining Statement of Revenue, Expenditures and Changes in Fund Balance

For the year ended December 31, 2003

Schedule 7

	760 West 159th Street Special Assessment Fund	770 Levert Drive Special Assessment Fund	780 Emerald Park Drive Special Assessment Fund	790 West 57th Street Special Assessment Fund	800 Maxine Boulevard Special Assessment Fund	795 Mill Street Special Assessment Fund
<b>REVENUES</b>						
Use of Money and Property	\$ 91	\$ 299	\$ -	\$ -	\$ 36	\$ -
Total Revenues	<u>91</u>	<u>299</u>	<u>-</u>	<u>-</u>	<u>36</u>	<u>-</u>
<b>EXPENDITURES</b>						
Principal Payments	-	-	-	-	-	-
Interest Payments	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>91</u>	<u>299</u>	<u>-</u>	<u>-</u>	<u>36</u>	<u>-</u>
<b>FUND BALANCES (ACCUMULATED DEFICITS) - BEGINNING OF YEAR</b>	<u>15,043</u>	<u>34,234</u>	<u>(3,134)</u>	<u>5,246</u>	<u>9,139</u>	<u>1,601</u>
<b>END OF YEAR</b>	<u>\$ 15,134</u>	<u>\$ 34,533</u>	<u>\$ (3,134)</u>	<u>\$ 5,246</u>	<u>\$ 9,175</u>	<u>\$ 1,601</u>

See accompanying independent auditors' report.

(Continued)

**LAFOURCHE PARISH**  
**Non-Major Debt Service Funds - Special Assessment**  
**Combining Statement of Revenue, Expenditures and Changes in Fund Balance**

For the year ended December 31, 2003

Schedule 7

	796 Country Club Garden Special Assessment Fund	799 Elizabeth and Oleander Streets Special Assessment Fund	751 Bayou Oaks Subdivision Special Assessment Fund	752 Bayou Bend Subdivision Special Assessment Fund	174 Oakview-Holly Street Special Assessment Fund
<b>REVENUES</b>					
Use of Money and Property	\$ 2	\$ 153	\$ 6	\$ 23	\$ 121
Total Revenues	<u>2</u>	<u>153</u>	<u>6</u>	<u>23</u>	<u>121</u>
<b>EXPENDITURES</b>					
Principal Payments	-	-	-	-	24,956
Interest Payments	-	-	-	-	2,750
Other	-	-	-	-	354
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>28,060</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>2</u>	<u>153</u>	<u>6</u>	<u>23</u>	<u>(27,939)</u>
<b>FUND BALANCES (ACCUMULATED DEFICITS) - BEGINNING OF YEAR</b>	<u>(2,809)</u>	<u>25,633</u>	<u>(10,902)</u>	<u>22,052</u>	<u>45,084</u>
<b>END OF YEAR</b>	<u>\$ (2,807)</u>	<u>\$ 25,786</u>	<u>\$ (10,896)</u>	<u>\$ 22,075</u>	<u>\$ 17,145</u>

See accompanying independent auditors' report.

(Continued)

**LAFOURCHE PARISH**  
 Non-Major Debt Service Funds - Special Assessment  
 Combining Statement of Revenue, Expenditures and Changes in Fund Balance

For the year ended December 31, 2003

Schedule 7

	226 Certificate of Indebtedness Series 1994 Oak Manor Fund	227 Certificate of Indebtedness Series 1995 Dugas Subdivision Fund	753 Dugas Subdivision Parkside Dr. Special Assessment Fund	Total
<b>REVENUES</b>				
Use of Money and Property	\$ -	\$ -	\$ 65	\$ 1,546
Total Revenues	-	-	65	1,546
<b>EXPENDITURES</b>				
Principal Payments	-	-	15,561	40,517
Interest Payments	-	-	3,000	5,750
Other	-	-	84	438
Total Expenditures	-	-	18,645	46,705
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	-	-	(18,580)	(45,159)
<b>FUND BALANCES (ACCUMULATED DEFICITS) - BEGINNING OF YEAR</b>	611	501	38,967	268,711
<b>END OF YEAR</b>	<u>\$ 611</u>	<u>\$ 501</u>	<u>\$ 20,387</u>	<u>\$ 223,552</u>

See accompanying independent auditors' report.

## **LAFOURCHE PARISH**

### **DEBT SERVICE FUNDS**

**PUBLIC IMPROVEMENT REFUNDING SERIES 1994 BOND FUND** - The Public Improvement Refunding Series 1994 Bond Sinking Fund accounts for the refunding of the original 1988 series bonds issued. The bonds are payable primarily from, and secured by a pledge of monies placed to the credit of the Parish by the treasurer of the State of Louisiana in a trust fund, established and maintained by said treasurer and constituting ten percent of the state mineral royalties. This fund is used to accumulate monies transferred from the state trust fund for the principal and interest payments due in each year and the ensuing year.

**CERTIFICATE OF INDEBTEDNESS, SERIES 1994 BOND FUND** - Certificates of Indebtedness, Series 1994 Bond Fund accumulates monies for the payment of \$1,665,000 certificates of indebtedness dated October 1, 1994. The bonds were issued for the purpose of constructing and improving drainage works and facilities.

**CERTIFICATES OF INDEBTEDNESS ROAD SALES TAX DISTRICT NO. 2 SERIES 1998 AND 1999 BOND FUND** - Certificates of Indebtedness Road Sales Tax District No. 2 Series 1998 and 1999 Bond Fund accumulates monies for the payment of \$9,500,000 certificates of indebtedness dated June 1, 1998 and \$4,515,000 certificates of indebtedness date July 1, 1999. The bonds were issued for the purpose of constructing, improving, maintaining, and resurfacing public roads in Road Sales Tax District No. 2, including incidental drainage.

**CERTIFICATE OF INDEBTEDNESS, SERIES 1999 - BUILDING FUND** - Certificate of Indebtedness, Series 1999 - Building accumulates monies for the payment of \$385,000 certificates of indebtedness date January 1, 1999. The certificates were issued for the purpose of acquiring and improving a new administrative building.

**PUBLIC IMPROVEMENT SALES TAX SERIES 1999 BONDS (DISTRICT NO. 3) FUND** - The Public Improvement Sales Tax Series 1999 Bond (Road Sales Tax District No. 3) Fund accumulates monies for the payment of \$4,500,000 public improvement sales tax bonds dated May 1, 1999. The bonds were issued for the purpose of constructing and improving, maintaining, and resurfacing public roads in Road Sales Tax District No. 3, including incidental drainage.

**ROAD SALES TAX DISTRICT NO. 3 PUBLIC IMPROVEMENT BOND RESERVE FUND** - The Road Sales Tax District No. 3 Public Improvement Bond Reserve Fund was established from proceeds of the bonds in an amount equal to ten percent of the bonds sold. This amount shall be retained solely to pay principal and interest on the \$4,500,000 Public Improvement Sales Tax Bonds, Series 1999 in case of default.

**CERTIFICATES OF INDEBTEDNESS DISTRICT NO. 1 SERIES 2000 FUND** - Certificates of Indebtedness District No. 1 Series 2000 Fund accumulates monies for the payment of \$2,800,000 of Series 2000A and \$1,700,000 of Series 2000B certificates of indebtedness dated February 1, 1999. The certificates were issued for the purpose of providing funds to construct, improve and resurface parish roads in Road District No. 1 and Road Sales Tax Districts No. 2 and 3.

## LAFOURCHE PARISH

### DEBT SERVICE FUNDS

**ROAD SALES TAX DISTRICT NO. 5 BOND SINKING FUND** - The Road Sales Tax District No. 5 Bond Sinking Fund was established to accumulate monies for the principal and interest payments associated with the \$9,000,000 of Public Improvement sales tax bonds dated May 1, 2000. The bonds were issued for the purpose of construction, improvement, and resurfacing of public roads within Road District No. 5, including incidental drainage.

**ROAD SALES TAX DISTRICT NO. 5 RESERVE FUND** - The Road Sales Tax District No. 5 Reserve Fund was established from proceeds of the bonds in an amount equal to ten percent of the bonds sold. The amount shall be retained solely to pay principal and interest on the \$9,000,000 of Road Sales Tax Bonds, Series 2000 in case of default.

**ROAD SALES TAX DISTRICT NO. 6 BOND SINKING FUND** - The Road Sales Tax District No. 6 Bond Sinking Fund was established to accumulate monies for the principal and interest payments associated with the \$4,500,000 of Public Improvement sales tax bonds dated May 1, 2000. The bonds were issued for the purpose of construction, improvement, and resurfacing of public roads within Road District No. 6, including incidental drainage

**ROAD SALES TAX DISTRICT NO. 6 RESERVE FUND** - The Road Sales Tax District No. 6 Reserve Fund was established from proceeds of the bonds in an amount equal to ten percent of the bonds sold. The amount shall be retained solely to pay principal and interest on the \$4,500,000 of Road Sales Tax Bonds, Series 2000 in case of default.

**ROAD SALES TAX DISTRICT NO. 2 RESERVE FUND** - The Road Sales Tax District No. 2 Reserve Fund was established for the monies kept in reserve associated with the Series 2000A and Series 2000B certificates of indebtedness issued in 2000.

**REFUNDING BONDS SERIES 2001 DISTRICT NO. 3 RESERVE FUND** - The Refunding Bonds Series 2001 District No. 3 Reserve Fund was established from proceeds of the bonds in an amount equal to the lesser of ten percent of the proceeds of the bonds or the highest combined principal and interest requirements for any bond year. This amount shall be retained solely to pay principal and interest on the \$1,550,000 Refunding Bonds Series 2001 in case of default.

**DEBT SERVICE FUND SERIES 2001** - The Debt Service Fund Series 2002 accumulates monies for the payment of the \$1,550,000 Refunding Bonds Series 2001 dated March 1, 2001. The bonds were issued for the purpose of refunding the \$1,700,000 Certificates of Indebtedness Series 2000B dated February 1, 2000.

**SALES TAX BOND SINKING FUND SERIES 2003** - The Sales Tax Bond Sinking Fund Series 2003 was established to accumulate monies for the principal and interest payments associated with the \$10,000,000 Refunding Bonds, Series 2003, of Road Sales Tax District No. 2. The proceeds were used to pay a portion of the costs of effecting a current refunding of the Certificates of Indebtedness, Series 1998 and Certificate of Indebtedness, Series 1999 and \$1,880,000 of indebtedness owed by the Issuer to Road District No. 1.

**LAFOURCHE PARISH**  
Non-Major Debt Service Funds

Schedule 8

Combining Balance Sheet  
December 31, 2003

	223 Public Improvement Refunding Series 1994 Bond Fund	228 Certificate of Indebtedness Series 1994 Bond Fund	229 Certificate of Indebtedness Road Sales Tax District No. 2 Series 1999 and 1998	230 Certificate of Indebtedness Series 1999 Building Fund	231 Public Improvement Sales Tax Series 1999 Bond (Dist. No 3) Fund	232 Road Sales District No. 3 Public Improvement Bond Reserve Fund
<b>ASSETS</b>						
Cash	\$ 21	\$ 880,487	\$ -	\$ 47,545	\$ 142,100	\$ 548
Investment in LAMP	-	8,526	-	440,199	91,261	450,026
Receivables	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 21</b>	<b>\$ 889,013</b>	<b>\$ -</b>	<b>\$ 487,744</b>	<b>\$ 233,361</b>	<b>\$ 450,574</b>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to Other Funds	-	-	-	-	-	-
Deferred Revenue	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES</b>						
Fund Balances:						
Reserved for Debt Service	21	889,013	-	487,744	233,361	450,574
<b>Total Fund Balances</b>	<b>21</b>	<b>889,013</b>	<b>-</b>	<b>487,744</b>	<b>233,361</b>	<b>450,574</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 21</b>	<b>\$ 889,013</b>	<b>\$ -</b>	<b>\$ 487,744</b>	<b>\$ 233,361</b>	<b>\$ 450,574</b>

See accompanying independent auditors' report.

(Continued)

**LAFOURCHE PARISH**  
Non-Major Debt Service Funds

Combining Balance Sheet  
December 31, 2003

Schedule 8

	237 Certificate of Indebtedness District No. 1 Series 2000 Fund	233 Road Sales Tax District No. 5 Bond Sinking Fund	234 Road Sales Tax District No. 5 Reserve Fund	235 Road Sales Tax District No. 6 Bond Sinking Fund	236 Road Sales Tax District No. 6 Reserve Fund	238 Road Sales Tax District No. 2 Reserve Fund	239 Refunding Bonds Series 2001 No. 3 Reserve Fund
<b>ASSETS</b>							
Cash	\$ 119,535	\$ 396,726	\$ -	\$ 198,261	\$ -	\$ -	\$ -
Investment in LAMP	113,027	179,969	900,558	89,946	450,279	-	87,906
Receivables	-	-	-	-	-	-	-
Due from Other Funds	34,970	-	195	-	97	-	-
Other	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 267,532</b>	<b>\$ 576,695</b>	<b>\$ 900,753</b>	<b>\$ 288,207</b>	<b>\$ 450,376</b>	<b>\$ -</b>	<b>\$ 87,906</b>
<b>LIABILITIES AND FUND BALANCES</b>							
<b>LIABILITIES</b>							
Accounts Payable	\$ -	\$ -	\$ 753	\$ -	\$ 376	\$ -	\$ 72
Due to Other Funds	-	-	-	-	-	-	-
Deferred Revenue	-	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>753</b>	<b>-</b>	<b>376</b>	<b>-</b>	<b>72</b>
<b>FUND BALANCES</b>							
Fund Balances:							
Reserved for Debt Service	267,532	576,695	900,000	288,207	450,000	-	87,834
<b>Total Fund Balances</b>	<b>267,532</b>	<b>576,695</b>	<b>900,000</b>	<b>288,207</b>	<b>450,000</b>	<b>-</b>	<b>87,834</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 267,532</b>	<b>\$ 576,695</b>	<b>\$ 900,753</b>	<b>\$ 288,207</b>	<b>\$ 450,376</b>	<b>\$ -</b>	<b>\$ 87,906</b>

See accompanying independent auditors' report.

(Continued)

**LAFOURCHE PARISH**  
Non-Major Debt Service Funds

Combining Balance Sheet  
December 31, 2003

Schedule 8

	240 Debt Service Fund Series 2001	241 Sales Tax Bond Sinking Fund Series 2003	Special Assessments	Total
<b>ASSETS</b>				
Cash	\$ -	\$ -	\$ 182,533	\$ 1,967,756
Investment in LAMP	78,922	1,679,684	-	4,570,303
Receivables	-	-	77,531	77,531
Due from Other Funds	-	20,808	33,295	89,365
Other	-	-	-	-
	<u>\$ 78,922</u>	<u>\$ 1,700,492</u>	<u>\$ 293,359</u>	<u>\$ 6,704,955</u>
<b>Total Assets</b>				
	<u>\$ 78,922</u>	<u>\$ 1,700,492</u>	<u>\$ 293,359</u>	<u>\$ 6,704,955</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts Payable	\$ -	\$ -	\$ -	\$ 1,201
Due to Other Funds	-	33,115	33,295	66,410
Deferred Revenue	-	-	36,512	36,512
	<u>-</u>	<u>33,115</u>	<u>69,807</u>	<u>104,123</u>
<b>Total Liabilities</b>				
	<u>-</u>	<u>33,115</u>	<u>69,807</u>	<u>104,123</u>
<b>FUND BALANCES</b>				
Fund Balances:				
Reserved for Debt Service	78,922	1,667,377	223,552	6,600,832
	<u>78,922</u>	<u>1,667,377</u>	<u>223,552</u>	<u>6,600,832</u>
<b>Total Fund Balances</b>				
	<u>78,922</u>	<u>1,667,377</u>	<u>223,552</u>	<u>6,600,832</u>
<b>Total Liabilities and Fund Balances</b>				
	<u>\$ 78,922</u>	<u>\$ 1,700,492</u>	<u>\$ 293,359</u>	<u>\$ 6,704,955</u>

See accompanying independent auditors' report.

**LAFOURCHE PARISH**  
Non-Major Debt Service Funds

Combining Statement of Revenue, Expenditures and Changes in Fund Balance

For the year ended December 31, 2003

Schedule 9

	223 Public Improvement Refunding Series 1994 Bond Fund	228 Certificate of Indebtedness Series 1994 Bond Fund	229 Certificate of Indebtedness Road Sales Tax District No. 2 Series 1998 and 1999	230 Certificate of Indebtedness Series 1999 Building Fund	231 Public Improvement Sales Tax Series 1999 Bond (Dist. No 3) Fund	232 Road Sales Tax District No. 3 Public Improvement Bond Reserve Fund	237 Certificate of Indebtedness District No. 1 Series 2000 Fund	233 Road Sales Tax District No. 5 Bond Sinking Fund
<b>REVENUES</b>								
Use of Money and Property	\$ 4	\$ 5,105	\$ 3,589	\$ 1,536	\$ 2,060	\$ 4,937	\$ 1,668	\$ 3,367
Total Revenues	<u>4</u>	<u>5,105</u>	<u>3,589</u>	<u>1,536</u>	<u>2,060</u>	<u>4,937</u>	<u>1,668</u>	<u>3,367</u>
<b>EXPENDITURES</b>								
Principal Payments	-	515,000	1,270,071	325,000	235,000	-	595,000	445,000
Interest Payments	-	30,462	-	265,311	179,168	-	130,699	495,660
Other	-	-	-	-	25	-	7	-
Total Expenditures	<u>-</u>	<u>545,462</u>	<u>1,270,071</u>	<u>590,311</u>	<u>414,193</u>	<u>-</u>	<u>725,706</u>	<u>940,660</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>4</u>	<u>(540,357)</u>	<u>(1,266,482)</u>	<u>(588,775)</u>	<u>(412,133)</u>	<u>4,937</u>	<u>(724,038)</u>	<u>(937,293)</u>
<b>OTHER FINANCING SOURCES (USES)</b>								
Proceeds from issuance of bonds payable	-	-	-	-	-	-	-	-
Refunding of bonds	-	-	(8,120,000)	-	-	-	(1,880,000)	-
Operating Transfers In	-	666,911	8,426,957	601,450	422,092	-	2,314,174	951,110
Operating Transfers Out	-	-	(1,326)	-	-	(4)	(17,565)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>666,911</u>	<u>305,631</u>	<u>601,450</u>	<u>422,092</u>	<u>(4)</u>	<u>416,609</u>	<u>951,110</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	<u>4</u>	<u>126,554</u>	<u>(960,851)</u>	<u>12,675</u>	<u>9,959</u>	<u>4,933</u>	<u>(307,429)</u>	<u>13,817</u>
<b>FUND BALANCES:</b>								
BEGINNING OF YEAR	<u>17</u>	<u>762,459</u>	<u>960,851</u>	<u>475,069</u>	<u>223,402</u>	<u>445,641</u>	<u>574,961</u>	<u>562,878</u>
END OF YEAR	<u>\$ 21</u>	<u>\$ 889,013</u>	<u>\$ -</u>	<u>\$ 487,744</u>	<u>\$ 233,361</u>	<u>\$ 450,574</u>	<u>\$ 267,532</u>	<u>\$ 576,695</u>

(Continued)

See accompanying independent auditors' report.

**LAFOURCHE PARISH**  
Non-Major Debt Service Funds

Combining Statement of Revenue, Expenditures and Changes in Fund Balance

For the year ended December 31, 2003

Schedule 9

	234 Road Sales Tax District No. 5 Reserve Fund	235 Road Sales Tax District No. 6 Bond Sinking Fund	236 Road Sales Tax District No. 6 Reserve Fund	238 Road Sales Tax District No. 2 Rserve Fund	239 Refunding Bonds Series 2001 No. 3 Reserve Fund	240 Debt Service Funds Series 2001	241 Sales Tax Bond Sinking Fund Series 2003	Special Assessments	Total
<b>REVENUES</b>									
Use of Money and Property	\$ 9,923	\$ 1,678	\$ 4,962	\$ 826	\$ 786	\$ 672	\$ 11,590	\$ 1,546	\$ 54,249
Total Revenues	9,923	1,678	4,962	826	786	672	11,590	1,546	54,249
<b>EXPENDITURES</b>									
Principal Payments	-	220,000	-	201,100	-	90,000	-	40,517	3,936,688
Interest Payments	-	247,665	-	57,597	-	73,840	108,663	5,750	1,594,815
Other	-	-	-	1,909	-	-	-	438	2,379
Total Expenditures	-	467,665	-	260,606	-	163,840	108,663	46,705	5,533,882
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	9,923	(465,987)	4,962	(259,780)	786	(163,168)	(97,073)	(45,159)	(5,479,633)
<b>OTHER FINANCING SOURCES (USES)</b>									
Proceeds from issuance of bonds payable	-	-	-	-	-	-	10,000,000	-	10,000,000
Refunding of bonds	-	-	-	-	-	-	-	-	(10,000,000)
Operating Transfers In	-	475,032	-	69,484	31,000	166,393	1,764,450	-	15,889,053
Operating Transfers Out	(9,923)	-	(4,962)	(18,155)	(786)	-	(10,000,000)	-	(10,052,721)
Total Other Financing Sources (Uses)	(9,923)	475,032	(4,962)	51,329	30,214	166,393	1,764,450	-	5,836,332
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	-	9,045	-	(208,451)	31,000	3,225	1,667,377	(45,159)	356,699
<b>FUND BALANCES:</b>									
<b>BEGINNING OF YEAR</b>	900,000	279,162	450,000	208,451	56,834	75,697	-	268,711	6,244,133
<b>END OF YEAR</b>	\$ 900,000	\$ 288,207	\$ 450,000	\$ -	\$ 87,834	\$ 78,922	\$ 1,667,377	\$ 223,552	\$ 6,600,832

See accompanying independent auditors' report.

**LAFOURCHE PARISH**  
**CAPITAL PROJECTS FUNDS**

**LAROUSSE FISHING WHARF LIGHTING FUND** - The Larousse Fishing Wharf Fund accounts for the lighting and extension project of this wharf. Financing is provided by a grant from the U.S. Department of Commerce through the State of Louisiana Department of Natural Resources and a match from the Recreation Fund.

**MORRISTOWN SEWERAGE PROJECT** - The primary objective of the Morristown Sewerage Project is the development of viable urban communities by providing a suitable living environment for persons of low and moderate income.

**SERIES 1994 PUBLIC IMPROVEMENT BOND FUND** - The Series 1994 Public Improvement Bond Fund accounts for construction and improvement of drainage within the Parish. Financing is provided by the sale of \$1,665,000 in bonds payable by the State Treasurer from the revenue from state mineral royalties.

**ROAD SALES TAX DISTRICT NO. 5 FUND** - The Road Sales Tax District No. 5 Fund accounts for the construction, improvement, maintenance, and resurfacing of public roads in Road Sales Tax District No. 5, including incidental drainage. Financing is provided by the sale of \$9,000,000 of Public Improvement Sales Tax Bonds.

**ROAD SALES TAX DISTRICT NO. 6 FUND** - The Road Sales Tax District No. 6 Fund accounts for the construction, improvement, maintenance, and resurfacing of public roads in Road Sales Tax District No. 6, including incidental drainage. Financing is provided by the sale of \$4,500,000 of Public Improvement Sales Tax Bonds.

**KRAEMER DRAINAGE PROJECT FUND** - The Kraemer Drainage Project Fund is a FEMA mitigating program and is funded by federal funds and funds from the Lafourche Basin Levee District.

**ROAD DISTRICT NO. 3 CONSTRUCTION FUND** - The Road District No. 3 Construction Fund accounts for the construction, improvement, maintenance, and resurfacing of public roads in Road Sales Tax Districts No. 2 and 3, including incidental drainage. Financing is provided by the sale of \$1,700,000 of Certificates of Indebtedness.

**ROAD DISTRICT NO. 2 CONSTRUCTION FUND** - The Road District No. 2 Construction Fund accounts for the construction, improvement, maintenance, and resurfacing of public roads in Road Sales Tax Districts No. 2 and 3, including incidental drainage. Financing is provided by the sale of \$2,800,000 of Certificates of indebtedness.

**MIDWAY-EMERALD PARK SUBDIVISION FUND** - The purpose of this fund is to account for the drainage project(s) in these subdivisions. The Parish and FEMA provide financing for this project.

**STATE HIGHWAY 308 RELOCATION FUND** - This fund accounts for the roadway improvements to relocate a portion of State Highway 308 to allow for improved economic development. The State Department of Transportation and Development provides financing for this project.

**LAFOURCHE PARISH**  
**CAPITAL PROJECTS FUNDS**

**ROAD SALES TAX DISTRICT NO. 2 CONSTRUCTION FUND** - The Road Sales Tax District No. 2 Construction Fund accounts for the construction, improvement, maintenance, and resurfacing of public roads in the Road Sales Tax District No. 2, including incidental drainage. Financing is provided by the sale of \$9,500,000 in certificates of indebtedness secured by sales taxes collected in this district.

**RURAL DEVELOPMENT GRANT FUND** - Financing for this project is provided by state rural development funds.

**LEEVILLE PARK CONSTRUCTION PROJECT FUND** - The Leeville Park Construction Project Fund accounts for the fencing in and the purchase of grass for the Leeville Park. Financing is provided by a grant from the U.S. Department of Commerce through the State of Louisiana Department of Natural Resources and a match from the Recreation Fund.

**LAFOURCHE PARISH**  
**Non-Major Capital Projects Funds**  
**Combining Balance Sheet**

Schedule 10

December 31, 2003

	189	195	216	319	320	322	324
	Larousse Fishing Wharf Lighting Fund	Morristown Sewerage Project Fund	Series 1994 Public Improvement Bond Fund	Road Sales Tax District No. 5 Fund	Road Sales Tax District No. 6 Fund	Kraemer Drainage Project Fund	Road Construction District No. 3 Fund
<b>ASSETS</b>							
Cash	\$ -	\$ -	\$ 910	\$ 1	\$ 18,800	\$ -	\$ 42
Investment in LAMP	-	-	47,155	23	237,120	-	35
Receivables	-	-	-	-	-	49,857	-
<b>Total Assets</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 48,065</b>	<b>\$ 24</b>	<b>\$ 255,920</b>	<b>\$ 49,857</b>	<b>\$ 77</b>
<b>LIABILITIES AND FUND BALANCES</b>							
<b>LIABILITIES</b>							
Accounts and Other Payables	-	-	-	-	-	-	68,393
Retainage Payable	-	-	-	-	-	21,206	-
Due to Other Funds	-	-	-	-	-	49,857	-
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>71,063</b>	<b>68,393</b>
<b>FUND BALANCES</b>							
<b>Fund Balances (Accumulated Deficits):</b>							
Reserved for Capital Contracts	-	-	48,065	24	255,920	(21,206)	(68,316)
<b>Total Fund Balances (Accumulated Deficits)</b>	<b>-</b>	<b>-</b>	<b>48,065</b>	<b>24</b>	<b>255,920</b>	<b>(21,206)</b>	<b>(68,316)</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 48,065</b>	<b>\$ 24</b>	<b>\$ 255,920</b>	<b>\$ 49,857</b>	<b>\$ 77</b>

See accompanying independent auditors' report.

(Continued)

**LAFOURCHE PARISH**  
**Non-Major Capital Projects Funds**  
**Combining Balance Sheet**

Schedule 10

December 31, 2003

	325	308	311	315	317	388	
	Road Construction District No. 2 Fund	Midway - Emerald Park Subdivision Fund	State Highway 308 Relocation Fund	Road Sales Tax District No. 2 Construction Fund	Rural Development Grant Fire Project Fund	Leeville Park Construction Project Fund	Total
<b>ASSETS</b>							
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,753
Investment in LAMP	97,264	-	-	-	-	-	381,597
Receivables	-	-	64,362	-	-	-	114,219
<b>Total Assets</b>	<u>\$ 97,264</u>	<u>\$ -</u>	<u>\$ 64,362</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 515,569</u>
<b>LIABILITIES AND FUND BALANCES</b>							
<b>LIABILITIES</b>							
Accounts and Other Payables	-	-	-	-	-	-	68,393
Retainage Payable	-	-	-	-	-	-	21,206
Due to Other Funds	-	-	64,362	-	-	-	114,219
<b>Total Liabilities</b>	<u>-</u>	<u>-</u>	<u>64,362</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>203,818</u>
<b>FUND BALANCES</b>							
Fund Balances (Accumulated Deficits):							
Reserved for Capital Contracts	97,264	-	-	-	-	-	311,751
<b>Total Fund Balances (Accumulated Deficits)</b>	<u>97,264</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>311,751</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 97,264</u>	<u>\$ -</u>	<u>\$ 64,362</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 515,569</u>

See accompanying independent auditors' report.

**LAFOURCHE PARISH**  
Non-Major Capital Projects Funds

Combining Statement of Revenue, Expenditures and Changes in Fund Balance

For the year ended December 31, 2003

Schedule 11

	189 Larousse Fishing Wharf Lighting Fund	195 Morristown Sewerage Project Fund	216 Series 1994 Public Improvement Bond Fund	319 Road Sales Tax District No. 5 Fund	320 Road Sales Tax District No. 6 Fund
<b>REVENUES</b>					
Intergovernmental					
State Funds	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	77,541	-	-	-
Use of Money and Property	-	-	526	488	11,469
Other	-	-	-	-	-
<b>Total Revenues</b>	<u>-</u>	<u>77,541</u>	<u>526</u>	<u>488</u>	<u>11,469</u>
<b>EXPENDITURES</b>					
Public Works	6,325	-	-	201,319	1,893,740
Capital Outlays	-	77,541	-	-	-
<b>Total Expenditures</b>	<u>6,325</u>	<u>77,541</u>	<u>-</u>	<u>201,319</u>	<u>1,893,740</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(6,325)</u>	<u>-</u>	<u>526</u>	<u>(200,831)</u>	<u>(1,882,271)</u>
<b>OTHER FINANCING SOURCES</b>					
Operating Transfers In	-	-	-	100,706	-
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>100,706</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OR REVENUES AND OTHER SOURCES OVER EXPENDITURES</b>	<u>(6,325)</u>	<u>-</u>	<u>526</u>	<u>(100,125)</u>	<u>(1,882,271)</u>
<b>FUND BALANCES (ACCUMULATED DEFICITS) - BEGINNING OF YEAR</b>	<u>6,325</u>	<u>-</u>	<u>47,539</u>	<u>100,149</u>	<u>2,138,191</u>
<b>END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 48,065</u>	<u>\$ 24</u>	<u>\$ 255,920</u>

See accompanying independent auditors' report.

(Continued)

**LAFOURCHE PARISH**  
**Non-Major Capital Projects Funds**

Combining Statement of Revenue, Expenditures and Changes in Fund Balance

Schedule 11

For the year ended December 31, 2003

	322 Kracmer Drainage Project Fund	324 Road Construction District No. 3 Fund	325 Road Construction District No. 2 Fund	308 Midway - Emerald Park Subdivision Fund	311 State Highway 308 Relocation Fund
<b>REVENUES</b>					
Intergovernmental					
State Funds	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	148,348	-	-	-	-
Use of Money and Property	-	2,113	1,039	-	-
Other	-	-	-	-	-
<b>Total Revenues</b>	<u>148,348</u>	<u>2,113</u>	<u>1,039</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES</b>					
Public Works	-	822,242	138,466	18,681	-
Capital Outlays	169,554	-	-	-	-
<b>Total Expenditures</b>	<u>169,554</u>	<u>822,242</u>	<u>138,466</u>	<u>18,681</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(21,206)</u>	<u>(820,129)</u>	<u>(137,427)</u>	<u>(18,681)</u>	<u>-</u>
<b>OTHER FINANCING SOURCES</b>					
Operating Transfers In	-	36,153	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>36,153</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OR REVENUES AND OTHER SOURCES OVER EXPENDITURES</b>	<u>(21,206)</u>	<u>(783,976)</u>	<u>(137,427)</u>	<u>(18,681)</u>	<u>-</u>
<b>FUND BALANCES (ACCUMULATED DEFICITS) - BEGINNING OF YEAR</b>	<u>-</u>	<u>715,660</u>	<u>234,691</u>	<u>18,681</u>	<u>-</u>
<b>END OF YEAR</b>	<u>\$ (21,206)</u>	<u>\$ (68,316)</u>	<u>\$ 97,264</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying independent auditors' report.

(Continued)

**LAFOURCHE PARISH**  
**Non-Major Capital Projects Funds**

Combining Statement of Revenue, Expenditures and Changes in Fund Balance

Schedule 11

For the year ended December 31, 2003

	315 Road Sales Tax District No. 2 Construction Fund	317 Rural Development Grant Fire Project Fund	388 Leeville Park Construction Project Fund	Total
<b>REVENUES</b>				
Intergovernmental				
State Funds	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	225,889
Use of Money and Property	-	-	-	15,635
Other	-	4	-	4
<b>Total Revenues</b>	<b>-</b>	<b>4</b>	<b>-</b>	<b>241,528</b>
<b>EXPENDITURES</b>				
Public Works	-	-	3,500	3,084,273
Capital Outlays	-	-	-	247,095
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>3,500</b>	<b>3,331,368</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>-</b>	<b>4</b>	<b>(3,500)</b>	<b>(3,089,840)</b>
<b>OTHER FINANCING SOURCES</b>				
Operating Transfers In	-	-	-	136,859
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>136,859</b>
<b>EXCESS (DEFICIENCY) OR REVENUES AND OTHER SOURCES OVER EXPENDITURES</b>	<b>-</b>	<b>4</b>	<b>(3,500)</b>	<b>(2,952,981)</b>
<b>FUND BALANCES (ACCUMULATED DEFICITS) - BEGINNING OF YEAR</b>	<b>-</b>	<b>(4)</b>	<b>3,500</b>	<b>3,264,732</b>
<b>END OF YEAR</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 311,751</b>

See accompanying independent auditors' report.

## **LAFOURCHE PARISH**

### **ENTERPRISE FUNDS**

**SEWERAGE DISTRICT NO. 3 FUND** - The purpose of the Sewerage District No. 3 Fund is to provide service to Brocato Lane and Alidore Housing Project in Raceland. Residents who receive service through user fees provide financing.

**SEWERAGE DISTRICT NO. 4 FUND** - The Sewerage District No. 4 was created by the Parish because it was their intent to accumulate the cost of providing services to the general public and those costs to be financed or recovered by charging a fee to the citizens who receive the services.

**SEWERAGE DISTRICT NO. 14 FUND** - The Sewerage District No. 14 was created to provide service to Dugas Subdivision in Thibodaux. Residents who receive the services through user fees provide financing.

**RITA SEWERAGE FUND** - The Rita Sewerage Fund was created to provide service to the Rita Community in Thibodaux. The project was fully funded by a federal grant Construction was completed in 2003.

**LAFOURCHE PARISH**  
 Non-Major Enterprise Funds  
 Combining Statement of Net Assets

December 31, 2003

Schedule 12

	402 Sewerage District No. 3 Fund	401 Sewerage District No. 4 Fund	403 Sewerage District No. 14 Fund	404 Rita Community Sewerage Fund	Total
<b>ASSETS</b>					
Cash	\$ 3,528	\$ 2,107	\$ 1,131	\$ 3,013	\$ 9,779
Investment in LAMP	-	9	-	-	9
Accounts Receivable	3,679	2,410	1,071	442	7,602
Due from Other Agencies	3,679	-	1,071	443	5,193
<b>Total Current Assets</b>	<u>10,886</u>	<u>4,526</u>	<u>3,273</u>	<u>3,898</u>	<u>22,583</u>
<b>PROPERTY, PLANT AND EQUIPMENT</b>					
Property, Plant and Equipment	2,407,988	667,226	181,981	946,687	4,203,882
Less: Accumulated Depreciation	(697,943)	(343,993)	(98,270)	(22,320)	(1,162,526)
<b>Plant, Property and Equipment, net</b>	<u>1,710,045</u>	<u>323,233</u>	<u>83,711</u>	<u>924,367</u>	<u>3,041,356</u>
<b>Total Assets</b>	<u>\$ 1,720,931</u>	<u>\$ 327,759</u>	<u>\$ 86,984</u>	<u>\$ 928,265</u>	<u>\$ 3,063,939</u>
<b>LIABILITIES</b>					
Accounts Payable and Accrued Expenses	5,124	2,076	1,519	4,074	12,793
Retainage Payable	-	4,345	-	-	4,345
Due to Other Funds	20,649	20,008	32,141	1,992	74,790
<b>Total Liabilities</b>	<u>25,773</u>	<u>26,429</u>	<u>33,660</u>	<u>6,066</u>	<u>91,928</u>
<b>NET ASSETS</b>					
Invested in capital assets, net of related debt	1,710,045	323,233	83,711	924,367	3,041,356
Unrestricted (deficit)	(14,887)	(21,903)	(30,387)	(2,168)	(69,345)
<b>Total Fund Equity</b>	<u>1,695,158</u>	<u>301,330</u>	<u>53,324</u>	<u>922,199</u>	<u>2,972,011</u>
<b>Total Liabilities and Fund Equity</b>	<u>\$ 1,720,931</u>	<u>\$ 327,759</u>	<u>\$ 86,984</u>	<u>\$ 928,265</u>	<u>\$ 3,063,939</u>

See accompanying independent auditors' report.

**LAFOURCHE PARISH**  
**Non-Major Enterprise Funds**  
**Combining Statement of Revenue, Expenses and Changes in Net Assets**

Schedule 13

For the year ended December 31, 2003

	402 Sewerage District No. 3 Fund	401 Sewerage District No. 4 Fund	403 Sewerage District No. 14 Fund	404 Rita Community Sewerage Fund	Total
<b>OPERATING REVENUES</b>					
Sewerage Charges	\$ 51,784	\$ 29,080	\$ 14,589	\$ 5,068	\$ 100,521
<b>OPERATING EXPENSES</b>					
General Operating	60,202	44,230	19,176	5,589	129,197
Depreciation	96,319	26,689	7,280	22,320	152,608
Total Operating Expenses	156,521	70,919	26,456	27,909	281,805
<b>OPERATING LOSS</b>	(104,737)	(41,839)	(11,867)	(22,841)	(181,284)
<b>CAPITAL CONTRIBUTIONS</b>	-	-	-	214,143	214,143
<b>CHANGES IN NET ASSETS</b>	(104,737)	(41,839)	(11,867)	191,302	32,859
<b>NET ASSETS:</b>					
<b>BEGINNING OF YEAR, RESTATED</b>	1,799,895	343,169	65,191	730,897	2,939,152
<b>END OF YEAR</b>	\$ 1,695,158	\$ 301,330	\$ 53,324	\$ 922,199	\$ 2,972,011

See accompanying independent auditors' report.

**LAFOURCHE PARISH**  
**Non-Major Enterprise Funds**  
**Combining Statement of Cash Flows**

For the year ended December 31, 2003

Schedule 14

	402 Sewerage District No. 3 Fund	401 Sewerage District No. 4 Fund	403 Sewerage District No. 14 Fund	404 Rita Community Sewerage Fund	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Cash Received from Customers	\$ 48,073	\$ 28,885	\$ 13,349	\$ 75,461	165,768
Cash Payments for Operating Costs	<u>(44,560)</u>	<u>(42,404)</u>	<u>(12,227)</u>	<u>(72,450)</u>	<u>(171,641)</u>
Net Cash Provided by (Used in) Operating Activities	<u>3,513</u>	<u>(13,519)</u>	<u>1,122</u>	<u>3,011</u>	<u>(5,873)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Capital Contributions Received	-	-	-	214,143	214,143
Acquisition and Construction of Capital Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>(214,142)</u>	<u>(214,142)</u>
Net Cash Provided by Capital and Related Financing Activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<u>3,513</u>	<u>(13,519)</u>	<u>1,122</u>	<u>3,012</u>	<u>(5,872)</u>
<b>CASH AND CASH EQUIVALENTS: BEGINNING OF YEAR</b>	<u>15</u>	<u>15,635</u>	<u>9</u>	<u>1</u>	<u>15,660</u>
<b>END OF YEAR</b>	<u>\$ 3,528</u>	<u>\$ 2,116</u>	<u>\$ 1,131</u>	<u>\$ 3,013</u>	<u>\$ 9,788</u>
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:</b>					
Operating Loss	\$ (104,737)	\$ (41,839)	\$ (11,867)	\$ (22,841)	\$ (181,284)
Adjustments to Reconcile Operating Loss to Net Cash Provided by (Used in) Operating Activities:					
Depreciation	96,319	26,689	7,280	22,320	152,608
Increase in Receivables	(3,711)	(195)	(1,240)	70,393	65,247
Increase (Decrease) in Liabilities:					
Accounts Payable	2,267	(28)	(1,525)	(66,894)	(66,180)
Due to Other Funds	<u>13,375</u>	<u>1,854</u>	<u>8,474</u>	<u>33</u>	<u>23,736</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ 3,513</u>	<u>\$ (13,519)</u>	<u>\$ 1,122</u>	<u>\$ 3,011</u>	<u>\$ (5,873)</u>

See accompanying independent auditors' report.

**LAFOURCHE PARISH**

**INTERNAL SERVICE FUND**

**WORKER'S COMPENSATION FUND** - The Worker's Compensation Fund is maintained by the Parish to account for the billing to the various funds and the payment of insurance premiums and worker's compensation coverage.

**LAFOURCHE PARISH**  
**Non-Major Internal Service Fund**  
**Statement of Net Assets**

December 31, 2003

	<u>500 Workers' Compensation Fund</u>
<b>ASSETS</b>	
Cash	\$ 155,945
Investment in LAMP	472,654
Accounts Receivable	60,403
Due from Other Funds	60,164
Prepaid Expenses	<u>61,063</u>
 Total Assets	 <u>\$ 810,229</u>
 <b>LIABILITIES AND RETAINED EARNINGS</b>	
<b>LIABILITIES</b>	
Accounts and Other Payables	\$ 4,013
Salaries and Benefits Payable	1,296
Claims Payable	<u>75,966</u>
 Total Liabilities	 <u>81,275</u>
 <b>NET ASSETS</b>	
Unrestricted	<u>728,954</u>
 Total Net Assets	 <u>728,954</u>
 Total Liabilities and Net Assets	 <u>\$ 810,229</u>

See accompanying independent auditors' report.

**LAFOURCHE PARISH**  
Non-Major Internal Service Funds

Statement of Revenue, Expenses and Changes in Net Assets

For the year ended December 31, 2003

	500 Workers' Compensation Fund
<b>OPERATING REVENUES</b>	
Charges for Insurance	\$ 321,465
<b>OPERATING EXPENSES</b>	
Insurance Premiums	234,620
Claims	75,818
Other	150
Total Operating Expenses	310,588
<b>OPERATING INCOME</b>	10,877
<b>NON-OPERATING REVENUES</b>	
Investment Income	6,535
<b>CHANGES IN NET ASSETS</b>	17,412
<b>NET ASSETS:</b>	
<b>BEGINNING OF YEAR</b>	711,542
<b>END OF YEAR</b>	\$ 728,954

See accompanying independent auditors' report.

**LAFOURCHE PARISH**  
Non-Major Internal Service Fund

Statement of Cash Flows

For the year ended December 31, 2003

	500 Workers' Compensation Fund
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash Received for Premiums	\$ 308,355
Cash Payments for Operating Costs	<u>(281,395)</u>
Net Cash Provided by Operating Activities	<u>26,960</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Increase in Investment Income	<u>6,535</u>
Net Cash Provided by Investing Activities	<u>6,535</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	33,495
<b>CASH AND CASH EQUIVALENTS</b>	
<b>BEGINNING OF YEAR</b>	<u>595,104</u>
<b>END OF YEAR</b>	<u>\$ 628,599</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>	
Operating Income	\$ 10,877
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities	
(Increase) Decrease in Assets:	
Receivables	26,106
Due from Other Funds	(13,110)
Other Assets	(2,194)
Increase in Liabilities:	
Claims Payable	899
Accounts, Salaries and Other Payables	<u>4,382</u>
Net Cash Provided by Operating Activities	<u>\$ 26,960</u>

See accompanying independent auditors' report.

## **LAFOURCHE PARISH**

### **AGENCY FUNDS**

**PENSION AGENCY FUND** - The Pension Agency Fund accounts for the assets from the discontinued Pension Trust Fund that the Parish holds on behalf of others as their agent. The funds are due to former participants of the Pension Trust Plan or for administration of the distribution of the former Pension Trust Fund's assets. The Fund is presently contributing to the employees' deferred compensation plan.

**DRUG COURT JDC MATCH FUND** - The Drug Court JDC Match Fund is for the establishment and maintenance of a drug court to provide intensive outpatient treatment services to male and female non-violent drug abusing adults who commit misdemeanors and certain felony crimes. The drug court is locally funded by the Seventeenth Judicial District.

**DRUG COURT SUPREME COURT FUND** - The Drug Court Supreme Court Fund is for the maintenance of a drug court to provide intensive outpatient treatment services to male and female non-violent drug abusing adults who commit misdemeanors and certain felony crimes. The drug court is funded by the State of Louisiana Supreme Court.

**LAFORCHE PARISH**  
Schedule of Non-Major Agency Funds

For the year ended December 31, 2003

	Beginning of Year	Additions	Deletions	End of Year
<b>Pension Agency Fund - 600</b>				
<b>ASSETS</b>				
Cash	\$ 1,296	12	-	\$ 1,308
<b>LIABILITIES</b>				
Due to Others	\$ 1,296	12	-	\$ 1,308
<b>Drug Court JDC Match Fund - 120</b>				
<b>ASSETS</b>				
Accounts Receivable	\$ 2,079	15,012	17,091	\$ -
Total Assets	\$ 2,079	15,012	17,091	\$ -
<b>LIABILITIES</b>				
Due to Other Funds	\$ 2,079	15,012	17,091	\$ -
Total Liabilities	\$ 2,079	15,012	17,091	\$ -
<b>Drug Court Supreme Court Fund - 121</b>				
<b>ASSETS</b>				
Accounts Receivable	\$ 66,754	508,174	518,677	\$ 56,251
<b>LIABILITIES</b>				
Accounts Payable	\$ -	21,362	18,973	\$ 2,389
Salaries and Benefits Payable	9,914	11,858	9,914	11,858
Due to Other Funds	56,840	599,653	614,489	42,004
Total Liabilities	\$ 66,754	632,873	643,376	\$ 56,251
<b>TOTAL OF ALL FUNDS</b>				
<b>ASSETS</b>				
Cash	\$ 1,296	12	-	\$ 1,308
Receivables	68,833	523,186	535,768	56,251
Total Assets	\$ 70,129	523,198	535,768	\$ 57,559
<b>LIABILITIES</b>				
Accounts Payable	\$ -	21,362	18,973	\$ 2,389
Salaries and Benefits Payable	9,914	11,858	9,914	11,858
Due to Other Funds	58,919	614,665	631,580	42,004
Due to Others	1,296	12	-	1,308
Total Liabilities	\$ 70,129	647,897	660,467	\$ 57,559

See accompanying independent auditors' report.

**SCHEDULE 19**

**LAFOURCHE PARISH  
SCHEDULE OF COMPENSATION PAID TO PARISH COUNCIL MEMBERS  
AND PARISH PRESIDENT  
For The Year Ended December 31, 2003**

The schedule of compensation paid Parish members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the Parish members is included in the legislative expenditures of the General Fund. In accordance with Louisiana Reviewed Statute 33:1233, the Parish members have elected the monthly payment method of compensation. Under this method, Parish members receive \$800 per month in-lieu of per diem payments.

Compensation paid the Parish President is included in the executive expenditures of the General Fund. In accordance with the Lafourche Parish Home Rule Charter, the Parish President's salary is \$3,000 per month.

Charles Banta, III	\$ 9,600
Joseph Fertitta	9,600
L. Phillip Gouaux	9,600
Jerry Jones	9,600
Daniel Lorraine	9,600
Darryl Maribrough	9,600
Rhebb Rybiski	9,600
Roland Soignet	9,600
Lindel Toups	9,600
Gerald "Buzz" Breaux, Parish President	<u>36,000</u>
	<u>\$ 122,400</u>

See accompanying independent auditors' report.

**LAFOURCHE PARISH**

**Single Audit Reports and Management Letter**

**December 31, 2003**



**Postlethwaite & Netterville**

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**LAFOURCHE PARISH  
Thibodaux, Louisiana**

Single Audit Reports

December 31, 2003

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**Postlethwaite & Netterville**

A Professional Accounting Corporation  
Associated Offices in Principal Cities of the United States

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

To the President and Members of the  
Lafourche Parish:

We have audited the basic financial statements of the Lafourche Parish (the Parish) as of and for the year ended December 31, 2003, and have issued our qualified report, which included an explanatory paragraph relating to component units not included in the financial statements, thereon dated June 4, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Parish's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 2003:1 through 2003:5.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Parish's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weaknesses is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to management of the Parish in a separate letter dated June 4, 2004.

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

*Postlethwaite & Metterville*

Metairie, Louisiana  
June 4, 2004





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**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE MAJOR PROGRAM, ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

To the President and Members of the  
Lafourche Parish:

Compliance

We have audited the compliance of the Lafourche Parish (the Parish) 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 its major federal program for the year ended December 31, 2003. The Parish's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the Parish's management. Our responsibility is to express an opinion on the Parish's compliance based on our audit.

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

In our opinion, the Parish complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 2003. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 2003:6 and 2003:8.

### Internal Control Over Compliance

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

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

### Schedule of Expenditures of Federal Awards

We have audited the basic financial statements of the Parish as of and for the year ended December 31, 2003, and have issued our qualified report, which included an explanatory paragraph relating to component units not included in the financial statements, thereon dated June 4, 2004. Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

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

*Robert Stewart & Metairieville*

Metairie, Louisiana  
June 4, 2004



**LAFOURCHE PARISH GOVERNMENT**  
Thibodaux, Louisiana

Schedule of Expenditures of Federal Awards

For the year ended December 31, 2003

Federal Granting Agency Recipient State Agency/ Grant Program	LAF FUND#	Grant Identification #	Federal Catalog #	Expenditures
<b>DEPARTMENT OF AGRICULTURE:</b>				
Pass through Payments:				
Department of Education				
Child & Adult Care Food Prog.	141	N/A	10.558	\$ 238,498
Child & Adult Care Food Prog.-Head Start (Substandard Housing Asst for Rural Economies)	131	N/A	10.558A	<u>234,105</u>
<b>Total Department of Agriculture</b>				<u><b>472,603</b></u>
<b>DEPARTMENT OF COMMERCE:</b>				
Pass through Payments:				
Department of Natural Resources:				
Coastal Zone Management Program	181	NAC3N054190064	11.419	<u>47,917</u>
<b>Total Department of Commerce</b>				<u><b>47,917</b></u>
<b>DEPARTMENT OF HOUSING &amp; URBAN DEVELOPMENT:</b>				
Pass through Payments:				
Division of Administration:				
Office of Community Development	192	056-5409	14.219	214,144
Morristown Sewerage Project	195	598975	14.219	<u>77,541</u>
<b>Total Department of Housing &amp; Urban Development</b>				<u><b>291,685</b></u>
<b>DEPARTMENT OF ENERGY:</b>				
Pass through Payments:				
Department of Social Services:				
Weatherization Program-Louisiana Housing Finance Agency	143	DE-FG48-97R802	81.042	<u>33,454</u>
<b>Total Department of Energy</b>				<u><b>33,454</b></u>
<b>FEDERAL EMERGENCY MANAGEMENT AGENCY:</b>				
Pass through Payments:				
Dept of Public Safety & Corrections:				
Civil Defense - State & Local Emergency Management Assistance	001	N/A	83.503	19,095
Hazardous Material Emergency Planning	001	20.703	83.012	5,071
FEMA Acquisition/Elevation of Repetitive Loss	196	1380-DR-LA	83.548	551,532
Kraemer Force Drainage Project	322	1049-DR-LA	83.548	148,348
Hazard Mitigation	104	1380-DR-LA	83.545	<u>88,066</u>
<b>Total Federal Management Agency</b>				<u><b>812,112</b></u>
<b>DEPARTMENT OF HEALTH &amp; HUMAN SERVICES:</b>				
Direct Payments:				
Head Start	130	06CH0396/13	93.600	3,284,451
Louisiana Housing Finance Agency (TANF-Temporary Assist. For Needy Families)	154	G-0201LATANF	93.558	<u>3,024</u>
<b>Total Direct Payments</b>				<u><b>3,287,475</b></u>
Pass Through Payments:				
Department of Labor:				
Community Services Block Grant	150	99P0043	93.569	<u>188,079</u>
Department of Social Services:				
Low Income Home Energy Assist. Prg./Heat Crisis (Louisiana Housing Finance Agency)	144	G-0301LALIEA	93.568	<u>32,292</u>
<b>Total Pass Through Payments</b>				<u><b>188,371</b></u>
<b>Total Department of Health &amp; Human Services</b>				<u><b>3,485,846</b></u>
<b>TOTAL FEDERAL AWARDS</b>				<u><b>\$ 5,143,617</b></u>

**LAFOURCHE PARISH**  
**Thibodaux, Louisiana**

Notes to Schedule of Expenditures of Federal Awards

December 31, 2003

**(1) General**

The accompanying Schedule of Expenditures of Federal Awards presents the activity of the federal awards of the Lafourche Parish (Parish). The Parish reporting entity is defined in Note 2 to the primary government financial statements for the year ended December 31, 2003. All federal awards received directly from federal agencies are included on the schedule, as well as federal awards passed-through other government agencies.

**(2) Basis of Accounting**

The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting, which is described in Note 2 to the Parish primary government financial statements for the year ended December 31, 2003.

**(3) Relationship to General Purpose Financial Statements**

Federal awards are reported in the Parish's Combined Statement of Revenues, Expenditures, and Changes in Fund Balances – All Governmental Fund Types for the year ended December 31, 2003 as follows:

General Fund – Federal Grants	\$ 24,166
Special Revenue Major Funds – Federal Grants	3,284,451
Special Revenue Non-Major Funds – Federal Grants	1,394,967
Capital Project Funds – Federal Grants	<u>225,889</u>
Total Governmental Funds	4,929,473
Enterprise Fund – Capital Grant	<u>214,144</u>
Total Federal Grants	<u>\$5,143,617</u>

**(4) Relationship to Federal Financial Reports**

Amounts reported in the Schedule of Expenditures of Federal Awards agree with the amounts reported in the related federal financial reports, except for the amounts in the Head Start Program. The following reconciliation includes item, "obligated" but not accrued as of December 31, 2003:

Federal Share of Head Start Expenses per Schedule of Expenditures of Federal Awards	\$3,284,451
Change in accrued expenses	<u>(337,604)</u>
Federal Share of Net Outlays per Standard Form 269	<u>\$2,946,847</u>

**LAFOURCHE PARISH**  
**Thibodaux, Louisiana**

Schedule of Findings and Questioned Costs

Year ended December 31, 2003

**SUMMARY OF AUDITORS' RESULTS**

(1) Summary of Auditors' Results

- (a) The type of report issued on the basic financial statements: qualified opinion
- (b) Reportable conditions in internal control were disclosed by the audit of the basic financial statements: no; Material weaknesses: no
- (c) Noncompliance which is material to the basic financial statements: yes
- (d) Reportable conditions in internal control over major programs: no; Material weaknesses: no
- (e) The type of report issued on compliance for major programs: unqualified opinion
- (f) Any audit findings which are required to be reported under Section 510(a) of OMB Circular A-133: yes
- (g) Major programs:
  - Department of Health and Human Services: Head Start (CFDA number 93.600)
  - Department of Agriculture: Child & Adult Care Food Program (CFDA number 10.558)
  - Federal Emergency Management Agency (CFDA number 83.548)
- (h) Dollar threshold used to distinguish between Type A and Type B programs: \$300,000
- (i) Auditee qualified as a low-risk auditee under Section 530 of OMB Circular A-133: no

**FINDINGS - FINANCIAL STATEMENTS AUDIT**

**INSTANCES OF NONCOMPLIANCE**

**Item 2003:1 Budget**

*Condition:* No operating or capital budget for 2001, 2002 and 2003 was adopted by the Parish.

*Criteria:* The Parish Charter requires the preparation and adoption of a comprehensive budget prior to the end of the fiscal year in progress. Failure to adopt the budget prior to the end of the fiscal year is a violation of the Parish Charter as reported previously.

**LAFOURCHE PARISH**  
**Thibodaux, Louisiana**

Schedule of Findings and Questioned Costs

Year ended December 31, 2003

*Effect:* The Parish is in violation of its Charter which requires operating and capital budgets to be adopted annually. The Parish is operating on the 2000 budget as required by its Charter.

*Cause:* The Parish has not approved the 2001, 2002 and 2003 operating and capital budgets.

*Recommendation:* The Parish should establish a budget schedule to ensure compliance with State law and Parish Charter requirements.

*Parish Response:* The Administration is in full agreement with this finding. It is the responsibility of the Parish Council to approve an annual budget. A budget for fiscal year ending December 31, 2004 was passed by the former Parish Council. The previous Administration forwarded a letter concerning the lack of approval of budgets for three consecutive years to the Louisiana Attorney General, the Louisiana Legislative Auditor, and the Louisiana Ethics Commission. Regarding your recommendation, the Administration has a budget schedule and it is documented in the Parish Home Rule Charter under Section V (Finance), Section A (Budgets).

**Item 2003:2 Bond Covenants**

*Condition:* Annual Required Budgets for 2001, 2002 and 2003 were not adopted by the Parish.

*Criteria:* Several bond issues of the Parish require by covenant that a budget be adopted prior to the start of a new fiscal year.

*Effect:* The Parish is not in compliance with these covenants.

*Cause:* The Parish did not approve 2001, 2002 and 2003 operating and capital budgets as required by the bond covenants.

*Recommendation:* The Parish should adopt an annual budget, as required by the Charter and the bond covenant requirements. Also, the Parish should consult with its bond attorney to determine the impact of the noncompliance with the bond covenant.

*Parish Response:* The Administration is in full agreement with this finding. The previous Administration brought this issue before the Council and the bonding attorney on several occasions. In letters sent by the previous Administration to the State agencies mentioned in the previous finding, the former Administration informed them that several bond issues of the Parish require by covenant that a budget be adopted prior to the start of a new fiscal year. The previous Council adopted a budget for the fiscal year ended December 31, 2004.

**LAFOURCHE PARISH**  
**Thibodaux, Louisiana**

Schedule of Findings and Questioned Costs  
Year ended December 31, 2003

**Item 2003:3 Parish Transportation Fund**

*Condition:* The Parish does not have a parishwide system of road administration. Currently, the Parish has only a capital improvement list pertaining to those areas that are funded with dedicated sales taxes.

*Criteria:* Louisiana Revised Statute 48:755 requires parishes to adopt a parishwide system of road administration inclusive of parish roads within municipalities.

*Effect:* The Parish is in violation of State law.

*Cause:* There is currently no designated Director of Public Works who would be responsible for the development of this parishwide system.

*Recommendation:* The Parish should determine if a person should be hired or a firm engaged to assist them in preparing a parish wide system of road administration.

*Parish Response:* The Administration does not have a road maintenance list for paving roads funded by the State of Louisiana Transportation Fund. Transportation funds are used for maintenance of bridges and roads and not for Capital Outlay improvement projects. In order to comply with the Parish Transportation Fund Act, the Parish is currently revising this list to reflect the changes that have taken place due to the extensive amount of parishwide street overlays. The Parish also hired a director of Public Works on January 26, 2004 to oversee the implementation of a parishwide system of road administration. In order to comply with State law, the Parish is in the process of using GASB 34 compliance as a basis for the parishwide system of road administration. The Parish will continue to review and update the road maintenance list.

**Item 2003:4 Publication of Council Minutes**

*Condition:* The Parish has not published minutes of Council meeting in a timely fashion.

*Criteria:* Louisiana Revised Statute 43:142 requires that the official proceedings be submitted to the official journal within ten days of the date of any meeting at which the official proceedings were conducted.

*Effect:* The Parish is in violation of State law.

*Cause:* The Parish has not submitted timely the official proceedings to the official journal.

*Recommendation:* The Parish should submit records of the official proceedings timely to the official journal.

**LAFOURCHE PARISH**  
**Thibodaux, Louisiana**

Schedule of Findings and Questioned Costs

Year ended December 31, 2003

**Item 2003:4** Publication of Council Minutes, continued

*Parish Response:* The Administration is in total agreement that the council minutes have not been published as required by the Home Rule Charter and State law. On February 26, 2004 a new Council Clerk was hired. The current (2004) official proceedings are being published on a timely basis. In addition, the previous official proceedings are being corrected and published.

**Item 2003:5** Deficits in Fund Balance and Noncompliance with 5% Requirement

*Condition:* For the year ended December 31, 2003, two (2) special revenue funds and one (1) capital projects fund of the Parish had actual expenditures greater than budgeted expenditures. The budget was not amended prior to December 31, 2003 to authorize additional expenditures.

*Criteria:* The State of Louisiana (LA Rev Stat. 39:1310) requires a budget amendment to be adopted when the total actual expenditures and other uses, within a fund, exceed the total budgeted expenditures and other uses by five percent or more. LA Rev Stat. 39:1309 states that "the adopted budget shall be balanced with approved expenditures not exceeding the total of estimated funds available."

*Questioned Cost:* None.

*Effect:* Actual expenditures of two (2) special revenue funds and one (1) capital project fund exceeded budgeted expenditures and several funds have accumulated deficits.

*Recommendation:* The Parish should review the actual revenue and expenditure activity throughout the year to monitor compliance with the 5% variance requirements of state budget law. A meaningful budget process should occur whereby the actual needs of the various programs and activities of the Parish are considered. A plan to reduce accumulated deficits should be developed and approved by the Council immediately.

*Parish Response:* The Parish has adopted a budget for the fiscal year ended December 31, 2004 and will monitor compliance with the 5% variance requirements of state budget law.

**LAFOURCHE PARISH  
Thibodaux, Louisiana**

Schedule of Findings and Questioned Costs

Year ended December 31, 2003

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

**COMPLIANCE**

*Federal program and specific federal award identification:*

CFDA Title: FEMA  
CFDA Numbers: 83.548  
Federal award number: 1380-DR-LA

**Item 2003:6 Interest Earned on Advances**

*Condition:* The Parish earned interest on advanced funds from the Federal Emergency Management Agency (FEMA) and failed to remit to FEMA the income earned in excess of \$100 for the year.

*Criteria:* The Federal Emergency Management Agency's code of regulations requires that any interest earned on advances in excess of \$100 per year be remitted to the federal awarding agency promptly; however, at least quarterly.

*Questioned Costs:* None.

*Context:* The Parish earned interest in excess of \$100 on funds advanced by FEMA and failed to remit the interest to FEMA.

*Effect:* The Parish is in violation of Federal law and the FEMA code of regulations.

*Cause:* The Parish did not adhere to federal regulations as it relates to interest earned on advances.

*Recommendation:* We recommend that the Parish remit all interest earned on FEMA advances in order to maintain compliance with the FEMA code of regulations and to maintain compliance with federal law pertaining to FEMA funded projects.

*Parish Response:* The Parish will remit interest earned on all advances received from FEMA, or any other federal awarding agency as outlined in the federal guidelines.

*Contact Person:* Ms. Charlotte Randolph, Parish President  
*Telephone #:* 1-800-834-8832

**LAFOURCHE PARISH  
Thibodaux, Louisiana**

**Schedule of Findings and Questioned Costs**

**Year ended December 31, 2003**

*Federal program and specific federal award identification:*

CFDA Title: FEMA

CFDA Numbers: 83.548

Federal award number: 1049-DR-LA

**Item 2003:7 Project Closeout Report**

*Condition:* The Kraemer Drainage project was completed September 30, 2003. The Parish failed to comply with Title 44:13.50 of the Federal Emergency Management Agency (FEMA) code of regulations which requires that a project closeout report be prepared and submitted to FEMA within 90 days after the expiration or termination of the grant.

*Criteria:* The FEMA of regulations requires that a project closeout report be prepared and submitted to FEMA within 90 days after the expiration or termination of the grant.

*Questioned Costs:* None.

*Context:* The Kraemer Drainage project was completed and the Parish failed to complete and submit the project closeout report to FEMA within 90 days as required by the FEMA code of regulations.

*Effect:* The Parish is in violation of the FEMA code of regulations and federal law.

*Cause:* The Parish did not adhere to federal regulations as it relates to closing of the grant.

*Recommendation:* We recommend that the Parish adhere to the FEMA code of regulations to be in compliance with federal law pertaining to FEMA funded projects.

*Parish Response:* This was an oversight and the Administration will follow the recommendation regarding the preparation and submission of project close out reports to FEMA within 90 days after the expiration or termination of the grant.

*Contact Person:* Ms. Charlotte Randolph, Parish President

*Telephone #:* 1-800-834-8832

**LAFOURCHE PARISH**  
**Thibodaux, Louisiana**

Schedule of Findings and Questioned Costs

Year ended December 31, 2003

*Federal program and specific federal award identification:*

CFDA Title: FEMA

CFDA Numbers: 83.548

Federal award number: 1049-DR-LA and 1380-DR-LA

**Item 2003:8 Davis-Bacon Act**

*Condition:* The Parish failed to monitor contractors' compliance with the Davis-Bacon Act requirements as set forth in the FEMA Code of Regulations Title 44:13.36 I5.

*Criteria:* The Federal Emergency Management Agency's code of regulations Title 44:13.36 I5 requires the compliance with the Davis-Bacon Act (40 U.S.C. 276a to 276a-7) as supplemented by Department of Labor regulations (29 CFR Part 5) on construction contracts in excess of \$2,000 awarded by grantees and subgrantees when required by Federal grant program legislation.

In addition, the Davis-Bacon Act as regulated by the Department of Labor 29 CFR 5.5 Subpart A regarding contract provisions and related matters states that the contractor or subcontractor shall insert in any subcontracts the clauses contained in 29 CFR 5.5(a)(1) through (10) and such other clauses as the Federal agency may by appropriate instructions require, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in 29 CFR 5.5.

*Questioned Costs:* None.

*Context:* The Parish was not aware of the FEMA Code of Regulations, the U.S. Department of Labor employment standards, or the compliance requirements for CFDA 83.548 regarding the Davis-Bacon Act; thereby causing the Parish to be unable to effectively manage the compliance of the Davis-Bacon Act.

*Effect:* The Parish is in violation of Federal law.

*Cause:* The Parish did not adhere to federal regulations as it relates to contract provisions regarding the Davis-Bacon Act.

*Recommendation:* We recommend that the Parish monitor contractor's compliance with the Davis-Bacon Act as it applies to federal programs.

*Parish Response:* The Parish will monitor contractors' and subcontractors' compliance with the Davis-Bacon Act as it applies to federal programs. The Parish will include in all bid specifications the contractor's requirement to submit documentation to the Parish which supports compliance with the Davis-Bacon Act.

*Contact Person:* Ms. Charlotte Randolph, Parish President  
*Telephone #:* 1-800-834-8832

**LAFOURCHE PARISH**  
**Thibodaux, Louisiana**

**Schedule of Findings and Questioned Costs**

**Year ended December 31, 2003**

**OTHER REPORTS**

*Federal program and specific federal award identification:*

CFDA Title: Head Start – Administration for Children and Families

CFDA Number: 93.600

The Parish received a report from the Department of Health & Human Services Administration for Children and Families dated April 24, 2004 for the on-site monitoring review regarding the Lafourche Parish Government Head Start program. This review was conducted March 1, 2004 through March 5, 2004 for the 2003 fiscal year. This report noted several deficiencies. The Parish took corrective action to clear the deficiencies noted in the monitoring review. A Quality Improvement Plan was developed and submitted to the Regional Office in accordance with 45 CFR 1304.60(c).

*Federal program and specific federal award identification:*

CFDA Title: Weatherization Assistance for Low-Income Persons

CFDA Number: 81.042

The Parish received a report on January 15, 2004 from the State of Louisiana Housing Finance Agency for their December 2 and 3, 2003 monitoring review regarding Weatherization Assistance Program. This report noted several deficiencies. The Parish took corrective action to clear the deficiencies noted in the monitoring review. In a letter dated May 26, 2004 the Louisiana Housing Finance Agency communicated to the Parish the need for further action to clear deficiencies.

**LAFOURCHE PARISH**  
**Thibodaux, Louisiana**

Summary Schedule of Prior Audit Findings

Year ended December 31, 2002

**Item 2002:1 Budget**

*Condition:* No operating or capital budget for 2001 and 2002 was adopted by the Parish.

*Current Status:* Similar finding has been noted in current year (2003:1)

**Item 2002:2 Bond Covenants**

*Condition:* Annual Required Budgets for 2001 and 2002 were not adopted by the Parish.

*Current Status:* Similar finding has been noted in current year (2003:2)

**Item 2002:3 Parish Transportation Fund**

*Condition:* The Parish does not have a parish-wide system of road administration. Currently, the Parish has only a capital improvement list pertaining to those areas that are funded with dedicated sales taxes.

*Current Status:* Similar finding has been noted in current year (2003:3)

**Item 2002:4 Publication of Council Minutes**

*Condition:* The Parish has not published minutes of Council meeting in a timely fashion.

*Current Status:* Resolved.

**Item 2002:5 Official Journal**

*Condition:* The Council did not select a newspaper to serve as the official journal.

*Current Status:* Resolved.

**Item 2002:6 Deficits in Fund Balance and Noncompliance with 5% Requirement**

*Condition:* For the year ended December 31, 2003, four (4) special revenue funds and two (2) capital projects funds of the Parish had actual expenditures greater than budgeted expenditures. The budget was not amended prior to December 31, 2002 to authorize the additional expenditures.

*Current Status:* Similar finding has been noted in current year (2003:6).

**LAFOURCHE PARISH  
Thibodaux, Louisiana**

**Summary Schedule of Prior Audit Findings**

**Year ended December 31, 2002**

**Item 2002:7 Workers' Compensation**

*Condition:* The current rates charged to Federal grants for workman's compensation charges are not based on sound actuarial principles.

*Current Status:* Resolved. The Parish hired an actuary in 2003 to review the current workers' compensation rates and to determine the required reserves to be retained by the Parish.

**Item 2002:8 Food Service Agreement**

*Condition:* The Parish has one food service agreement without proper bid procedures.

*Current Status:* Resolved.

**Item 2001:1 Workers' Compensation**

*Condition:* Workers' compensation reinsurance reimbursements have not been claimed by the Parish in several years. The Parish currently outsources the claims management to a third party administrator (TPA) of the workers' compensation insurance fund. Based on inquiries, no reimbursements have been filed for claims in excess of \$10,000 for at least the past four years. The Parish is currently working with the TPA to determine amounts owed as reimbursement to the Parish; these amounts are anticipated to be in excess of \$200,000. In addition, the rates used by the Parish for premium charges related to workers' compensation coverage were not updated timely. Also, the Parish has a fund balance in the workers' compensation fund of approximately \$450,000.

*Current Status:* Resolved.

**Item 2001:5 Budget**

*Condition:* No operating or capital budget for 2001 has been adopted by the Parish.

*Current Status:* Similar finding has been noted in current year (2003:1).

**Item 2001:6 Bond Covenants**

*Condition:* Annual required budgets for 2002 and 2001 were not adopted by the Parish.

*Current Status:* Similar finding has been noted in current year (2003:2).

**LAFOURCHE PARISH  
Thibodaux, Louisiana**

**Summary Schedule of Prior Audit Findings**

**Year ended December 31, 2002**

**Item 2001:7 Parish Transportation Fund**

*Condition:* As reported by the prior year auditors, the Council does not have a parishwide system of road administration. Currently, the Parish has only a capital improvement list pertaining to those areas that are funded with dedicated sales taxes.

*Current Status:* Similar finding has been noted in current year (2003:3).

**Item 2001:8 Publication of Council Minutes**

*Condition:* The Parish has not published minutes of Council meeting in a timely fashion.

*Current Status:* Resolved.

**Item 2001:10 Official Journal**

*Condition:* The Council did not select a newspaper to serve as the official journal prior June 30, 2001.

*Current Status:* Resolved.



**Postlethwaite & Netterville**

A Professional Accounting Corporation  
Associated Offices in Principal Cities of the United States

www.pncpa.com

June 4, 2003

The Parish Council  
Lafourche Parish, Louisiana:

Gentlemen:

We have audited the financial statements of the Lafourche Parish (the Parish) as of and for the year ended December 31, 2003 and have issued our qualified report, which included an explanatory paragraph relating to component units not included in the financial statements, thereon dated June 4, 2004. In planning and performing our audit of the financial statements of the Parish, we considered the Parish's internal control in order to determine our auditing procedures for the purpose of expressing our opinion on financial statements and not to provide assurance on internal control. We have not considered the internal control since the date of our report.

During our audit we noted certain matters involving internal control and other operational matters that are presented for discussion. These comments and recommendations, all of which have been discussed with the appropriate members of management, are intended to improve the internal control structure or result in other operating efficiencies and are listed in Appendix A to this report.

Our audit procedures are designed primarily to enable us to form an opinion on the financial statements and, therefore, may not bring to light all weaknesses in policies and procedures that may exist. We aim, however, to use our knowledge of the Parish's organization gained during our work to make comments and suggestions that we hope will be useful to you. The status of comments from the prior years is included in Appendix B. Certain of these comments are in progress. Appendix C contains Parish Response to the current year comments.

We would be pleased to discuss these comments and recommendations with you at any time.

This report is intended solely for the information and use of the Council, the Parish's management and the State of Louisiana Legislative Auditor's Office and is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Very truly yours,

A handwritten signature in cursive script that reads "Postlethwaite &amp; Netterville".

## **CURRENT YEAR COMMENTS**

### **2003:10 Assessment Reconciliation**

The reconciliation of the assessment for four funds has not been performed. The Parish needs to reconcile the amount received from property owners to pay debt service on the paving certificates on a monthly basis to ensure proper accounting and record transactions in accordance with accounting principles generally accepted in the United States of America.

### **2003:11 Information System and Other Related Comments**

In 2002 and 2001 we noted several comments that have not been addressed. To better ensure the operations of a secured and ongoing environment, we recommend that the Council address comments of the previous two years immediately. Additional comments include:

- Currently, the accounting system allows full access to accounting modules to individuals who do not require access to all modules. An updated accounting system would allow for user restrictions to certain accounting modules.
- Outdated hardware and accounting software is being utilized by the Parish. The Parish should develop a plan to overhaul the current hardware and software in order to promote operating efficiency.

## **STATUS OF PRIOR YEAR COMMENTS**

### **2002:09 Assessment Reconciliation**

The reconciliation of the assessment for four funds has not been performed. The Parish needs to reconcile the amount received from property owners to pay debt service on the paving certificates on a monthly basis to ensure proper accounting and record transactions in accordance with accounting principles generally accepted in the United States of America.

Status: Not resolved.

### **2002:10 Information System and Other Related Comments**

In the prior year, we noted several comments that have not been addressed. To better ensure the operations of a secured and ongoing environment, we recommend that the Council address the previous comments immediately. Additional comments include:

- Currently, the accounting system does not have secure passwords for access. We recommend that this situation be reviewed and resolved by the Council. Passwords should be implemented immediately.
- Significant hardware and software improvements are needed. The Parish should develop a technology plan and necessary funding.

Status: In progress.

### **2001:12 Construction Oversight**

The Council has authorized engineers to oversee construction projects. However, it was our understanding that these engineers receive a financial award from the construction companies providing services to the Parish. If this is correct, this situation should be stopped immediately. We recommend the Parish assess the situation and take the appropriate action. We also recommend that the Parish require all contractors/engineers to sign a conflict of interest statement.

Status: In progress.

### **2001:14 Maintenance Inventory**

We recommend that inventory at the Maintenance Department be tracked and recorded at least monthly to ensure adequate safeguarding of assets.

Status: In progress.

### **2001:16 Reporting Model Changes**

After years of study and consideration of the needs of users of government financial statements, the Governmental Accounting Standards Board (GASB) issued its revolutionary new reporting model in June 1999. The new model dramatically changes the presentation of governments' external financial statements. In the GASB's view, the objective of the new model is to enhance the clarity and usefulness of government financial statements to the citizenry, oversight bodies, investors and creditors. It will substantially affect the Board's financial data accumulation and financial statement presentation processes. Some of the key aspects of the changes follow:

**Management's Discussion and Analysis (MD&A)** – A comprehensive MD&A will now be included as required supplementary information. The MD&A will introduce the financial statements by presenting an analysis of the government's financial performance for the year and its financial position at year-end. The MD&A will be in addition to the transmittal letter currently required for Government Finance Officers Association (GFOA) award candidates, such as your Parish, but we expect that the GFOA will make changes in their requirements so as to avoid any duplication between the two documents.

**Statement of Activities** – Governments will now be required to use a "net program cost" format for the entity-wide statements instead of a traditional operating statement. This new format groups revenues and expenses by functional categories (such as public safety, public works, etc.). The purpose of the new statement is to inform readers about the cost of specific functions and the extent to which they are financed with program revenues or general revenues of the government (such as tax revenues). Governments will have the option of reporting both direct and indirect program costs. We recommend that the Parish immediately begin assessing the impact of these required future changes.

Status: Resolved.

### **2001:17 Internal Audit Function**

No internal audit function exists.

The Parish should consider establishing an internal audit function that would report independently to the Parish but would work with the Parish President in assessing compliance policies and procedures.

Status: Resolved.

### **2001:18 Information System and Other Related Comments**

The following matters are submitted for consideration relating to the information system:

- A formal network diagram and current documentation does not exist. One should be developed in order to ensure adequate documentation exists should a problem arise. A formal network diagram and current documentation should be created and stored off site for disaster recovery planning.

Appendix B, Continued

- While backup procedures are currently in place, the restoration of data from backup tapes has been performed on an as needed basis only. A routine scheduled testing procedure is not in place. Additionally, backup tapes are capturing "data" only.

Also, a full backup including the operating system and data file should be part of a routine backup procedure. Additionally, a routine backup test should be performed and documented at least on a monthly basis to insure quality backups are being performed. A written document backup procedure should be made outlining the procedures for creating a backup.

- Currently there are several dialup modem lines being used. This process is to facilitate the Head Start, regional barns and coastal zone offices to connect to the main server.

A review should be performed on the feasibility of creating a direct connection to the server for the future. Dialup lines are un-secure connections and allow the possible threat of unauthorized users to make the connection to the server. At the very least, the dial up line should have a call back feature for security.

- A disaster recovery plan is nonexistent for IS. At the very least, server documentation, configuration, backed up data and copies of license agreements should be stored off site. A complete disaster recovery/business continuity plan should be created and approved by management.
- The Parish has a Microsoft Access database designed for permits. This database was located on a workstation hard drive and shared through a peer-to-peer connection. The Access database should be transferred to the NT server and rights issued accordingly. A peer-to-peer connection combined with older versions of Windows is a security concern. Passwords can be easily acquired through Windows 95 workstations.
- Currently there is not an email source for the Parish. Most employees have personal email accounts using Yahoo or Hotmail servers. Using outside mail servers offers a high risk of vulnerabilities to viruses. A mail sever should be installed and the outside mail servers should be discontinued.
- The Parish has very few policies and procedures in regards to the information system. We strongly recommend that a policies and procedures manual be implemented and followed.

Status: In progress.

## **PARISH RESPONSE TO CURRENT YEAR COMMENTS**

### **2003:10 Assessment Reconciliation**

The reconciliation of the assessment for four funds has not been performed. The Parish needs to reconcile the amount received from property owners to pay debt service on the paving certificates on a monthly basis to ensure proper accounting and record transactions in accordance with accounting principles generally accepted in the United States of America.

*Parish Response:* In progress.

### **2003:11 Information System and Other Related Comments**

In 2002 and 2001 we noted several comments that have not been addressed. To better ensure the operations of a secured and ongoing environment, we recommend that the Council address comments of the previous two years immediately. Additional comments include:

- Currently, the accounting system allows full access to accounting modules to individuals who do not need access to all modules. An updated accounting system would allow for user restrictions to certain accounting modules.
- Outdated hardware and accounting software is being utilized by the Parish. The Parish should develop a plan to overhaul the current hardware and software in order to promote operating efficiency.

*Parish Response:* The new administration has conducted a parish wide technology assessment survey and is in the process of tabulating the results. The data generated by this survey will identify the various departmental needs and become the basis for the parish technology plan. As part of the plan, the Council has approved the Administration's request to create a technology section within the Executive Department.

**APPENDIX “C”**  
**BUDGET SUMMARY**

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LAFORCHE PARISH GOVERNMENT				
FISCAL YEAR 2005 PROPOSED BUDGET SUMMARY				
PARISH TOTALS				
	2000/2003	2004	2004	2005
	AUDITED	ADOPTED	UNAUDITED	PROPOSED
	ACTUAL	BUDGET	ESTIMATES	BUDGET
<b>REVENUE</b>				
TAXES				
AD VALOREM TAXES	8,273,442	7,969,966	7,969,966	9,030,803
SALES AND USE TAXES - SHERIFF	10,711,314	10,258,522	10,258,522	10,695,676
OTHER	33,551	20,000	20,000	90,000
INTERGOVERNMENTAL				
FEDERAL GRANTS	4,684,441	5,441,748	5,441,748	5,689,265
STATE FUNDS				
STATE REVENUE SHARING	4,193,831	4,024,943	4,024,943	4,294,325
PARISH TRANSPORTATION FUNDS	544,906	544,000	2,418,268	505,600
OTHER	5,057,781	7,196,872	7,294,232	5,510,006
FEES, LICENSES AND PERMITS				
FINES AND FORFEITURES	1,045,732	1,206,070	1,206,070	1,541,500
USE OF MONEY AND PROPERTY	598,256	586,700	586,700	671,500
OTHER REVENUES	395,092	590,121	620,121	345,820
	101,710	34,095	34,095	7,000
<b>TOTAL REVENUES</b>	<b>35,640,056</b>	<b>37,873,037</b>	<b>38,000,397</b>	<b>38,381,495</b>
<b>EXPENDITURES</b>				
GENERAL GOVERNMENT				
LEGISLATIVE	434,251	356,885	356,885	477,697
JUDICIAL	2,129,128	2,232,281	2,232,281	2,727,186
ELECTIONS	74,985	82,756	82,756	156,925
FINANCE & ADMINISTRATIVE	1,783,842	2,244,302	2,244,302	2,664,160
OTHER	336,663	234,647	234,647	319,578
ALLOCATED COSTS IN (OUT)	655	(34,325)	(34,325)	23,405
	0	0	0	0
PUBLIC SAFETY	1,402,205	1,292,207	1,292,207	1,751,706
PUBLIC WORKS	8,105,470	11,371,622	10,151,183	18,595,771
HEALTH AND WELFARE	5,624,997	5,941,604	5,951,127	4,846,131
CONSERVATION	2,436	85,400	85,400	18,000
CULTURE AND RECREATION	658,934	1,387,678	1,387,678	643,329
ECONOMIC DEVELOPMENT	16,126	68,150	68,150	350,670
TRANSPORTATION	0	0	0	0
	0	0	0	0
DEBT SERVICE	3,257,651	15,520	5,622,106	5,697,589
	0	0	0	0
CAPITAL OUTLAY	3,859,710	9,591,639	5,138,365	13,317,929
	0	0	0	0
ENTERPRISE FUND EXPENDITURES	281,805	0	269,155	306,640
	0	0	0	0
<b>TOTAL EXPENDITURES</b>	<b>27,968,858</b>	<b>34,870,366</b>	<b>35,081,917</b>	<b>51,896,716</b>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
	7,671,199			(13,515,221)
OTHER FINANCING SOURCES (USES)				
OPERATING TRANSFERS IN	7,105,585	4,746,835	10,666,324	13,036,191
OPERATING TRANSFERS OUT	(7,876,599)	(14,026,888)	(11,205,628)	(13,036,191)
TOTAL OTHER FINANCING SOURCES				
				0
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES AND EXPENDITURES AND OTHER USES				
				(13,515,221)
2003 AUDITED FUND BALANCE				
	39,147,330			
2004 PROJECTED FUND BALANCE				
			34,383,795	
2005 PROJECTED FUND BALANCE				
				20,868,574

NOTE: 2005 figures do not include proceeds of the proposed Road Bonds, Series 2005, or the expenditures being financed therewith.

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**APPENDIX “D”**

**DEBT SERVICE SCHEDULE**

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**Annual Debt Service  
On Proposed  
Road Bonds, Series 2005  
of the Parish of Lafourche, State of Louisiana**

**Outstanding Certificates of Indebtedness, Series 1999,  
and Road Bonds, Series 2001 and 2001-B**

**Road Bonds, Series 2005**

Combined  
Debt Service  
Payable from  
Excess  
Revenues

Calendar Year	Principal 1/1	Interest 1/1 & 7/1	Total Debt Service	Principal 1/1	Interest 1/1 & 7/1	Total Debt Service	
2005 *	\$ 975,000	\$ 241,032.50	\$ 1,216,032.50	\$ -	\$ 215,354.58	\$ 215,354.58	\$ 1,431,387.08
2006	\$ 375,000	\$ 211,355.00	\$ 586,355.00	\$ -	\$ 646,063.75	\$ 646,063.75	\$ 1,232,418.75
2007	\$ 400,000	\$ 191,380.00	\$ 591,380.00	\$ 200,000	\$ 643,063.75	\$ 843,063.75	\$ 1,434,443.75
2008	\$ 420,000	\$ 170,200.00	\$ 590,200.00	\$ 205,000	\$ 636,988.75	\$ 841,988.75	\$ 1,432,188.75
2009	\$ 445,000	\$ 147,796.25	\$ 592,796.25	\$ 210,000	\$ 630,763.75	\$ 840,763.75	\$ 1,433,560.00
2010	\$ 420,000	\$ 125,362.50	\$ 545,362.50	\$ 265,000	\$ 623,473.13	\$ 888,473.13	\$ 1,433,835.63
2011	\$ 440,000	\$ 103,046.25	\$ 543,046.25	\$ 275,000	\$ 614,795.00	\$ 889,795.00	\$ 1,432,841.25
2012	\$ 465,000	\$ 79,560.00	\$ 544,560.00	\$ 280,000	\$ 605,497.50	\$ 885,497.50	\$ 1,430,057.50
2013	\$ 490,000	\$ 54,776.25	\$ 544,776.25	\$ 290,000	\$ 595,662.50	\$ 885,662.50	\$ 1,430,438.75
2014	\$ 515,000	\$ 28,695.00	\$ 543,695.00	\$ 300,000	\$ 585,150.00	\$ 885,150.00	\$ 1,428,845.00
2015	\$ 295,000	\$ 7,665.00	\$ 302,665.00	\$ 555,000	\$ 569,306.25	\$ 1,124,306.25	\$ 1,426,971.25
2016	\$ -	\$ -	\$ -	\$ 890,000	\$ 538,875.00	\$ 1,428,875.00	\$ 1,428,875.00
2017	\$ -	\$ -	\$ -	\$ 930,000	\$ 497,925.00	\$ 1,427,925.00	\$ 1,427,925.00
2018	\$ -	\$ -	\$ -	\$ 970,000	\$ 455,175.00	\$ 1,425,175.00	\$ 1,425,175.00
2019	\$ -	\$ -	\$ -	\$ 1,015,000	\$ 410,512.50	\$ 1,425,512.50	\$ 1,425,512.50
2020	\$ -	\$ -	\$ -	\$ 1,060,000	\$ 363,825.00	\$ 1,423,825.00	\$ 1,423,825.00
2021	\$ -	\$ -	\$ -	\$ 1,105,000	\$ 315,112.50	\$ 1,420,112.50	\$ 1,420,112.50
2022	\$ -	\$ -	\$ -	\$ 1,155,000	\$ 264,262.50	\$ 1,419,262.50	\$ 1,419,262.50
2023	\$ -	\$ -	\$ -	\$ 1,210,000	\$ 211,050.00	\$ 1,421,050.00	\$ 1,421,050.00
2024	\$ -	\$ -	\$ -	\$ 1,265,000	\$ 155,362.50	\$ 1,420,362.50	\$ 1,420,362.50
2025	\$ -	\$ -	\$ -	\$ 2,820,000	\$ 63,450.00	\$ 2,883,450.00	** \$ 2,883,450.00
	\$ 5,240,000	\$ 1,360,868.75	\$ 6,600,868.75	\$ 15,000,000	\$ 9,641,668.96	\$ 24,641,668.96	

\*Includes payments made 1/1/2005

\*\*less any Reserve Fund

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## **APPENDIX “E”**

### **DEBT STATEMENT**

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**Appendix "E"**  
**Lafourche Parish, State of Louisiana**  
**Statement of Direct, Overlapping and Underlying Debt as of**  
**January 2, 2005**  
(Exclusive of Road Bonds, Series 2005)

<u>Debt</u>	<u>2004 Total Assessed Valuation</u>	<u>2004 Taxable Assessed Valuation</u>	<u>Interest Rate %</u>	<u>Date of Issuance</u>	<u>Final Maturity</u>	<u>Principal Outstanding</u>
<b>I. General Obligation Bonds</b>						
<b>A. <u>Direct Debt</u></b>						-none-
<b>B. <u>Overlapping Debt</u></b>						-none-
<b>C. <u>Underlying Debt</u></b>						
<b>Lafourche, Fire Protection District #1</b>						
General Obligation Bonds, Series 1995						
						<i>Payable from and secured by unlimited ad valorem taxation.</i>
	\$51,541,950	\$29,931,380	5.5 - 5.6	5/1/1995	4/1/2015	\$465,000
					<b>Total</b>	<b>\$465,000</b>
<b>Lafourche, Fire Protection District #6</b>						
General Obligation Bonds, Series 1999						
						<i>Payable from and secured by unlimited ad valorem taxation.</i>
	\$36,805,990	\$22,245,220	4.3 - 6	5/1/1999	5/1/2019	\$515,000
					<b>Total</b>	<b>\$515,000</b>
<b>Lafourche, Hospital Service District #1</b>						
General Obligation Bonds, Series 2001						
						<i>Payable from and secured by unlimited ad valorem taxation.</i>
	\$300,419,670	\$266,012,840	3.25 - 5.25	4/1/2001	3/1/2021	\$3,250,000
					<b>Total</b>	<b>\$3,250,000</b>
<b>Lafourche, Recreation District #11</b>						
General Obligation Refunding Bonds, Series 1997						
						<i>Payable from and secured by unlimited ad valorem taxation.</i>
	\$26,561,760	\$13,229,920	5.7	6/3/1997	2/1/2008	\$173,000
					<b>Total</b>	<b>\$173,000</b>
<b>Lafourche, Recreation District #2</b>						
General Obligation Bonds, Series 1995						
						<i>Payable from and secured by unlimited ad valorem taxation.</i>
	\$50,989,660	\$29,379,090	5.2 - 5.5	8/1/1995	4/1/2015	\$910,000
					<b>Total</b>	<b>\$910,000</b>
<b>Consolidated School District #1</b>						
General Obligation School Bonds, Series 2004						
						<i>Payable from and secured by unlimited ad valorem taxation.</i>
	\$577,193,220	\$435,712,800	3 - 5	6/1/2004	3/1/2029	\$20,000,000
General Obligation School Bonds, Series 2003						\$10,000,000
						3.6 - 6
						10/1/2003
General Obligation School Bonds, Series 1999						\$7,910,000
						4.7 - 7
						8/1/1999
General Obligation School Bonds, Series 1998						\$20,120,000
						4.45 - 5
						2/1/1998
General Obligation School Bonds, Series 1997						\$7,915,000
						5 - 8
						6/1/1997
					<b>Total</b>	<b>\$65,945,000</b>
<b>II. Revenue Bonds</b>						
<b>A. <u>Direct Debt</u></b>						
<b>Lafourche Parish</b>						
Refunding Bonds, Series 2001						
						<i>Secured by excess revenues of the 1% sales &amp; use tax.</i>
						5.2
						3/1/2001
						5/1/2014
						\$1,280,000
Road Bonds, Series 2001						
						<i>Secured by the Royalty Road Fund.</i>
						5.25
						11/1/2001
						1/1/2015
						\$2,460,000
Road Bonds, Series 2001B						
						5.1
						12/1/2001
						1/1/2015
					<b>Total</b>	<b>\$5,365,000</b>
<b>B. <u>Overlapping Debt</u></b>						-none-
<b>C. <u>Underlying Debt</u></b>						
<b>Lafourche Home Mortgage Authority</b>						
Multifamily Mortgage Revenue Bonds, Series 2001						
						<i>Secured by the payments on the GNMA Security and from any other security pledged under the Indenture.</i>
						6.7
						4/20/2001
						1/20/2040
						\$3,960,000
Tax Exempt Capital Appreciation Refunding Bonds, Series 1990-B2						
						<i>Secured by operation of the system.</i>
						0
						5/1/1990
						5/2/2014
						\$797,948
Tax-Exempt Convertible Capital Appreciation Refunding Bonds, Series 1990-B1						
						0
						5/1/1990
						5/20/2014
						\$595,000
Taxable Refunding Bonds, Series 1990A1						
						<i>Secured by revenues derived by the Issuer.</i>
						7.75
						4/1/1990
						6/20/2012
						\$9,765,000
Taxable Refunding Bonds, Series 1990A2						
						7.63
						4/1/1990
						5/25/2014
					<b>Total</b>	<b>\$15,887,948</b>

**Appendix "E"**  
**Lafourche Parish, State of Louisiana**  
**Statement of Direct, Overlapping and Underlying Debt as of**  
**January 2, 2005**

(Exclusive of Road Bonds, Series 2005)

<u>Debt</u>	<u>2004 Total Assessed Valuation</u>	<u>2004 Taxable Assessed Valuation</u>	<u>Interest Rate %</u>	<u>Date of Issuance</u>	<u>Final Maturity</u>	<u>Principal Outstanding</u>
<b>City of Thibodaux</b>	<i>Secured by the income and revenues derived from the operation of the Issuer's waterworks system.</i>					
Utilities Revenue Bonds [DEQ]			2.95	6/18/1997	3/1/2018	\$1,889,900
Utilities Revenue Refunding Bonds, Series 1996			5.2 - 5.65	8/1/1996	3/1/2012	<u>\$1,805,000</u>
				<b>Total</b>		<b>\$3,694,900</b>
<b>Lafourche, Communications District</b>	<i>Secured by an irrevocable pledge and dedication of the excess annual revenues of the Parish of Lafourche above statutory, necessary and usual charges in each of the Fiscal Years during which the Bonds are outstanding.</i>					
Revenue Bonds, Series 2001			5.1	9/1/2001	9/1/2016	<u>\$1,290,000</u>
				<b>Total</b>		<b>\$1,290,000</b>
<b>Lafourche, Hospital Service District #1</b>	<i>Secured by operation of the system.</i>					
Hospital Revenue Bonds			6	2/3/1981	2/3/2005	<u>\$65,000</u>
				<b>Total</b>		<b>\$65,000</b>
<b>Lafourche, Hospital Service District #3</b>	<i>Secured by income and revenues from operation of the hospital.</i>					
Hospital Revenue Bonds, Series 1993			6	11/1/1993	10/1/2023	<u>\$16,075,000</u>
				<b>Total</b>		<b>\$16,075,000</b>
<b>Greater Lafourche Port Commission</b>	<i>Secured by operation of the system.</i>					
Port Facility Revenue Bonds (Port Fourchon Development), Series 1996			6.65	7/1/1996	9/1/2006	<u>\$835,000</u>
				<b>Total</b>		<b>\$835,000</b>
<b>Lafourche, Road Sales Tax District #2</b>	<i>Secured by an irrevocable pledge and dedication of the funds derived by the Issuer from the levy and collection of a special 1% sales and use tax pursuant to an election held in the Issuer.</i>					
Refunding Bonds, Series 2004			2.35	5/1/2004	3/1/2008	\$1,250,000
Refunding Bonds, Series 2003			2.25 - 3.2	4/1/2003	3/1/2008	<u>\$8,105,000</u>
				<b>Total</b>		<b>\$9,355,000</b>
<b>Lafourche, Road Sales Tax District #3</b>	<i>Secured by an irrevocable pledge of the proceeds of the one percent (1%) sales and use tax authorized for a period of 15 years from January 1, 1999.</i>					
Refunding Bonds, Series 2001			5.2	3/1/2001	5/1/2014	\$1,280,000
Public Improvement Sales Tax Bonds, Series 1999			4.3 - 5.3	5/1/1999	5/1/2014	<u>\$3,375,000</u>
				<b>Total</b>		<b>\$4,655,000</b>
<b>Lafourche, Road Sales Tax District #5</b>	<i>Secured by an irrevocable pledge and dedication of a separate and independent one percent (1%) sales and use tax authorized to be levied by the Issuer for a period of 15 years from 10/1/99 pursuant to elections held on July 17, 1999.</i>					
Public Improvement Sales Tax Bonds, Series 2000			5.6 - 7	5/1/2000	3/1/2015	<u>\$7,270,000</u>
				<b>Total</b>		<b>\$7,270,000</b>
<b>Lafourche, Road Sales Tax District #6</b>	<i>Secured by an irrevocable pledge and dedication of a separate and independent one percent (1%) sales and use tax authorized to be levied by the Issuer for a period of 15 years from 10/1/99 pursuant to elections held on July 17, 1999.</i>					
Public Improvement Sales Tax Bonds, Series 2000			5.6 - 7	5/1/2000	3/1/2015	<u>\$3,635,000</u>
				<b>Total</b>		<b>\$3,635,000</b>
<b>Town of Lockport</b>	<i>Secured by operation of the system.</i>					
Sewer Revenue Bonds (DEQ)			2.95	11/16/1995	3/1/2016	<u>\$1,136,000</u>
				<b>Total</b>		<b>\$1,136,000</b>
<b>Lafourche, Waterworks District #1</b>	<i>Secured by operation of the system.</i>					
Water Revenue Refunding Bonds, Series 2004			1.8 - 3.85	10/28/2004	1/1/2017	\$7,330,000
Water Revenue Bonds, Series 2003			3.6 - 4.6	5/1/2003	1/1/2023	\$5,690,000
Water Revenue Bonds, Series 2002			4.2	1/1/2002	1/1/2022	\$9,090,000
Water Revenue Bonds, Series 1996			5.1 - 5.7	10/1/1996	1/1/2017	<u>\$920,000</u>
				<b>Total</b>		<b>\$23,030,000</b>

**III. Other Obligations**

**A. Direct Debt**

<b>Lafourche Parish</b>	<i>Payable from and secured by the Royalty Road Fund.</i>					
Certificates of Indebtedness, Series 1999			4.85 - 5.15	1/1/1999	1/1/2009	\$180,000
				<i>Payable from and secured by special assessments.</i>		
Paving Certificates, Series 1995			6.44	3/15/1995	3/15/2005	<u>\$15,555</u>
				<b>Total</b>		<b>\$195,555</b>

**Appendix "E"**  
**Lafourche Parish, State of Louisiana**  
**Statement of Direct, Overlapping and Underlying Debt as of**  
**January 2, 2005**  
(Exclusive of Road Bonds, Series 2005)

<u>Debt</u>	<u>2004 Total Assessed Valuation</u>	<u>2004 Taxable Assessed Valuation</u>	<u>Interest Rate %</u>	<u>Date of Issuance</u>	<u>Final Maturity</u>	<u>Principal Outstanding</u>
<b>B. <u>Overlapping Debt</u></b>						-none-
<b>C. <u>Underlying Debt</u></b>						
<b>City of Thibodaux</b>						
Certificates of Indebtedness, Series 1998			4.8	3/1/1998	3/1/2008	<u>\$160,000</u>
				<b>Total</b>		<b>\$160,000</b>
<b>Lafourche, Fire Protection District #1</b>						
Certificates of Indebtedness, Series 1998			5.416 -	6/4/1998	3/1/2008	<u>\$85,000</u>
				<b>Total</b>		<b>\$85,000</b>
<b>Lafourche, Fire Protection District #4</b>						
Certificates of Indebtedness, Series 1998			5.463	5/15/1998	3/1/2007	<u>\$29,000</u>
				<b>Total</b>		<b>\$29,000</b>
<b>South Lafourche Levee District</b>						
Existing and New Levee Imp., Series 1994			6.3	9/1/1994	7/1/2005	<u>\$195,000</u>
				<b>Total</b>		<b>\$195,000</b>
<b>Lafourche, Law Enforcement District</b>						
Certificates of Indebtedness, Series 1999			5	7/9/1999	4/1/2009	<u>\$280,000</u>
				<b>Total</b>		<b>\$280,000</b>
<b>Lafourche Parish School Board</b>						
Certificates of Indebtedness, Series 2002			3.08	11/13/2002	6/1/2007	<u>\$325,000</u>
				<b>Total</b>		<b>\$325,000</b>
<b>Lafourche, Road Sales Tax District #1</b>						
Certificates of Indebtedness, Series 2001			5.5	6/1/2001	3/1/2008	<u>\$1,560,000</u>
				<b>Total</b>		<b>\$1,560,000</b>

**Note:** The above debt statement does not include the outstanding debt of the Lafourche Parish Industrial Development Board, Inc., and the Lafourche Parish Home Mortgage Authority.

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**APPENDIX “F”**  
**FORM OF LEGAL OPINION**

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[FORM OF BOND COUNSEL OPINION]

Date of Delivery

Hon. Lafourche Parish Council  
Parish of Lafourche  
Thibodaux, Louisiana

**\$15,000,000**  
**ROAD BONDS, SERIES 2005**  
**PARISH OF LAFOURCHE, STATE OF LOUISIANA**

We have acted as bond counsel to the Parish of Lafourche, State of Louisiana (the "Issuer"), in connection with the issuance of the captioned Road Bonds (the "Bonds"). The Bonds are issued as fully registered Bonds, are dated, bear interest at the rates, are subject to redemption, and mature on the dates and in the principal amounts as set forth in the Ordinance (hereinafter defined).

The Bonds have been issued by the Issuer pursuant to an ordinance adopted by the Issuer on February 10, 2005 (the "Ordinance"), for the purpose of constructing and reconstructing roads, highways and bridges in the Parish of Lafourche, State of Louisiana, and paying the costs of issuance of the Bonds (including the bond insurance premium), under the authority conferred by Section 1430 of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other applicable constitutional and statutory authority.

We have examined the provisions of the Constitution and statutes of the State of Louisiana, a certified transcript of the proceedings of the governing authority of the Issuer relating to the issuance of the Bonds, and such other documents, proofs and matters of law as we deemed necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation.

On the basis of the foregoing examinations, we are of the opinion, as of the date hereof and under existing law, that:

1. Said proceedings, documents and proofs show lawful authority for the issuance of the Bonds pursuant to said Constitution and statutes and the Ordinance.

2. The Bonds constitute legally binding special and limited obligations of the Issuer, and equally with the Outstanding Parity Obligations (hereinafter defined) except as to the debt service reserve fund that is being established for the Bonds (the "Reserve Fund"), are secured by an irrevocable pledge and dedication of the excess of annual revenues of the Issuer, above statutory, necessary and usual charges in each of the fiscal years during which the Bonds are outstanding, including the Issuer's royalty revenues (the "Royalty Revenues"), and other available revenues of the Issuer, as described in the Ordinance.

3. The Bonds have been issued on a complete parity in all respects with the Issuer's outstanding (i) Certificates of Indebtedness, Series 1999, dated January 1, 1999, (ii) Road Bonds, Series 2001, dated November 1, 2001, and (iii) Road Bonds, Series 2001-B, dated December 1, 2001 (the "Outstanding Parity Obligations"), except with respect to the Reserve Fund.

4. The Issuer, in and by the Ordinance, has covenanted and agreed and is legally obligated to budget annually a sufficient sum of money to pay the principal of and the interest on the Bonds and the Outstanding Parity Obligations, as the same respectively become due, and to levy and collect in each year taxes and to collect other revenues, including the Royalty Revenues, within the limits prescribed by law, sufficient to pay the principal of and the interest on the Bonds and the Outstanding Parity Obligations.

5. Any obligations hereafter issued which are made payable from an excess of annual revenues of the Issuer above statutory, necessary and usual charges in each of the fiscal years during which the Bonds and the Outstanding Parity Obligations are outstanding, other than any parity bonds or obligations which may be issued pursuant to the terms of the Ordinance and the ordinances authorizing the issuance of the Outstanding Parity Obligations, will be junior, subordinate and inferior to the Bonds and the Outstanding Parity Obligations in all respects as to lien, source and security for payment.

6. Interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, for the purpose of computing the federal alternative minimum tax imposed on certain corporations, such interest is taken into account in determining adjusted current earnings.

7. Interest on the Bonds is exempt from Louisiana state income taxation on resident individuals and is exempt from the Louisiana corporation income tax.

In rendering the opinions expressed in paragraph 6 above, we have relied on representations of the Issuer with respect to questions of fact material to our opinion without undertaking to verify the same by independent investigation and have assumed continuing compliance with covenants in the

Ordinance pertaining to those sections of the Code which affect the exclusion from gross income of interest on the Bonds for federal income tax purposes. In the event that such representations are determined to be inaccurate or incomplete or the Issuer fails to comply with the foregoing covenants in the Ordinance, interest on the Bonds could become included in gross income from the date of original delivery, regardless of the date on which the event causing such inclusion occurs.

Except as stated above, we express no opinion as to any federal, state or local tax consequences resulting from the ownership of, receipt of interest on, or disposition of the Bonds.

It is to be understood that the rights of the owners of the Bonds and the enforceability of the Bonds and the Ordinance may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable, and that their enforceability may also be subject to the exercise of the sovereign police powers of the State of Louisiana, or its governmental bodies, and the exercise of judicial discretion in appropriate cases.

Respectfully submitted,

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## **APPENDIX “G”**

### **FORM OF CONTINUING DISCLOSURE CERTIFICATE**

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## FORM OF CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") constitutes the written undertaking of the Parish of Lafourche, State of Louisiana (the "Issuer"), for the benefit of the holders of the \$\_\_\_\_\_ of Road Bonds, Series 2005 (the "Bonds"), required by Section (b)(5)(i) of Securities and Exchange Commission Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (17 CFR Part 240, § 240.15c12) (the "Rule"). The Issuer is the "obligated person" within the meaning of the Rule.

**SECTION 1. Definitions.** In addition to the definitions set forth in the Ordinance, adopted by the Lafourche Parish Council, State of Louisiana on \_\_\_\_\_ (the "Ordinance"), which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

*"Annual Financial Information"* means the financial information (which shall be based on financial statements prepared in accordance with generally accepted accounting principles ("GAAP")), or operating data with respect to the Issuer, provided at least annually, of the type included in the final official statement with respect to the Bonds described in **Exhibit B** hereto; which Annual Financial Information shall include Audited Financial Statements.

*"Audited Financial Statements"* means the Issuer's annual financial statements, prepared in accordance with GAAP, which financial statements shall have been audited by a firm of independent certified public accountants.

*"CPO"* means a central post office repository facility approved by the Securities and Exchange Commission that is authorized to receive filings required by the Rule on behalf of NRMSIR's and any applicable SID, such as DisclosureUSA.

*"Disclosure Representative"* means the Issuer's Director of Finance or his or her designee or such other officer or employee as the Issuer shall designate in writing from time to time.

*"Fiscal Year"* means the period commencing on January 1 of any year and ending on December 31 of the same year or such other accounting period of twelve consecutive calendar months as shall be specified by the Issuer.

*"Material Event"* means any of the following events, if material, with respect to the Bonds:

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults;
- (iii) Unscheduled draws on debt service reserves, if any, reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;

- (v) Substitution of credit or liquidity providers, or their failure to perform;
- (vi) Adverse tax opinions or events affecting the tax-exempt status of the Bonds;
- (vii) Modifications to rights of the owners of the Bonds;
- (viii) Bond calls;
- (ix) Defeasances;
- (x) Release, substitution or sale of property, if any, securing repayment of the Bonds; and
- (xi) Rating changes.

"*NRMSIR*" means any Nationally Recognized Municipal Securities Information Repository, as recognized from time to time by the Securities and Exchange Commission for the purposes referred to in the Rule. The NRMSIRs, as of the date of this Disclosure Certificate, appear in **Exhibit C** attached hereto.

"*Notice of Material Events*" shall mean the Notice required to be given in accordance with Section 4 hereof.

"*Participating Underwriter*" shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"*Repository*" shall mean, collectively, each NRMSIR and the SID, if any.

"*Rule*" shall mean Rule 15c2-12(b)(5)(i) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"*SID*" shall mean any public or private repository or entity designated by the State of Louisiana as a state depository for the purpose of the Rule. At this time, there is no SID for the State of Louisiana.

## **SECTION 2. Provision of Annual Financial Information.**

(a) The Issuer shall, while any Bonds are Outstanding, provide the Annual Financial Information to the CPO or to the Repositories on or before July 1<sup>st</sup> of each year (the "Report Date"), commencing July 1, 2005, while any Bonds are Outstanding. The Issuer may adjust the Report Date if the Issuer changes its Fiscal Year by providing written notice of the change of Fiscal Year and the new Report Date to the CPO or to each then existing Repository; provided that the new Report Date shall be no later than six months after the end of the new Fiscal Year, and provided further that the period between the final Report Date relating to the former Fiscal Year and the initial Report Date relating to the new Fiscal Year shall not exceed one year in duration. It shall be sufficient if the Issuer provides to the CPO or to each then existing Repository, the Annual

Financial Information by specific reference to documents previously provided to the CPO or to each then existing Repository or filed with the Securities and Exchange Commission and, if such a document is a final official statement within the meaning of the Rule, available from the Municipal Securities Rulemaking Board.

(b) If the Issuer is unable to provide the Annual Financial Information by the Report Date, the Issuer shall send a notice to the CPO or to each then existing Repository in substantially the form attached hereto as **Exhibit A**.

(c) If the Issuer is unable to provide the Audited Financial Statements to the CPO or to each then existing Repository by the Report Date, the Issuer shall provide to each then existing Repository unaudited financial statements of the Issuer, and, as required by the Rule, Audited Financial Statements, when and if available, must thereafter be provided to the CPO or to each then existing Repository.

(d) The Issuer shall determine, each year prior to the date for providing the Annual Report, the name and address of the CPO or each then existing NRMSIR and each then existing SID.

### SECTION 3. **Content of Annual Financial Information.**

The Issuer's Annual Financial Information shall contain or incorporate by reference the information described in **Exhibit B** attached hereto, as well as the following:

- (i) the Audited Financial Statements,
- (ii) the accounting principles pursuant to which the Audited Financial Statements were prepared, and
- (iii) that the above-described information has been provided directly by the Issuer.

The Issuer reserves the right to cross-reference any or all of such annual financial information and operating data to other documents to be provided to the Repositories or the Municipal Securities Rulemaking Board.

The Issuer reserves the right to modify from time to time the specific types of information provided or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the Issuer; provided that the Issuer agrees that any such modification will be done in a manner consistent with the Rule as provided in Section 6 hereof.

It shall be sufficient if the Issuer provides to the CPO or to each then existing Repository the Annual Financial Information by specific reference to documents previously provided to the CPO or to each Repository or filed with the Securities and Exchange Commission and, if such document is a final official statement, available from the Municipal Securities Rulemaking Board. The Issuer shall clearly identify each such other document so incorporated by reference.

#### **SECTION 4. Reporting of Material Events.**

(a) If a Material Event occurs while any Bonds are Outstanding, the Issuer shall provide a Material Event Notice in a timely manner and shall promptly provide to the Municipal Securities Rulemaking Board and to the CPO or to each NRMSIR and the SID, if any, such Material Event Notice. Each Material Event Notice shall be so captioned and shall prominently state the date, title and CUSIP numbers of the Bonds. Notwithstanding the foregoing, a Notice of Material Event described in items (viii) and (ix) under the definition of "Material Event" herein need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Bondholders of affected Bonds pursuant to the Ordinance.

(b) The Issuer shall provide in a timely manner to the Municipal Securities Rulemaking Board and to the CPO or to each NRMSIR and to the SID, if any, notice of any failure while any Bonds are Outstanding by the Issuer to provide to the CPO or to each then existing Repository Annual Financial Information on or before the Report Date.

(c) The Issuer may from time to time choose to provide notice of the occurrence of certain other events, in addition to Material Events, if, in the judgment of the Issuer, such other event is material with respect to the Bonds, but the Issuer does not undertake to commit to provide any such notice of the occurrence of any material event except Material Events.

(d) Whenever the Issuer obtains knowledge of the occurrence of a Material Event, the Issuer shall, as soon as possible, determine if such event would constitute material information for Bondholders; provided, that any Material Event under item (viii), (ix) or (xi) of the definition of "Material Event" herein will always be deemed to be material.

#### **SECTION 5. Termination of Reporting Obligation.**

The Issuer's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption in whole or payment in full of all of the Bonds. In addition, any provision hereof and any provision relating to the Rule as set forth in the Ordinance shall be null and void in the event that the Issuer delivers to the Paying Agent an opinion of counsel expert in federal securities laws to the effect that those portions of the Rule which require this Disclosure Certificate, or any such provision, are invalid, have been repealed retroactively or otherwise do not apply to the Bonds; provided that the Issuer shall have provided notice of such delivery and the cancellation of this Disclosure Certificate and that portion of the Ordinance relating to the Rule to each then existing Repository.

#### **SECTION 6. Amendment; Waiver.**

Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws to the effect that such amendment or waiver would not in and of itself cause the undertakings herein to violate, or adversely affect compliance with the Rule if such amendment or waiver had been effective on the date hereof, but taking into account any subsequent change in or official interpretation of the Rule;

Provided, however, that the following conditions must be satisfied prior to such amendment:

(a) The amendment may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the Issuer, or type of business conducted;

(b) The undertaking hereunder, as amended, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment does not materially impair the interests of the holders of the Bonds, as determined either by parties unaffiliated with the Issuer (such as bond counsel), or by approving vote of such holders in accordance with the terms of the Indenture at the time of the amendment.

Further, the Annual Financial Information containing the amended operating data or financial information shall explain in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

Further provided, if an amendment is made to an undertaking hereunder specifying the accounting principles to be followed in preparing the Audited Financial Statements, the Annual Financial Information for the year in which the change is made should present a comparison between the Audited Financial Statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison should include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the Audited Financial Statements, in order to provide information to investors to enable them to reevaluate the ability of the Issuer to meet its obligations. To the extent reasonably feasible, the comparison also should be quantitative. A notice of the change in the accounting principles should be sent to the Repositories or the Municipal Securities Rulemaking Board.

Amendments to Exhibits C may be made by the Issuer at any time to correct or update the list of Repositories.

#### **SECTION 7. Additional Information.**

Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or Notice of Material Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Financial Information or Notice of Material Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Financial Information or Notice of Material Event.

**SECTION 8. Beneficiaries.**

This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Participating Underwriters and the holders of the Bonds, and shall create no rights in any other person or entity.

IN FAITH WHEREOF, the undersigned has executed this Continuing Disclosure Certificate on this, the \_\_\_\_ day of \_\_\_\_\_, 2005.

PARISH OF LAFOURCHE, STATE OF LOUISIANA

By: \_\_\_\_\_  
Chair

By: \_\_\_\_\_  
Council Clerk

**EXHIBIT A**  
**to Continuing Disclosure Certificate**

**NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT**

Name of Issuer: PARISH OF LAFOURCHE, STATE OF LOUISIANA

Name of Obligated Person: PARISH OF LAFOURCHE, STATE OF LOUISIANA

Name of Bond Issue: \$ \_\_\_\_\_ of Road Bonds, Series 2005

Date of Issuance: \_\_\_\_\_, 2005

NOTICE IS HEREBY GIVEN that the Parish of Lafourche, State of Louisiana, has not provided Annual Financial Information with respect to the above-named Bonds as required by Continuing Disclosure Certificate of the Issuer dated \_\_\_\_\_, 2005. The Issuer anticipates that the Annual Report will be filed by \_\_\_\_\_.

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Name:  
Title:

**EXHIBIT B**  
**to Continuing Disclosure Certificate**

- (A) Names of the entities, enterprises, funds, accounts and other persons with respect to whom information will be provided:

Entity: PARISH OF LAFOURCHE, STATE OF LOUISIANA

- (B) Types of information to be provided: (e.g., specific types of financial statements and general descriptions of operating, economic, statistical, utilization and trend data):

1. Audited Financial Statements.
2. The operating and financial information set forth in the Official Statement dated \_\_\_\_\_, 2005, including Appendices A and B thereto.

- (C) The accounting principles pursuant to which financial statements will be prepared:

Generally accepted accounting principles.

**EXHIBIT C**  
**to Continuing Disclosure Certificate**

**NATIONALLY RECOGNIZED**  
**MUNICIPAL SECURITIES INFORMATION REPOSITORIES**

Bloomberg Municipal Repositories  
100 Business Park Dr.  
Skillman, NJ 08558-3629  
Phone: (609) 279-3225  
Fax: (609) 279-5962  
Email: [munis@bloomberg.com](mailto:munis@bloomberg.com)  
<http://www.bloomberg.com>

DPC Data, Inc.  
One Executive Drive  
Fort Lee, NY 07024  
Phone: (201) 346-0701  
Fax (201)947-0107  
Email: [nrmsir@dpcdata.com](mailto:nrmsir@dpcdata.com)  
<http://www.dpcdata.com>

Standard & Poor's Securities Evaluations, Inc.  
Attn: Repository  
55 Water Street, 45th Floor  
New York, NY 10041  
Phone: (212) 438-4624  
Fax: (212) 438-3975  
<http://www.standardandpoors.com>

FT Interactive Data NRMSIR  
Attn: Disclosure  
100 William Street, 15th Floor  
New York, NY 10038  
Phone: (212) 771-6999  
Fax: (212) 771-7390  
Email: [nrmsir@ftid.com](mailto:nrmsir@ftid.com)  
<http://www.ftid.com>

At the option of the Issuer, in lieu of filing materials and notices with the repositories named above, a single filing may be made with Disclosure USA or similar central repository appeared by the Securities & Exchange Commission.

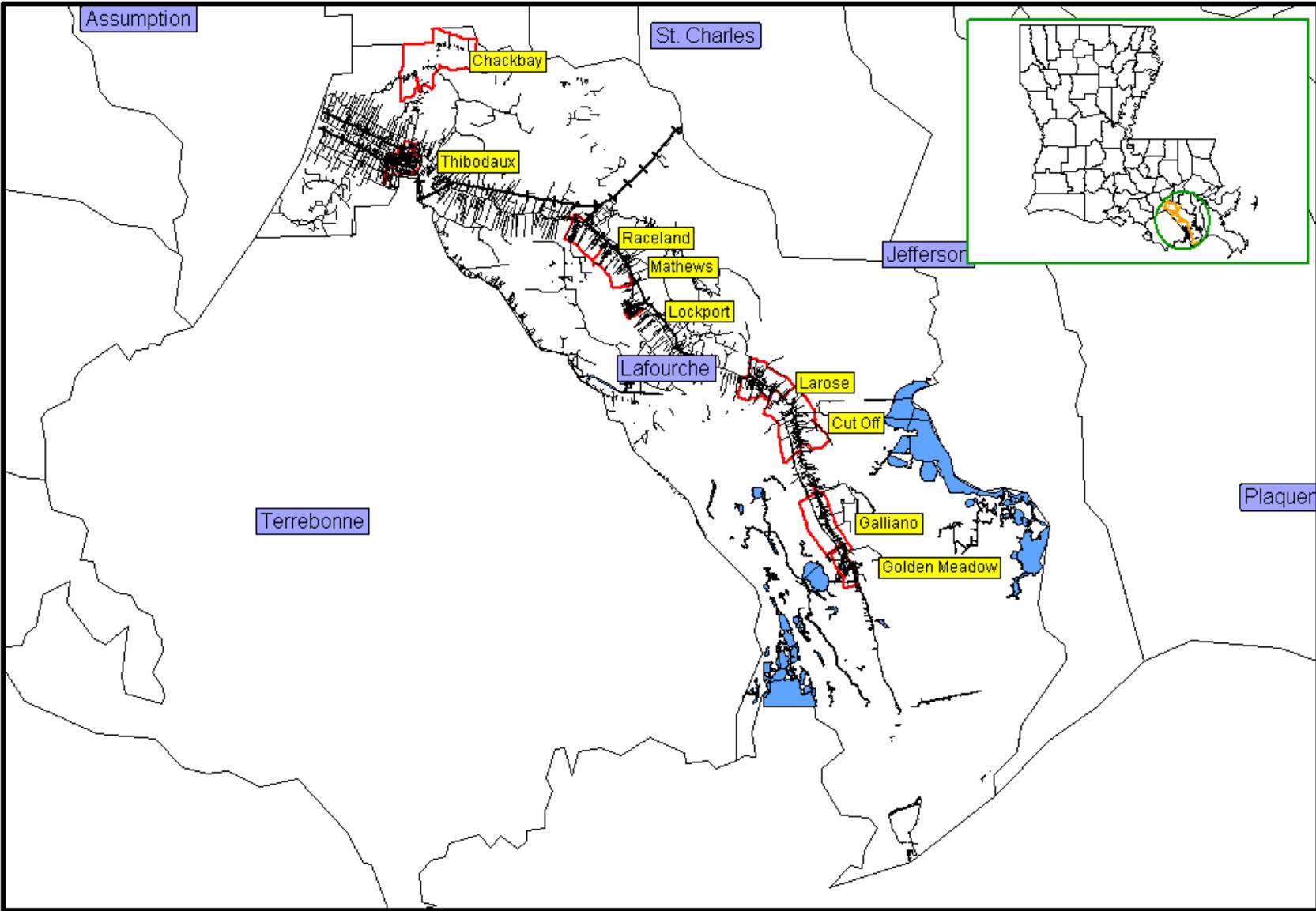
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## **APPENDIX “H”**

**MAP**

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# Parish of Lafourche, State of Louisiana



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**APPENDIX “I”**

**SPECIMEN OF FINANCIAL GUARANTY INSURANCE POLICY**

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## FINANCIAL GUARANTY INSURANCE POLICY

**Obligor:**

**Bonds:**

**Bond Trustee:**

**Insurance Trustee:**

**Policy Number:**

**Premium:**

**Radian Asset Assurance Inc.** ("Insurer"), a corporation organized under the laws of the State of New York, in consideration of the payment of the premium and subject to the terms of this Policy, hereby unconditionally and irrevocably guarantees the payment of the Obligation (hereinafter defined) to the Insurance Trustee for the benefit of the Holders (hereinafter defined) from time to time of the Bonds. This Policy does not insure against any risk other than nonpayment of the Obligation by or on behalf of the Obligor or any other obligor to the Bond Trustee. Nonpayment includes recovery from a Holder of Bonds or the Bond Trustee of any portion of the Obligation pursuant to a final judgment by any court of competent jurisdiction holding that such payment constituted a voidable preference within the meaning of any applicable bankruptcy law.

Upon receipt by the Insurer of telephonic or telegraphic notice, such notice subsequently confirmed to the Insurer in writing by registered or certified mail, from the Insurance Trustee that the Obligor (or other obligor responsible for payment of the Obligation) has failed to provide the Bond Trustee with sufficient funds for payment of the Obligation on the Due Date (hereinafter defined), the Insurer shall, not later than such Due Date or the first business day after receipt of such notice, whichever is later, pay to the Insurance Trustee for the benefit of the Holders of the Bonds an amount which shall be sufficient to pay the Obligation, but only upon receipt by the Insurer, in a form reasonably satisfactory to it, of (a) evidence of the Holder's right to receive such payment and (b) evidence, including any appropriate instruments of assignment, that all the Holder's rights with respect to such payment shall thereupon vest in the Insurer. "Due Date" means, when referring to the principal of the Obligation, the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund prepayment and does not refer to any earlier date on which payment is due by reason of any other call for redemption, acceleration or other advancement of maturity unless the Insurer shall elect, in its sole discretion, to pay such principal due upon such redemption, acceleration or other advancement of maturity together with any accrued interest to the date of redemption, acceleration or other advancement of maturity. Tendering of payment, to the Bond Trustee, of such principal due upon such redemption, acceleration or other advancement of maturity, together with any accrued interest to the date of such redemption, acceleration or other advancement of maturity, shall satisfy the Insurer's obligations under this Policy, in full. When referring to interest on the Obligation, "Due Date" means the stated date for payment of interest.

The Insurer shall, to the extent of any payment made by it pursuant to this Policy, be deemed to have acquired and become the Holder of the Bonds or portions thereof or interest thereon paid from such payment and shall be fully subrogated to all rights to payment thereof.

As used herein, the term "Holder" or "Holders" means the registered owners of the Bonds as indicated in the registration books maintained by the Bond Trustee for such purpose at the time of nonpayment of the Obligation. The terms "Holder" or "Holders" shall not include the Obligor or any person or entity whose direct or indirect obligation constitutes the underlying security for the Obligation. As used herein, the term "Bond Trustee" means the Bond Trustee above named and any successor trustee duly appointed. As used herein, the term "Insurance Trustee" means the Insurance Trustee above named and any successor insurance trustee duly appointed. As used herein, the term "Obligation" means the payment of principal and interest regularly scheduled to be paid on the Bonds, which shall have become due for payment but shall be unpaid on the Due Date, but does not include any premium payable with respect to the Bonds, nor any redemption (except mandatory sinking fund redemption), acceleration or other advancement of maturity.

This Policy is non-cancelable for any reason. Premiums paid on this Policy are not refundable for any reason including without limitation the payment prior to maturity of the Bonds.

IN WITNESS WHEREOF, the Insurer has caused this Policy to be issued to the Insurance Trustee for the benefit of the Holders from time to time of the Bonds and to be executed and delivered by its duly authorized officer to become effective and binding upon the Insurer by virtue of the execution and delivery thereof on this [DATE].

RADIAN ASSET ASSURANCE INC.

By: \_\_\_\_\_  
 Name: [ANALYST]  
 Title: [TITLE]

<b>INSURANCE GUARANTY FUND NOTICES</b>	
Connecticut	In the event the Company becomes insolvent, any claims arising under this Policy are excluded from coverage by the Connecticut Insurance Guaranty Association.
Florida	The insurance provided by this Policy is not covered by the Florida Insurance Guaranty Association created under part II of chapter 631 of the Florida Insurance Code.
New York	This Policy is not covered by the Property/Casualty Insurance Security Fund established by Article 76 of the New York Insurance Law.
Texas	In the event the insurer is unable to fulfill its contractual obligation under this Policy, the policyholder is not protected by the Texas Property and Casualty Insurance Guaranty Act.

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