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**TENSAS PARISH POLICE JURY**  
**St. Joseph, Louisiana**

**Primary Government Financial Statements**  
**And Independent Auditor's Reports**  
**As of December 31, 2006**  
**With Supplemental Information Schedules**

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

Release Date 8/22/07

TENSAS PARISH POLICE JURY

Annual Financial Statements  
As of and for the Year Ended December 31, 2006  
With Supplemental Information Schedules

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TENSAS PARISH POLICE JURY

Annual Financial Statements  
As of and for the Year Ended December 31, 2006  
With Supplemental Information Schedules

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TENSAS PARISH POLICE JURY

Annual Financial Statements  
As of and for the Year Ended December 31, 2006  
With Supplemental Information Schedules

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## INDEPENDENT AUDITORS' REPORT

Police Jurors  
Tensas Parish Police Jury  
St. Joseph, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Tensas Parish Police Jury (Police Jury) as of and for the year ended December 31, 2006, which collectively comprise the basic financial statements of the parish's primary government, as listed in the table of contents. These financial statements are the responsibility of the Police Jury's management. Our responsibility is to express opinions 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 of America. 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 opinions.

The financial statements referred to above include only the primary government of the Police Jury. The primary government 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 certain 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 Tensas Parish Police Jury, as of December 31, 2006, and the respective changes in its financial position for the year then ended in conformity with generally accepted accounting principles generally accepted in the United States of America.

In our opinion, the primary government financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of Tensas Parish Police Jury as of December 31, 2006, and the respective changes in financial position 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 August 7, 2007, on our consideration of Tensas Parish Police Jury's internal control over financial reporting and our test of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis and budgetary comparison information on pages 4 through 8 and pages 35 through 41, are not a required part of the financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Tensas Parish Police Jury's basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Nonprofit Organizations", and is not a required part of the basic financial statements. In addition, the combining statements and schedules described in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Ferriday, Louisiana  
August 7, 2007

*Switzer, Hopkins & Marge*

TENSAS PARISH POLICE JURY  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED DECEMBER 31, 2005

As management of the Tensas Parish Police Jury we offer readers of the Tensas Parish Police Jury's financial statements this narrative overview and analysis of the financial activities of the Police Jury for the fiscal year ended December 31, 2006. We encourage readers to consider the information presented here in conjunction with additional information found within the body of the audit.

**FINANCIAL HIGHLIGHTS**

- Assets exceeded liabilities by \$8,080,722 in 2006 and \$5,924,441 in 2005
- Total revenues exceeded expenditures by \$2,156,281 in 2006 and \$814,427 in 2005
- The Police Jury had net capital assets of \$5,495,085 and has a \$94,726 debt associated with capital assets as of December 31, 2006.

**OVERVIEW OF FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the Tensas Parish Police Jury's basic financial statements. The Police Jury's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

The statement of net assets presents information on all of the Police Jury's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the town is improving or deteriorating.

The statement of activities presents information showing how the Police Jury's net assets changed during the most recent fiscal year.

The government-wide financial statements outline functions of the Police Jury that are principally supported by property taxes and intergovernmental revenues (governmental activities). Fixed assets and related debt is also supported by taxes and intergovernmental revenues.

The government-wide financial statements can be found on pages 10 – 11 of this report.

**Fund financial statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives.

The basic governmental fund financial statements can be found on pages 12 – 17 of this report.

TENSAS PARISH POLICE JURY  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED DECEMBER 31, 2005

**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 can be found on pages 18 – 33 of this report.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Net assets may serve over time as a useful indicator of a government's financial position. In the case of the Police Jury assets exceeded liabilities by \$8,080,722 as of December 31, 2006 and \$5,924,441 as of December 31, 2005.

**Net Assets as of December 31, 2006 and 2005**

	December 31,	
	2006	2005
Current Assets	\$ 3,842,211	\$ 3,417,467
Restricted Assets	529,613	449,078
Capital Assets	<u>5,495,085</u>	<u>4,125,778</u>
<b>Total Assets</b>	<u><b>9,866,909</b></u>	<u><b>7,992,323</b></u>
Current Liabilities	371,175	385,756
Long-term Liabilities	<u>1,415,012</u>	<u>1,682,126</u>
<b>Total Liabilities</b>	<u><b>1,786,187</b></u>	<u><b>2,067,882</b></u>
<b>Net Assets</b>		
Investment in capital assets, net of related debt	5,400,359	3,993,064
Restricted	529,613	449,078
Unrestricted	<u>2,150,750</u>	<u>1,482,299</u>
<b>Total Net Assets</b>	<u><b>\$ 8,080,722</b></u>	<u><b>\$ 5,924,441</b></u>

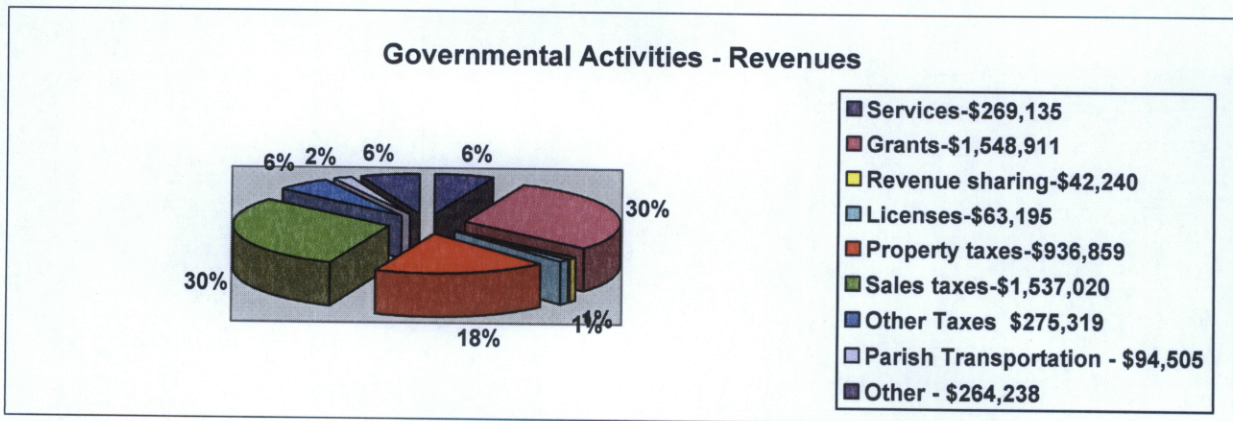


TENSAS PARISH POLICE JURY  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED DECEMBER 31, 2005

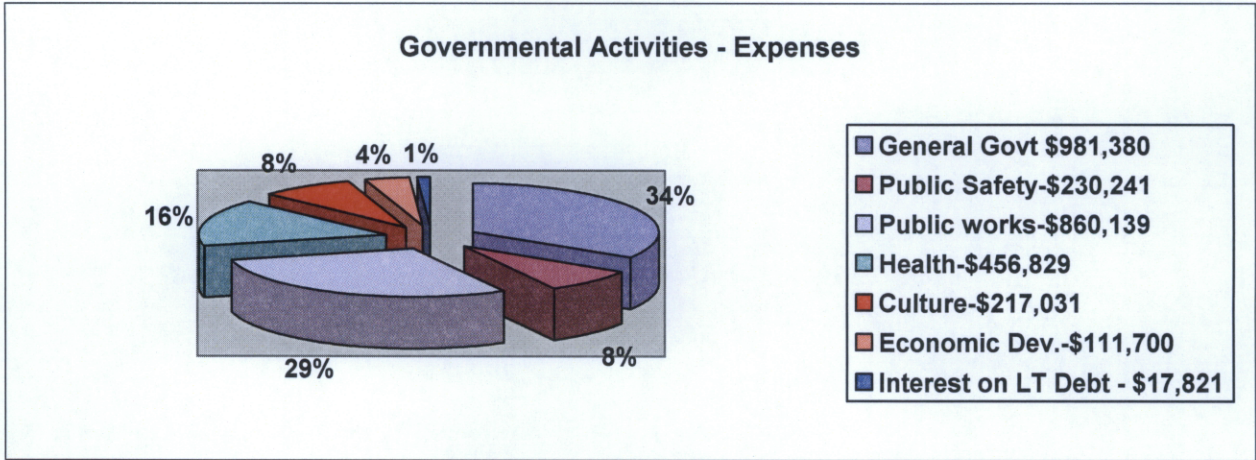
The following is a summary of the statement of activities:

	Year Ended December 31,	
	2006	2005
<b>Revenues</b>		
Program revenues	\$ 1,818,046	\$ 854,532
General revenues	<u>3,213,376</u>	<u>3,085,869</u>
<b>Total Revenues</b>	<b><u>\$ 5,031,422</u></b>	<b><u>\$ 3,940,401</u></b>
<b>Expenses:</b>		
General government	\$ 981,380	\$ 1,159,960
Public safety	230,241	277,178
Public works	860,139	988,488
Health and welfare	456,829	391,794
Culture and recreation	217,031	203,454
Economic development	111,700	83,282
Transportation	-	2,580
Interest on long-term debt	<u>17,821</u>	<u>19,238</u>
<b>Total expenses</b>	<b><u>2,875,141</u></b>	<b><u>3,125,974</u></b>
Increase in net assets	2,156,281	814,427
Net assets January 1	<u>5,924,441</u>	<u>5,110,014</u>
Net assets December 31	<b><u>\$ 8,080,722</u></b>	<b><u>\$ 5,924,441</u></b>

The following are a graphical representation of information presented in the Statement of Activities for Governmental Activities. Business activities are insignificant and are not presented in graph form.



TENSAS PARISH POLICE JURY  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED DECEMBER 31, 2005



The notes to the financial statements have additional information presented that is essential to a full understanding of the data provided in the government-wide financial statements.

**Comments on General Fund Comparisons**

The Police Jury's budget was amended once during the last year. The final budgeted expenditures were \$3,302,215 in the budget and revenues were budgeted at \$3,680,807.

Actual revenues were over budgeted amounts by over \$369,133 and actual expenditures were over the budgeted amounts by over \$59,567. The budget was amended to primarily reflect additional grant revenues and expenditures and increases in taxes.

**CAPITAL ASSETS**

As of December 31, 2006, the Police Jury had \$5,495,085 invested in capital assets net of accumulated depreciation, including land of \$386,698 that is not being depreciated. This year there were additions of \$1,679,322 in the general fund. Additions were as follows:

**TENSAS PARISH POLICE JURY  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED DECEMBER 31, 2005**

Community Center (completion)	529,194
Museum (completion)	81,428
911 System	130,367
RV park - Ag arena	239,721
Hospital, courthouse & annex roofs	512,773
2005 Ford Excursion (Fire)	33,492
2006 GMC Yukon (Emer Prep)	33,348
Computer (Library)	3,888
Software (Assessor)	8,700
Meat market equipment	79,822
Library Books	<u>26,589</u>
Total additions	<u>\$ 1,679,322</u>

Infrastructure assets (roads and bridges) are not included in capital assets.

**MANAGEMENT COMMENTS AND PLANS**

Several community facilities have been completed including a museum and library, various roofs, community center and a recreational vehicle center at the youth agriculture facilities. Much of the funding comes from Community Development Block Grant funds, the Department of Transportation and Capital Outlay funds. These facilities will add to the culture, recreation and economic development opportunities of Tensas Parish.

In 2007, Courthouse renovations are planned, and a Safety Building added, using funds from USDA grants and loans. A new recreation district is planned, and the Port Commission will be reactivated to study the feasibility of funding a port in the parish. A new state of the art fence at the maintenance facility, expansion at the Health Unit and a walking trail are in the works.

**REQUEST FOR INFORMATION**

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the Police Jury's finances and to show the Police Jury's accountability for the money it receives. Any questions about this report or request for additional information may be directed to Cathy Darden, Secretary-Treasurer, 205 Hancock Street, St Joseph, LA 71366.

GOVERNMENT-WIDE  
FINANCIAL STATEMENTS (GWFS)

TENSAS PARISH POLICE JURY  
 STATEMENT OF NET ASSETS  
 For the Year Ended December 31, 2006

Statement A

<b>ASSETS</b>	
Cash and cash equivalents	\$ 2,711,652
Receivables	1,130,559
Amounts held by trustee for landfill closure and postclosure care costs	507,615
Restricted assets	21,998
Capital assets, net	<u>5,495,085</u>
<b>TOTAL ASSETS</b>	<u><b>9,866,909</b></u>
 <b>LIABILITIES</b>	
Accounts, salaries and other payables	54,309
Intergovernmental payables	34,740
Long-term liabilities	
Due within one year	282,126
Due in more than one year	<u>1,415,012</u>
<b>TOTAL LIABILITIES</b>	<u><b>1,786,187</b></u>
 <b>NET ASSETS</b>	
Invested in capital assets, net of related debt	5,400,359
Restricted for:	
Debt service	21,998
Landfill closure	507,615
Unrestricted	<u>2,150,750</u>
<b>TOTAL NET ASSETS</b>	<u><b>\$ 8,080,722</b></u>

The following notes are an integral part of these financial statements.

TENSAS PARISH POLICE JURY

STATEMENT OF ACTIVITIES  
For the Year Ended December 31, 2006

Statement B

	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
FUNCTIONS/PROGRAMS					
<i>Primary Government: Governmental Activities:</i>					
General government:					
Legislative	\$ 119,039	\$ -	\$ -	\$ -	\$ (119,039)
Judicial	245,898	72,161	-	-	(173,737)
Elections	63,962	-	-	-	(63,962)
Finance and administrative	256,667	-	-	-	(256,667)
Other general administrative	295,814	-	-	-	(295,814)
Public safety	230,241	88,842	-	237,818	96,419
Public works	860,139	108,132	-	-	(752,007)
Health and welfare	456,829	-	-	-	(456,829)
Culture and recreation	217,031	-	10,215	1,300,878	1,094,062
Economic development	111,700	-	-	-	(111,700)
Interest on long-term debt	17,821	-	-	-	(17,821)
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<b><u>\$2,875,141</u></b>	<b><u>\$ 269,135</u></b>	<b><u>\$ 10,215</u></b>	<b><u>\$ 1,538,696</u></b>	<b><u>(1,057,095)</u></b>
General revenues:					
Taxes:					
Ad valorem					936,859
Sales					1,537,020
Other taxes					275,319
Licenses and permits					63,195
State funds:					
Parish transportation funds					94,505
State revenue sharing					42,240
Fire insurance rebates					19,224
Investment income					120,749
Other revenues					124,265
Total general revenue					<u>3,213,376</u>
Changes in net assets					2,156,281
Net assets, beginning of year					<u>5,924,441</u>
Net assets, end of year					<u>\$ 8,080,722</u>

The following notes are an integral part of these financial statements.

TENSAS PARISH POLICE JURY

GOVERNMENTAL FUNDS

Balance Sheet

December 31, 2006

Statement C

	General Fund	Road Fund	Ambulance Fund	Health Unit Fund	Economic Development Fund	Landfill Site Fund	Other Governmental Funds	Total
<b>ASSETS</b>								
Cash and cash equivalents	\$ 180,161	\$ 154,504	\$ 805,399	\$ 459,801	\$ 174,201	\$ 116,602	\$ 820,984	\$ 2,711,652
Receivables	646,849	36,856	55,755	99,910	16,976	5,735	268,478	1,130,559
Amounts held by trustee for landfill closure and postclosure care costs	-	-	-	-	-	507,615	-	507,615
Restricted assets	-	-	-	-	-	-	21,998	21,998
Advances to other funds	-	20,863	37,080	-	13,909	-	18,555	90,407
<b>TOTAL ASSETS</b>	<u>827,010</u>	<u>212,223</u>	<u>898,234</u>	<u>559,711</u>	<u>205,086</u>	<u>629,952</u>	<u>1,130,015</u>	<u>4,462,231</u>
<b>LIABILITIES AND FUND BALANCES</b>								
Liabilities:								
Accounts, salaries and other payables	12,824	15,099	10	1,196	318	-	24,862	54,309
Advances from other funds	90,407	-	-	-	-	-	-	90,407
Intergovernmental payables	6,955	-	-	-	-	-	27,785	34,740
<b>Total Liabilities</b>	<u>110,186</u>	<u>15,099</u>	<u>10</u>	<u>1,196</u>	<u>318</u>	<u>-</u>	<u>52,647</u>	<u>179,456</u>
<b>Fund Balances/Deficit:</b>								
Reserved for:								
Debt service	-	-	-	-	-	-	21,998	21,998
Landfill closure	-	-	-	-	-	507,615	-	507,615
Advances	-	20,863	37,080	-	13,909	-	18,555	90,407
Unreserved, reported in:								
General	716,824	-	-	-	-	-	-	716,824
Special revenue (deficit)	-	176,261	861,144	558,515	190,859	122,337	1,036,815	2,945,931
<b>Total Fund Balances (deficit)</b>	<u>716,824</u>	<u>197,124</u>	<u>898,224</u>	<u>558,515</u>	<u>204,768</u>	<u>629,952</u>	<u>1,077,368</u>	<u>4,282,775</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 827,010</u>	<u>\$ 212,223</u>	<u>\$ 898,234</u>	<u>\$ 559,711</u>	<u>\$ 205,086</u>	<u>\$ 629,952</u>	<u>\$ 1,130,015</u>	<u>\$ 4,462,231</u>

TENSAS PARISH POLICE JURY

Reconciliation of the Governmental Funds Balance Sheet  
to the Government-Wide Financial Statements  
of Net Assets  
December 31, 2006

Statement D

Total fund balances-governmental funds (Statement C) \$ 4,282,775

Total Net Assets reported for governmental activities in  
the statement of net assets is different because:

Capital assets used in governmental activities are not  
financial resources and therefore are not reported in  
the funds. Those assets consist of:

Land, buildings and equipment	\$ 7,173,464	
Less accumulated depreciation	<u>(1,678,379)</u>	5,495,085

Long-term liabilities are not due and payable in the  
current period and therefore are not reported in  
the fund liabilities. (1,697,138)

Net assets (Statement A) \$ 8,080,722



TENSAS PARISH POLICE JURY

Statement of Revenues, Expenditures  
and Changes in Fund Balances  
For the Year Ended December 31, 2006

Statement E

	General Fund	Road Fund	Ambulance Fund	Health Unit Fund	Economic Development Fund	Landfill Site Fund	Other Governmental Funds	Total
<b>REVENUES</b>								
Taxes:								
Ad valorem	\$ 565,687	\$ -	\$ -	\$ 111,162	\$ -	\$ -	\$ 260,010	\$ 936,859
Sales taxes	-	351,054	634,442	-	234,047	-	317,477	1,537,020
Other taxes	275,319	-	-	-	-	-	-	275,319
Licenses and permits	63,195	-	-	-	-	-	-	63,195
Intergovernmental revenues:								
Federal funds-federal grants	152,341	-	-	-	724,412	-	36,893	913,646
State funds:								
Parish transportation funds	-	94,505	-	-	-	-	-	94,505
State revenue sharing	11,154	-	-	9,242	-	-	21,844	42,240
Fire insurance rebates	19,224	-	-	-	-	-	-	19,224
Other state grants	460,772	-	-	-	115,694	-	58,799	635,265
Fees, charges and commissions for services	-	-	-	-	-	108,132	88,842	196,974
Fines and forfeitures	-	-	-	-	-	-	72,161	72,161
Investment income	6,989	37,111	20,031	9,606	6,439	22,109	18,464	120,749
Other revenues	72,501	12,509	171	-	11,778	-	27,306	124,265
<b>Total Revenues</b>	<b>1,627,182</b>	<b>495,179</b>	<b>654,644</b>	<b>130,010</b>	<b>1,092,370</b>	<b>130,241</b>	<b>901,796</b>	<b>5,031,422</b>
<b>EXPENDITURES</b>								
General government								
Legislative	119,039	-	-	-	-	-	-	119,039
Judicial	92,032	-	-	-	-	-	153,866	245,898
Elections	21,862	-	-	-	-	-	42,100	63,962
Finance and administrative	167,341	13,937	33,674	5,437	27,970	8,308	-	256,667
Other general government	226,946	-	-	-	-	-	-	226,946
Public safety	81,812	-	-	-	-	-	88,913	170,725
Public works	-	555,104	-	-	-	-	229,070	784,174
Health and welfare	43,994	-	304,317	72,518	-	-	-	420,829
Culture and recreation	2,570	-	-	-	-	-	144,796	147,366
Economic development	-	-	-	-	111,700	-	-	111,700

TENSAS PARISH POLICE JURY

Statement of Revenues, Expenditures  
and Changes in Fund Balances  
For the Year Ended December 31, 2006

	Statement E							
	General Fund	Road Fund	Ambulance Fund	Health Unit Fund	Economic Development Fund	Landfill Site Fund	Other Governmental Funds	Total
Debit service:								
Principal retirement	-	-	-	-	-	-	59,988	59,988
Interest and bank charges	-	-	-	-	-	-	17,821	17,821
Capital outlay	512,774	-	-	-	908,650	8,700	249,197	1,679,321
Total expenditures	<u>1,268,370</u>	<u>569,041</u>	<u>337,991</u>	<u>77,955</u>	<u>1,048,320</u>	<u>17,008</u>	<u>985,751</u>	<u>4,304,436</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	358,812	(73,862)	316,653	52,055	44,050	113,233	(83,955)	726,986
OTHER FINANCING SOURCES (Uses)								
Proceeds from loans	-	-	-	-	75,000	-	-	75,000
Transfers in	-	421,590	-	-	2,651	-	260,598	684,839
Transfers (out)	(191,205)	(22,879)	(20,851)	(51,180)	(95,493)	(104,964)	(198,267)	(684,839)
Total Other Financing Sources (Uses)	<u>(191,205)</u>	<u>398,711</u>	<u>(20,851)</u>	<u>(51,180)</u>	<u>(17,842)</u>	<u>(104,964)</u>	<u>62,331</u>	<u>75,000</u>
Net Change in Fund Balances	167,607	324,849	295,802	875	26,208	8,269	(21,624)	801,986
FUND BALANCES - BEGINNING (deficit)	<u>549,217</u>	<u>(127,725)</u>	<u>602,422</u>	<u>557,640</u>	<u>178,560</u>	<u>621,683</u>	<u>1,098,992</u>	<u>3,480,789</u>
FUND BALANCES - ENDING	<u>\$ 716,824</u>	<u>\$ 197,124</u>	<u>\$ 898,224</u>	<u>\$ 558,515</u>	<u>\$ 204,768</u>	<u>\$ 629,952</u>	<u>\$ 1,077,368</u>	<u>\$ 4,282,775</u>

TENSAS PARISH POLICE JURY

Reconciliation of the Governmental Funds  
 Statement of Revenues, Expenditures and Changes in Fund Balances/Deficits  
 For the Year Ended December 31, 2006

	Statement F
Total net change in fund balances-governmental funds (Statement E)	\$ 801,986
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 capital outlays exceed depreciation expense in the period:	
Capital outlay	\$ 1,679,321
Depreciation expense	<u>(310,014)</u> 1,369,307
Repayment of capital leases is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets:	59,988
Capital related loan proceeds are recorded as income in governmental funds	<u>(75,000)</u>
Change in net assets of governmental activities (Statement B)	<u>\$ 2,156,281</u>

## TENSAS PARISH POLICE JURY

### NOTES TO THE FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2006

#### INTRODUCTION

1. The Tensas Parish Police Jury was created by Legislative act in the 1800's.
2. The Police Jury is the governing body of Tensas Parish, Louisiana.
3. The Police Jury consists of seven jurors elected to represent the various districts in the Parish. The Jurors serve four year terms, which expire in 2008. The Jurors are paid \$1,200 per month.
4. Tensas Parish is located along the Mississippi River in Northeast Louisiana. The land area of the Parish is approximately 602 square miles.
5. Tensas Parish has a population of 6,162.
6. The Police Jury has 19 employees and maintains 155 miles of roads.

GASB Statement No. 14, *The Reporting Entity*, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the jury is considered a primary government, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, fiscally independent means that the Police Jury may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges and issue bonded debt. The Police Jury has oversight of other component units that are blended into the Police Jury's basic financial statements.

Blended component units of the Police Jury are Gravity Drainage District's No. 1, No. 2 and No. 3 and the Tensas Parish Library. These component units, despite being legally separate from the Police Jury, are so intertwined with the primary government that they are, in substance, the same as the primary government. These component units are reported as part of the primary government in both the fund financial statements and the government-wide financial statements. The blended component unit's balances and transactions are reported in the same manner as the balances and transactions of the Police Jury itself. These entities are reported in the Nonmajor Special Revenue Funds.

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### A. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes

TENSAS PARISH POLICE JURY

NOTES TO THE FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2006

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued**

and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. These component units are as follows:

**Component Unit**

Fire Protection District No. 1 of Tensas Parish  
Lake Bruin Commission  
Lake Bruin Water Works No. 1  
Tensas Economic and Industrial Development District  
Tensas Parish Agricultural Arena Commission  
Tensas Parish Clerk of Court  
Tensas Parish Hospital Service District  
Tensas Parish Sheriff  
Tensas Parish Tax Assessor  
Tensas Port Commission  
Tensas Water District, Inc.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Major individual governmental funds are reported in separate columns in the fund financial statements.

**B. Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

# TENSAS PARISH POLICE JURY

## NOTES TO THE FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2006

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period.

For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessment receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The Police Jury reports the following major governmental funds:

**General fund** – The general fund is the general operating fund of the Police Jury. It accounts for all activities except those required to be accounted for in other funds.

**Road fund** – This fund accounts for funds used to maintain roads.

**Ambulance fund** – This fund accounts for funds used to operate the ambulance services.

**Health unit fund** – This fund accounts for funds used to operate the health unit.

**Economic development fund** – This fund accounts for funds used in economic development for the parish.

**Landfill site fund** – This fund accounts for the operation of the landfill.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board.

## TENSAS PARISH POLICE JURY

### NOTES TO THE FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2006

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's enterprise operations. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

When both restricted and unrestricted resources are available for use, it is the Police Jury's policy to use restricted resources first, then unrestricted resources as they are needed.

#### C. Cash, Cash Equivalents and Investments

The Police Jury's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. State law and the Police Jury's investment policy allow the Police Jury to invest in collateralized certificates of deposits, government back securities, commercial paper, the state sponsored investment pool and mutual funds consisting solely of government backed securities.

Investments for the Police Jury, as well as for its component units, are reported at fair value.

#### D. Receivables and Payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "advances to/from other funds" (i.e., the non-current portion of interfund loans).

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade and property tax receivables are shown net of an allowance for uncollectives. The balance of accounts receivable is expected to be a collected in full so no allowance for doubtful accounts has been established.

TENSAS PARISH POLICE JURY

NOTES TO THE FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Property taxes are levied on a calendar year basis and become due on January 1 of each year. The following is a summary of authorized and levied ad valorem taxes:

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Taxes due for:			
General Fund	3.49	3.49	Indefinite
Court System building	11.07	11.07	2007
Drainage District No. 1	5.68	5.68	2016
Drainage District No. 2	3.02	3.02	2011
Drainage District No. 3	3.8	3.8	2013
Health Unit	2.95	2.95	2016
Library	4.28	4.28	2016

The following are the principal taxpayers and related property tax revenue for the parish:

	<u>Type of Business</u>	<u>Assessed Valuation</u>	<u>% of Total Assessed Valuation</u>	<u>Ad Valorem Tax Revenue for Parish</u>
American River Transport Co.	Barge Line	\$ 3,172,690	6.6%	\$ 274,501
Ingram Barge Company	Barge Line	2,887,190	6.0%	249,800
American Commercial Barge Line	Barge Line	2,504,680	5.2%	216,702

Sales taxes are authorized as follows:

	<u>Levied Per Cent</u>	<u>Expiration Date</u>
Landfill and garbage collection	1.00%	Indefinite
Roads	0.75%	Indefinite
Economic development	0.50%	4/1/2013
Fire protection	0.25%	10/1/2009
Ambulance	1.00%	10/1/2013



TENSAS PARISH POLICE JURY

NOTES TO THE FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2006

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued**

**E. Restricted Assets and Reserved Equity**

Restricted assets represent those assets that are legally separated for a specific purpose. Restricted assets at December 31, 2006 were as follows:

Restricted for landfill closure	\$ 507,615
Restricted for certificates of indebtbnss	<u>21,998</u>
Total	<u>\$ 529,613</u>

**F. Elimination and Reclassifications**

In the process of compiling data for the statement of net assets and the statement and the statement of activities some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the “grossing up” effect on assets and liabilities within the governmental activities column.

**G. Capital Assets**

Capital assets, which include property, plant, equipment and land assets are reported in the applicable governmental columns in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost (97% of capital assets are reported at actual cost) if historical cost is not available. The Police Jury maintains a threshold level of \$1,000 or more for capitalizing capital assets. Infrastructure assets (roads and bridges) are not included for those items acquired prior to January 1, 2004.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and Improvements	10-40 years
Equipment and Furniture (including vehicles)	5-10 years
Books, periodicals and law books	7-10 years

TENSAS PARISH POLICE JURY

NOTES TO THE FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2006

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued**

**H. Compensated Absences**

Employees of the Police Jury earn 5 to 10 days of non-cumulative annual leave each year, depending on their length of service. Full-time employees are allowed, on an as-needed basis, sick leave up to 12 days each year. A maximum of 30 days of sick leave may be accumulated and carried forward. There is no provision for payment of accrued sick leave upon separation.

Full-time employees of the Tensas Parish Library, with at least 6 months of service, earn from 10 to 22 days of non-cumulative annual leave each year, depending on their position. Part-time employees earn annual leave on a pro rata basis. Full-time employees earn 14 days of sick leave each year, with part-time employees earning sick leave on a pro rata basis. Sick leave of up to 42 days may be accumulated. There is no provision for payment of accumulated sick leave upon separation.

Employees of the Sixth Judicial District Criminal Court Fund earn from 5 to 10 days of vacation leave each year, depending on their length of service. Annual leave must be taken in the year earned and cannot be carried forward. Sick leave is granted, on an as-needed basis, at the discretion of the district attorney and judges of the district. At December 31, 2006 there are no accumulated and vested benefits relating to annual and sick leave that require accrual or disclosure.

**I. Long-Term Obligations**

In the government-wide financial statements, long-term debt is reported as liabilities in the applicable governmental activities statement of net assets.

**J. Fund Equity**

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

**K. Use of Estimates**

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

TENSAS PARISH POLICE JURY

NOTES TO THE FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2006

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

*Budget Information* – The Police Jury uses the following budget practices:

**Budgets** – Preliminary budgets for the ensuing year are prepared by the secretary-treasurer prior to December 31 of each year. The availability of the proposed budgets for public inspection and the date of the public hearing on the proposed budgets are then advertised in the official journal. During its regular December meeting, the Police Jury holds a public hearing on the proposed budgets in order to receive comments from residents of the parish. Changes are made to the proposed budgets based on the public hearing and the desires of the Police Jury as a whole. The budgets are then adopted during the Police Jury's regular December meeting, and a notice of the adoption is then published in the official journal.

The secretary-treasurer presents necessary budget amendments to the Police Jury during the year when, in her judgment, actual operations are differing materially from those anticipated in the original budget. During a regular meeting, the Police Jury reviews the proposed amendments, makes changes as it deems necessary and formally adopts the amendments. The adoption of the amendments is included in Police Jury minutes published in the official journal.

The Police Jury exercises budgetary control at the functional level. Within functions the secretary-treasurer has the discretion to make changes as she deems necessary for proper control. Unexpended appropriations lapse at year end and must be re-appropriated in the next year's budget to be expended.

3. CASH AND CASH EQUIVALENTS

At December 31, 2006, the Police Jury has cash and cash equivalents (book balances) totaling \$2,733,650 as follows:

Demand deposits	\$ 930,400
Time deposits	<u>1,803,250</u>
Total	<u>\$ 2,733,650</u>

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

TENSAS PARISH POLICE JURY

NOTES TO THE FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2006

**3. CASH AND CASH EQUIVALENTS – continued**

At December 31, 2006, the Police Jury has \$2,966,393 in deposits (collected bank balances). These deposits are secured from risk by \$598,031 of federal deposit insurance and \$2,368,362 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

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

**4. RECEIVABLES**

The receivables of \$1,130,559 at December 31, 2006 are as follows:

<u>Class of Receivable</u>	<u>General Fund</u>	<u>Road Fund</u>	<u>Ambulance Fund</u>	<u>Health Unit Fund</u>	<u>Economic Development Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>
<b>Taxes:</b>							
Ad valorem	\$ 503,275	\$ -	\$ -	\$ 99,910	\$ -	\$ 231,084	\$ 834,269
Sales and use	-	25,464	55,755	-	16,976	27,900	126,095
Other taxes	143,574	11,392	-	-	-	-	154,966
Fines	-	-	-	-	-	9,494	9,494
Other	-	-	-	-	-	5,735	5,735
<b>Total</b>	<b>\$ 646,849</b>	<b>\$ 36,856</b>	<b>\$ 55,755</b>	<b>\$ 99,910</b>	<b>\$ 16,976</b>	<b>\$ 274,213</b>	<b>\$ 1,130,559</b>

Historically, virtually all ad valorem taxes receivable were collected since they are secured by property; therefore, no allowance for doubtful accounts has been established for ad valorem taxes. The balance of accounts receivable is expected to be collected in full so no allowance for doubtful accounts have been established.

**5. INVESTMENTS**

Investments are categorized into these three categories of credit risk:

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

TENSAS PARISH POLICE JURY

NOTES TO THE FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2006

**5. INVESTMENTS - continued**

At the end of the year, the Police Jury's investment balances were as follows:

<u>Type of Investment</u>	<u>Category</u>			<u>Carrying Amount</u>	
	<u>1</u>	<u>2</u>	<u>3</u>	<u>Fair Value</u>	<u>Amortized Cost</u>
Federal agencies	<u>\$ 507,615</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 507,615</u>	<u>\$ 378,705</u>

**6. INTERFUND RECEIVABLES/PAYABLES (FSS LEVEL ONLY)**

<u>Advances to Other Funds</u>	<u>Advances from Other Funds</u>	
Road Fund	General Fund	\$ 20,863
Ambulance Fund	General Fund	37,080
Economic Development Fund	General Fund	13,909
Nonmajor Fund	General Fund	<u>18,555</u>
		<u>\$ 90,407</u>

The purpose of the advances to/advances from balances was to provide funds for operating purposes.

**7. CAPITAL ASSETS**

A summary of the Police Jury's capital assets follows:

<u>Primary Government</u>	<u>Beginning, Balance</u>	<u>Increase</u>	<u>Deletions</u>	<u>Balance, Ending</u>
Capital assets not being depreciated				
Land	\$ 386,698	\$ -	\$ -	\$ 386,698
Capital assets being depreciated				
Buildings	2,851,404	1,363,116	-	4,214,520
Furniture, fixtures and equipment	<u>2,256,040</u>	<u>316,206</u>	-	<u>2,572,246</u>
Total	<u>5,107,444</u>	<u>1,679,322</u>	-	<u>6,786,766</u>
Less accumulated depreciation				
Buildings	(242,262)	(78,315)	-	(320,577)
Furniture, fixtures and equipment	<u>(1,126,103)</u>	<u>(231,699)</u>	-	<u>(1,357,802)</u>
Total accumulated depreciation	<u>(1,368,365)</u>	<u>(310,014)</u>	-	<u>(1,678,379)</u>
Total depreciable capital assets, net	<u>3,739,079</u>	<u>1,369,308</u>	-	<u>5,108,387</u>
Governmental activities capital assets, net	<u>\$ 4,125,777</u>	<u>\$ 1,369,308</u>	<u>\$ -</u>	<u>\$ 5,495,085</u>

TENSAS PARISH POLICE JURY

NOTES TO THE FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2006

7. CAPITAL ASSETS - continued

Depreciation expense of \$310,014 for the year ended December 31, 2006 was charged to the following governmental functions:

General Government	\$ 68,868
Public Safety	59,516
Public Works	75,965
Health and Welfare	36,000
Culture and Recreation	69,665
Total	<u>\$ 310,014</u>

8. INTERFUND TRANSFERS

Operating transfers for the year ended December 31, 2006 were as follows:

<u>Transfers In</u>	<u>Transfers Out</u>	
Road Fund	General Fund	\$ 24,665
Road Fund	Ambulance Fund	20,851
Road Fund	Health Unit Fund	51,180
Road Fund	Economic Development	42,602
Road Fund	Landfill Site Fund	104,964
Road Fund	Nonmajor Fund	177,338
Nonmajor Fund	Road Fund	22,879
Nonmajor Fund	Economic Development	52,891
Economic Development	General Fund	2,651
Nonmajor Fund	General Fund	163,898
Nonmajor Fund	Nonmajor Fund	20,930
		<u>\$ 684,849</u>

Transfers are primarily used to cover operating expenses.

TENSAS PARISH POLICE JURY

NOTES TO THE FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2006

**9. ACCOUNTS, SALARIES AND OTHER PAYABLES**

The payables of \$54,309 at December 31, 2006 are as follows:

	General Fund	Road Fund	Ambulance Fund	Health Unit Fund	Economic Development Fund	Other Governmental Funds	Total
Salaries	\$ 1,151	\$ 2,421	\$ -	\$ -	\$ 300	\$ -	\$ 3,872
Withholdings	9,288	9,159	-	-	18	11,296	29,761
Accounts	<u>2,385</u>	<u>3,519</u>	<u>10</u>	<u>1,196</u>	<u>-</u>	<u>13,566</u>	<u>20,676</u>
Total	<u>\$ 12,824</u>	<u>\$ 15,099</u>	<u>\$ 10</u>	<u>\$ 1,196</u>	<u>\$ 318</u>	<u>\$ 24,862</u>	<u>\$ 54,309</u>

**10. LONG-TERM LIABILITIES AND CAPITAL LEASES**

The following is a summary of general long-term debt transactions for the year ended December 31, 2006:

	Note Payable	Certificates of Indebtedness	Lease/ Purchases Payable	Landfill Closure and Postclosure Care Costs	Total
Long-term debt at January 1, 2006	\$ 156,150	\$ 184,000	\$ 132,714	\$ 1,209,262	\$ 1,682,126
Additions	-	75,000	-	-	75,000
Deductions	-	<u>(22,000)</u>	<u>(37,988)</u>	-	<u>(59,988)</u>
Long-term debt payable at December 31, 2006	<u>\$ 156,150</u>	<u>\$ 237,000</u>	<u>\$ 94,726</u>	<u>\$ 1,209,262</u>	<u>\$ 1,697,138</u>

The Police Jury records items under capital leases as an asset and an obligation in the accompanying financial statements. The net book value of equipment under capital leases at December 31 was \$129,822.

The following is a summary of the current (due in one year or less) and the long-term (due in more than one year) portions of long-term obligations as of December 31, 2006:

	Note Payable	Certificates of Indebtedness	Lease/ Purchases Payable	Landfill Closure and Postclosure Care Costs	Total
Current portion	\$ 17,806	\$ 31,000	\$ 94,726	\$ -	\$ 143,532
Long-term portion	<u>138,344</u>	<u>206,000</u>	<u>-</u>	<u>1,209,262</u>	<u>1,553,606</u>
Total	<u>\$ 156,150</u>	<u>\$ 237,000</u>	<u>\$ 94,726</u>	<u>\$ 1,209,262</u>	<u>\$ 1,697,138</u>

TENSAS PARISH POLICE JURY

NOTES TO THE FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2006

10. LONG-TERM LIABILITIES AND CAPITAL LEASES - continued

Long-term debt is comprised of the following issues:

Note payable:

\$262,500 economic development loan due in monthly interest and principal payments of \$2,785 beginning January 2007 with an interest rate of 5%. Balloon due after 119 payments made. Credit of \$12,500 to be given for each job created in first year and \$5,000 for each job after one year for seven years. Secured by immovable property. \$ 156,150

Certificates of indebtedness:

\$245,999 certificates of indebtedness due in semi annual interest and principal payments totaling \$2,250 to \$32,250 thru 2011 with interest at 7.5%. Secured by pledge of annual revenues. 162,000

\$75,000 certificates of indebtedness due in semi-annual interest and principal payments totaling \$13,503 to \$14,318 thru 2013 with interest at 7.9%. Secured by pledge of annual revenues. 75,000

Capital leases:

\$80,346 capital lease due in monthly payments of \$1,609 thru January 2007 with interest at 7.5%. Secured by motor grader. 1,997

\$163,000 capital lease due in monthly payments of \$1,907 thru August 2007 with interest at 4.55%. Secured by motor grader. 92,729

Landfill closure costs:

Landfill closure costs estimated to occur in 2028 1,209,262

Total long-term debt \$ 1,697,138



TENSAS PARISH POLICE JURY

NOTES TO THE FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2006

**10. LONG-TERM LIABILITIES AND CAPITAL LEASES – continued**

The following is a schedule of future interest and principal payments of notes payable and certificates of indebtedness.

<u>Year</u>	<u>Note Payable</u>		<u>Certificate of Indebtedness</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2007	\$ 17,806	\$ 15,614	\$ 31,000	\$ 15,941
2008	26,503	6,917	33,000	15,003
2009	27,828	5,592	36,000	12,650
2010	29,219	4,201	39,000	10,068
2011	54,794	3,945	41,000	7,257
Thereafter	-	-	57,000	5,402
Total	<u>\$ 156,150</u>	<u>\$ 36,269</u>	<u>\$ 237,000</u>	<u>\$ 66,321</u>

The Police Jury's \$162,000 certificates of indebtedness are governed by the terms of an indenture agreement under which a sinking fund is established. The sinking fund shall have deposited into it \$2,771 to \$2,896 annually. At December 31, 2006, the Police Jury was in compliance with this covenant.

The Police Jury records items under capital leases as an asset and an obligation in the accompanying financial statements. At December 31, 2006, the Police Jury had two capital leases in effect for equipment. Obligations are retired from Debt Service Fund. Future minimum payments, as of December 31, 2006 are as follows:

<u>Fiscal year:</u>	<u>Note</u>
2007	<u>Payable</u>
	\$ 96,692
Less-amounts representing interest	<u>(1,966)</u>
Future minimum payments	<u>\$ 94,726</u>

**11. SOLID WASTE LANDFILL COSTS**

State and federal laws and regulations require that the police jury place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. In addition to operating expenses related to current activities of the landfill, an expense provision and related liability are being recognized based on future closure and postclosure care costs that will be incurred near or after the date the landfill no longer accepts waste. The estimated liability for landfill closure and postclosure care is \$1,209,262.

TENSAS PARISH POLICE JURY

NOTES TO THE FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2006

**11. SOLID WASTE LANDFILL COSTS - continued**

However, the actual cost of closure and postclosure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

During the year ended December 31, 1998, the Police Jury established a trust fund, in accordance with an agreement between the Police Jury and the Louisiana Department of Environmental Quality (LDEQ), to provide funding to cover the closure and postclosure care costs estimated to be approximately \$1,209,262. The agreement provides that the police jury shall make annual contributions of approximately \$40,309 for thirty years.

The following is a summary of the trust fund activity for the year ended December 31, 2006, relating to the police jury's compliance with the LDEQ agreement:

Balance, December 31, 2005	\$ 446,210
Additions:	
Deposits	42,647
Interest earnings	<u>18,758</u>
Balance, December 31, 2006	<u>\$ 507,615</u>

**12. RETIREMENT**

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

All permanent employees working at least 28 hours per week whom are paid wholly or in part from funds and all elected parish officials are eligible to participate in the system. Under Plan A, employees who retire at or after age 60 with at least 10 years of credited service, at or after age 55 with 25 years of credited service, or at any age with at least 30 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3 per cent of their final compensation multiplied by the employee's years of credited service. However, for those employees who were members of the supplemental plan only prior to January 1, 1980, the benefit is equal to 1 per cent of final compensation, plus \$24 for each year of supplemental plan only service earned prior to January 1, 1980.

## TENSAS PARISH POLICE JURY

### NOTES TO THE FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2006

#### 12. RETIREMENT - continued

Final compensation is the employee's monthly earnings during the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of credited service stated previously and who do not withdraw their employee contributions, may retire at the ages specified previously and receive the benefit accrued to their date of termination. The system also provides death and disability benefits. Benefits are established by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employees' Retirement System, Post Office Box 14619, Baton Rouge, LA 70898-4619, or by calling (504) 928-1361.

Under Plan A, members are required by state statute to contribute 9.5 percent of their annual covered salary and the employer is required to contribute at an actuarially determined rate. The current rate is 11.75 percent of annual covered payroll. Contributions to the System include one-fourth of one percent (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of the parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the employers are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation of the prior fiscal year. The employer contributions to the System under Plan A for the year ending December 31, 2006 were \$60,393.

#### 13. RISK MANAGEMENT

The Police Jury is at risk for property damage, liability and theft which are covered by insurance policies.

**REQUIRED SUPPLEMENTAL INFORMATION**

TENSAS PARISH POLICE JURY

Budgetary Comparison Schedules

**General Fund and Major Special Revenue Funds With Legally Adopted Annual Budgets**

**General Fund** – The general fund accounts for all activities of the Police Jury except those that are accounted for in other funds.

**Road fund** – This fund accounts for funds used to maintain roads.

**Ambulance fund** – This fund accounts for funds used to operate the ambulance services.

**Health unit fund** – This fund accounts for funds used to operate the health unit.

**Economic development** – This fund accounts for funds used in economic development for the parish.

**Landfill site** – This fund accounts for the operation of the Parish Landfill. Revenues are provided by fees from customers dumping in the landfill.

TENSAS PARISH POLICE JURY

Statement of Revenues, Expenditures and Changes  
in Fund Balances – Budget and Actual  
General Fund  
For the Year Ended December 31, 2006

Exhibit 1-1

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Budgetary Basis)	Favorable (Unfavorable)
<b>REVENUES</b>				
Taxes:				
Ad valorem	\$ 566,296	\$ 515,788	\$ 577,923	\$ 62,135
Other taxes	158,072	181,999	187,663	5,664
Licenses and permits	71,677	70,365	63,195	(7,170)
Intergovernmental revenues:				
Federal funds - federal grants	-	150,000	152,341	2,341
State funds:				
State revenue sharing	17,056	16,885	11,154	(5,731)
Fire insurance rebates	17,992	19,224	19,224	-
State grants	-	269,835	460,772	190,937
Interest income	5,027	7,158	6,989	(169)
Other revenues	59,875	110,963	72,501	(38,462)
Total Revenues	<u>895,995</u>	<u>1,342,217</u>	<u>1,551,762</u>	<u>209,545</u>
<b>EXPENDITURES</b>				
General government:				
Legislative	185,761	210,512	117,247	93,265
Judicial	83,243	98,885	93,406	5,479
Elections	28,890	21,813	26,867	(5,054)
Finance and administration	187,815	206,170	163,267	42,903
Other general government	174,602	123,001	242,648	(119,647)
Public safety	70,303	85,413	89,739	(4,326)
Health and welfare	5,774	41,256	44,470	(3,214)
Culture and recreation	-	5,710	3,212	2,498
Transportation	-	1,932	-	1,932
Capital outlay	13,116	487,458	512,774	(25,316)
Total Expenditures	<u>749,504</u>	<u>1,282,150</u>	<u>1,293,630</u>	<u>(11,480)</u>
EXCESS OF REVENUES OVER EXPENDITURES	146,491	60,067	258,132	198,065
OTHER FINANCING (Uses)				
Transfers (out)	-	-	(191,205)	(191,205)
Net change in fund balances	146,491	60,067	66,927	6,860
Fund balance, beginning	542,258	542,258	542,258	-
Fund balance, ending	<u>\$ 688,749</u>	<u>\$ 602,325</u>	<u>\$ 609,185</u>	<u>\$ 6,860</u>

TENSAS PARISH POLICE JURY

Statement of Revenues, Expenditures and Changes  
in Fund Balances – Budget and Actual  
Road Fund  
For the Year Ended December 31, 2006

Exhibit 1-2

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance Favorable (Unfavorable)
	Original	Final		
<b>REVENUES</b>				
Taxes:				
Sales taxes	\$ 307,072	\$ 362,071	\$ 350,605	\$ (11,466)
Intergovernmental revenues:				
State funds:				
Parish transportation funds	75,574	76,181	99,853	23,672
Interest income	24,699	39,504	37,111	(2,393)
Other revenues	-	1,185	12,509	11,324
Total Revenues	<u>407,345</u>	<u>478,941</u>	<u>500,078</u>	<u>21,137</u>
<b>EXPENDITURES</b>				
General government:				
Finance and administrative	5,349	13,410	14,481	(1,071)
Public works	655,793	559,257	545,731	13,526
Total Expenditures	<u>661,142</u>	<u>572,667</u>	<u>560,212</u>	<u>12,455</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>				
	(253,797)	(93,726)	(60,134)	33,592
<b>OTHER FINANCING SOURCES (Uses)</b>				
Transfers in	50,950	42,616	421,590	378,974
Transfers (out)	(22,879)	(26,405)	(22,879)	3,526
	<u>28,071</u>	<u>16,211</u>	<u>398,711</u>	<u>382,500</u>
Net change in fund balances	(225,726)	(77,515)	338,577	416,092
Fund balance, beginning	<u>(178,564)</u>	<u>(178,564)</u>	<u>(178,564)</u>	<u>-</u>
Fund balance, ending	<u>\$ (404,290)</u>	<u>\$ (256,079)</u>	<u>\$ 160,013</u>	<u>\$ 416,092</u>

TENSAS PARISH POLICE JURY

Statement of Revenues, Expenditures and Changes  
in Fund Balances – Budget and Actual  
Ambulance Fund  
For the Year Ended December 31, 2006

Exhibit 1-3

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance Favorable (Unfavorable)
	Original	Final		
<b>REVENUES</b>				
Taxes:				
Sales taxes	\$ 545,729	\$ 594,009	\$ 623,147	\$ 29,138
Interest income	11,596	16,957	20,031	3,074
Other revenues	-	50	171	121
Total Revenues	<u>557,325</u>	<u>611,016</u>	<u>643,349</u>	<u>32,333</u>
<b>EXPENDITURES</b>				
General government:				
Finance and administrative	44,435	34,685	56,787	(22,102)
Health and welfare	<u>286,395</u>	<u>314,296</u>	<u>305,273</u>	<u>9,023</u>
Total Expenditures	<u>330,830</u>	<u>348,981</u>	<u>362,060</u>	<u>(13,079)</u>
EXCESS OF REVENUES OVER EXPENDITURES	226,495	262,035	281,289	19,254
OTHER FINANCING (Use)				
Transfers (out)	-	-	(20,851)	(20,851)
Net change in fund balances	226,495	262,035	260,438	(1,597)
Fund balance, beginning	<u>600,467</u>	<u>600,467</u>	<u>600,467</u>	-
Fund balance, ending	<u>\$ 826,962</u>	<u>\$ 862,502</u>	<u>\$ 860,905</u>	<u>\$ (1,597)</u>



TENSAS PARISH POLICE JURY

Statement of Revenues, Expenditures and Changes  
in Fund Balances – Budget and Actual  
Health Unit Fund  
For the Year Ended December 31, 2006

Exhibit 1-4

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance Favorable (Unfavorable)
	Original	Final		
<b>REVENUES</b>				
Taxes:				
Ad valorem	\$ 112,421	\$ 113,590	\$ 113,591	\$ 1
Intergovernmental revenues:				
State funds:				
State revenue sharing	7,585	9,242	9,242	-
Interest income	3,642	6,852	9,606	2,754
Total Revenues	<u>123,648</u>	<u>129,684</u>	<u>132,439</u>	<u>2,755</u>
<b>EXPENDITURES</b>				
General government:				
Finance and administrative	7,182	6,215	5,437	778
Health and welfare	54,790	71,831	71,836	(5)
Capital outlay	1,967	1,535	-	1,535
Total Expenditures	<u>63,939</u>	<u>79,581</u>	<u>77,273</u>	<u>2,308</u>
EXCESS OF REVENUES OVER EXPENDITURES	59,709	50,103	55,166	5,063
OTHER FINANCING (Uses)				
Transfers (out)	-	-	(51,180)	(51,180)
Net change in fund balances	59,709	50,103	3,986	(46,117)
Fund balance, beginning	<u>554,127</u>	<u>554,127</u>	<u>554,127</u>	-
Fund balance, ending	<u>\$ 613,836</u>	<u>\$ 604,230</u>	<u>\$ 558,113</u>	<u>\$ (46,117)</u>

TENSAS PARISH POLICE JURY

Statement of Revenues, Expenditures and Changes  
in Fund Balances – Budget and Actual  
Economic Development Unit Fund  
For the Year Ended December 31, 2006

Exhibit 1-5

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Budgetary Basis)	Favorable (Unfavorable)
<b>REVENUES</b>				
Taxes:				
Sales taxes	\$ 216,824	\$ 271,134	\$ 233,748	\$ (37,386)
Intergovernmental revenues:				
Federal funds - federal grants	-	782,097	724,412	(57,685)
State funds:				
Other state grants	-	-	115,694	115,694
Interest income	2,792	4,144	6,439	2,295
Other revenues	-	800	11,778	10,978
Total Revenues	<u>219,616</u>	<u>1,058,175</u>	<u>1,092,071</u>	<u>33,896</u>
<b>EXPENDITURES</b>				
General government:				
Finance and administrative	13,420	39,081	27,970	11,111
Economic development and assistance	108,537	145,599	114,879	30,720
Capital outlay	91,210	817,049	908,650	(91,601)
Total Expenditures	<u>213,167</u>	<u>1,001,729</u>	<u>1,051,499</u>	<u>(49,770)</u>
EXCESS OF REVENUES OVER EXPENDITURES	6,449	56,446	40,572	(15,874)
<b>OTHER FINANCING SOURCES</b>				
Proceeds from loan	-	75,000	75,000	-
Transfers in	-	-	2,651	2,651
Transfers (out)	(34,750)	-	(95,493)	(95,493)
	<u>(34,750)</u>	<u>75,000</u>	<u>(17,842)</u>	<u>(92,842)</u>
Net change in fund balances	(28,301)	131,446	22,730	(108,716)
Fund balance, beginning	<u>398,000</u>	<u>398,000</u>	<u>398,000</u>	<u>-</u>
Fund balance, ending	<u>\$ 369,699</u>	<u>\$ 529,446</u>	<u>\$ 420,730</u>	<u>\$ (108,716)</u>

TENSAS PARISH POLICE JURY

Statement of Revenues, Expenditures and Changes  
in Fund Balances – Budget and Actual  
Landfill Site Fund  
For the Year Ended December 31, 2006

Exhibit 1-6

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance Favorable (Unfavorable)
	Original	Final		
<b>REVENUES</b>				
Fees, charges and commissions	\$ 85,816	\$ 58,232	\$ 108,132	\$ 49,900
Investment income	208	2,542	22,109	19,567
Total Revenues	<u>86,024</u>	<u>60,774</u>	<u>130,241</u>	<u>69,467</u>
<b>EXPENDITURES</b>				
General government:				
Finance and administrative	4,148	8,307	8,308	(1)
Capital outlay	-	8,700	8,700	-
Total expenditures	<u>4,148</u>	<u>17,007</u>	<u>17,008</u>	<u>(1)</u>
EXCESS OF REVENUES OVER EXPENDITURES	81,876	43,767	113,233	69,466
OTHER FINANCING (Uses)				
Transfers (out)	-	-	(104,964)	(104,964)
Net change in fund balances	81,876	43,767	8,269	(35,498)
Fund balance, beginning	<u>621,683</u>	<u>621,683</u>	<u>621,683</u>	-
Fund balance, ending	<u>\$ 703,559</u>	<u>\$ 665,450</u>	<u>\$ 629,952</u>	<u>\$ (35,498)</u>

## TENSAS PARISH POLICE JURY

### NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

#### Budgetary Comparison Schedule

##### 1. Basis of Presentation

The Budgetary Comparison Schedule presents the original legally adopted budget, the final legally adopted budget, the actual data on the cash basis and variances between the final budget and the actual data.

##### 2. Budget Adoption and Amendments

Preliminary budgets for the ensuing year are prepared by the secretary-treasurer prior to December 31 of each year. The availability of the proposed budgets for public inspection and the date of the public hearing on the proposed budgets are advertised in the official journal. During its December meeting, the Police Jury holds a public hearing on the proposed budgets in order to receive comments from residents of the Parish. Changes are made to the proposed budgets based on the public hearing and the desires of the Police Jury. The budgets are then adopted during the Police Jury's regular December meeting.

The secretary-treasurer presents necessary budget amendments to the Police Jury during the year when, in her judgment, actual operations are differing materially from those anticipated in the original budget. During a regular meeting, the Police Jury reviews the proposed amendments, makes changes as it deems necessary and formally adopts the amendments. The adoption of the amendments is included in Police Jury minutes published in the official journal.

The Police Jury exercises budgetary control at the functional level. Within functions the secretary-treasurer has the discretion to make changes as she deems necessary for proper control. Unexpended appropriations lapse at year end and must be re-appropriated in the next year's budget to be expended.

Appropriations lapse at year-end and must be reappropriated for the following year to be expended. All changes in the budgets must be approved by the Board and the grantor agencies.

##### 3. Budget/GAAP Reconciliation

The major differences between the budgetary basis and the GAAP basis are:

TENSAS PARISH POLICE JURY

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION – continued**

- a. Revenues are recorded when received in cash (budgetary) as opposed to when susceptible to accrual (GAAP).
- b. Expenditures are recorded when paid in cash (budgetary) as opposed to when susceptible to accrual (GAAP).

The following schedule reconciles net change in fund balances on the budgetary basis schedules to the GAAP basis financial statements for the General Fund and each major special revenue fund:

	General Fund	Road Fund	Ambulance Fund	Health Unit Fund	Economic Development Fund
Net change budget basis	\$ 66,927	\$ 338,577	\$ 260,438	\$ 3,986	\$ 22,730
Increase (decrease)					
Net adjustments for revenue accruals	75,420	(4,899)	11,295	(2,429)	299
Net adjustments for expenditure accruals	25,260	(8,829)	24,069	(682)	3,179
Net change GAAP Basis	<u>\$ 167,607</u>	<u>\$ 324,849</u>	<u>\$ 295,802</u>	<u>\$ 875</u>	<u>\$ 26,208</u>

**SUPPLEMENTAL INFORMATION**

**COMBINING  
NONMAJOR GOVERNMENTAL FUNDS -  
BY FUND TYPE**

TENSAS PARISH POLICE JURY

**NONMAJOR SPECIAL REVENUE FUNDS**

Drainage Districts No. 1, No. 2 and No. 3 – accounts for drainage projects within the boundaries of each respective district. A specific ad valorem tax and the related state revenue sharing in each district provide financing.

Waste Collection – accounts for the operation of a solid waste collection and disposal system. Sales tax revenues provide financing.

Criminal Court – created by Section 571.11 of Title 15 of the Louisiana Revised Statute of 1950, which provided that fines and forfeitures imposed by the district courts and district attorney conviction fees in criminal cases be transferred to parish treasurer and deposited into a special Criminal Court Fund to be used to pay expenses of the criminal court system of the parish. Expenditures are made from the fund on motion of the district attorney and approved by the district judges. The statute requires that one-half of the fund balance remaining at December 31, of each year be transferred to the parish General Fund.

Library – accounts for the operation of the Tensas Parish Library financed by a specific parishwide ad valorem tax and the related state revenue sharing, and state grants.

Emergency Preparedness – accounts for the operation of the parishwide civil defense program. Financing is provided by a grant from the Federal Emergency Management Agency.

Fire Protection – accounts for the activities relating to the collection and remittance of the one-quarter of one per cent sales tax approved by the voters for a period of ten years. The net proceeds of the tax (after cost of collections) are dedicated for the purpose of establishing and maintaining a parish-wide fire protection district. The net proceeds are remitted to the Fire Protection District No. 1 of Tensas Parish for subsequent disbursement, by the board of commissioners, for fire protection in the parish.

Rural Development – accounts for State of Louisiana grant for the construction of two parking lots for the court house.

Bookmobile – accounts for State of Louisiana grant for purchase of a bookmobile.



TENSAS PARISH POLICE JURY

NONMAJOR GOVERNMENTAL FUNDS  
 Combining Balance Sheet – By Fund Type  
 December 31, 2006

Exhibit 2

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 820,984	\$ -	\$ 820,984
Receivables	268,478	-	268,478
Restricted assets	-	21,998	21,998
Advances to other funds	18,555	-	18,555
<b>TOTAL ASSETS</b>	<u>1,108,017</u>	<u>21,998</u>	<u>1,130,015</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts, salaries and other payables	24,862	-	24,862
Intergovernmental payables	27,785	-	27,785
<b>Total Liabilities</b>	<u>52,647</u>	<u>-</u>	<u>52,647</u>
<b>Fund Balances:</b>			
<b>Reserved for:</b>			
Debt service	-	21,998	21,998
Advances	18,555	-	18,555
<b>Unreserved, reported in</b>			
Special Revenue	1,036,815	-	1,036,815
<b>Total Fund Balances</b>	<u>1,055,370</u>	<u>21,998</u>	<u>1,077,368</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 1,108,017</u>	<u>\$ 21,998</u>	<u>\$ 1,130,015</u>

TENSAS PARISH POLICE JURY

NONMAJOR GOVERNMENTAL FUNDS  
 Combining Statement of Revenues, Expenditures  
 and Changes in Fund Balances – By Fund Type  
 For the Year Ended December 31, 2006

Exhibit 3

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Total</u>
<b>REVENUES</b>			
Taxes:			
Ad valorem	\$ 260,010	\$ -	260,010
Sales taxes	317,477	-	317,477
Intergovernmental revenues:			
Federal funds - federal grants	36,893		
State funds:			
State revenue sharing	21,844	-	21,844
Other state grants	58,799	-	58,799
Fees, charges and commissions	88,842	-	88,842
Fines and forfeitures	72,161	-	72,161
Investment income	18,225	239	18,464
Other Revenues	27,306	-	27,306
TOTAL REVENUES	<u>901,557</u>	<u>239</u>	<u>901,796</u>
<b>EXPENDITURES</b>			
General government			
Judicial	153,866	-	153,866
Finance and administrative	42,100	-	42,100
Public safety	88,913	-	88,913
Public works	229,070	-	229,070
Culture and recreation	144,796	-	144,796
Debt service:			
Principal retirement	-	59,988	59,988
Interest and bank charges	-	17,821	17,821
Capital outlay	249,197	-	249,197
TOTAL EXPENDITURES	<u>907,942</u>	<u>77,809</u>	<u>985,751</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>			
	(6,385)	(77,570)	(83,955)

TENSAS PARISH POLICE JURY

NONMAJOR GOVERNMENTAL FUNDS  
 Combining Statement of Revenues, Expenditures  
 and Changes in Fund Balances – By Fund Type  
 For the Year Ended December 31, 2006

Exhibit 3

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Total</u>
OTHER FINANCING SOURCES (Uses)			
Transfers in	\$ 163,898	\$ 96,700	\$ 260,598
Transfers (out)	<u>(198,267)</u>	<u>-</u>	<u>(198,267)</u>
Total Other Financing Sources	<u>(34,369)</u>	<u>96,700</u>	<u>62,331</u>
Net change in fund balances	(40,754)	19,130	(21,624)
Fund balance, beginning	<u>1,096,124</u>	<u>2,868</u>	<u>1,098,992</u>
Fund balance, ending	<u>\$ 1,055,370</u>	<u>\$ 21,998</u>	<u>\$ 1,077,368</u>

TENSAS PARISH POLICE JURY

NONMAJOR SPECIAL REVENUE FUNDS  
 Combining Balance Sheet  
 December 31, 2006

Exhibit 4

	Drainage District No.1	Drainage District No. 2	Drainage District No. 3	Waste Collection
<b>ASSETS</b>				
Cash and cash equivalents	\$ 39,532	\$ 164,866	\$ 65,533	\$ 332,883
Receivables	23,098	37,581	25,451	27,900
Advances to other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,555</u>
<b>TOTAL ASSETS</b>	<u><b>62,630</b></u>	<u><b>202,447</b></u>	<u><b>90,984</b></u>	<u><b>379,338</b></u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts, salaries and other payables	-	-	-	8,865
Intergovernmental payables	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u><b>8,865</b></u>
<b>Fund Balances:</b>				
<b>Reserved for:</b>				
Advances	-	-	-	18,555
Unreserved	<u>62,630</u>	<u>202,447</u>	<u>90,984</u>	<u>351,918</u>
<b>Total Fund Balances</b>	<u><b>62,630</b></u>	<u><b>202,447</b></u>	<u><b>90,984</b></u>	<u><b>370,473</b></u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u><b>\$ 62,630</b></u>	<u><b>\$ 202,447</b></u>	<u><b>\$ 90,984</b></u>	<u><b>\$ 379,338</b></u>

TENSAS PARISH POLICE JURY

NONMAJOR SPECIAL REVENUE FUNDS  
 Combining Balance Sheet  
 December 31, 2006

Exhibit 4

<u>Criminal Court</u>	<u>Library</u>	<u>Emergency Preparedness</u>	<u>Fire Protection</u>	<u>Rural Development</u>	<u>Bookmobile</u>	<u>Total</u>
\$ 6,593	\$ 172,357	\$ 11,035	\$ 27,785	\$ 400	\$ -	\$ 820,984
9,494	144,954	-	-	-	-	268,478
-	-	-	-	-	-	18,555
<u>16,087</u>	<u>317,311</u>	<u>11,035</u>	<u>27,785</u>	<u>400</u>	<u>-</u>	<u>1,108,017</u>
5,185	7,303	3,509	-	-	-	24,862
-	-	-	27,785	-	-	27,785
<u>5,185</u>	<u>7,303</u>	<u>3,509</u>	<u>27,785</u>	<u>-</u>	<u>-</u>	<u>52,647</u>
-	-	-	-	-	-	18,555
10,902	310,008	7,526	-	400	-	1,036,815
<u>10,902</u>	<u>310,008</u>	<u>7,526</u>	<u>-</u>	<u>400</u>	<u>-</u>	<u>1,055,370</u>
<u>\$ 16,087</u>	<u>\$ 317,311</u>	<u>\$ 11,035</u>	<u>\$ 27,785</u>	<u>\$ 400</u>	<u>\$ -</u>	<u>\$ 1,108,017</u>

TENSAS PARISH POLICE JURY

NONMAJOR SPECIAL REVENUE FUNDS  
 Combining Statement of Revenues, Expenditures  
 and Changes in Fund Balances  
 For the year ended December 31, 2006

Exhibit 5

	Drainage District <u>No.1</u>	Drainage District <u>No. 2</u>	Drainage District <u>No. 3</u>	Waste <u>Collection</u>
<b>REVENUES</b>				
Taxes:				
Ad valorem	\$ 26,982	\$ 42,731	\$ 29,019	\$ -
Sales taxes	-	-	-	317,477
Intergovernmental revenues:				
Federal funds - federal grants	-	-	-	-
State funds:				
State revenue sharing	3,302	4,170	962	-
Other state grants	-	-	-	-
Fees, charges and commissions	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment income	1,315	2,067	2,114	6,231
Other Revenues	-	9,844	-	885
<b>TOTAL REVENUES</b>	<u>31,599</u>	<u>58,812</u>	<u>32,095</u>	<u>324,593</u>
<b>EXPENDITURES</b>				
General government				
Judicial	-	-	-	-
Finance and administrative	2,723	2,050	1,601	20,137
Public safety	-	-	-	-
Public works	1,222	1,160	734	225,954
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<u>3,945</u>	<u>3,210</u>	<u>2,335</u>	<u>246,091</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	27,654	55,602	29,760	78,502
<b>OTHER FINANCING SOURCES (Uses)</b>				
Transfers in	-	-	-	-
Transfers (out)	(15,922)	(22,455)	(14,347)	(55,050)
<b>Total Other Financing Sources (Uses)</b>	<u>(15,922)</u>	<u>(22,455)</u>	<u>(14,347)</u>	<u>(55,050)</u>
<b>Net change in fund balances</b>	11,732	33,147	15,413	23,452
<b>Fund balance, beginning</b>	<u>50,898</u>	<u>169,300</u>	<u>75,571</u>	<u>347,021</u>
<b>Fund balance, ending</b>	<u>\$ 62,630</u>	<u>\$ 202,447</u>	<u>\$ 90,984</u>	<u>\$ 370,473</u>

TENSAS PARISH POLICE JURY

NONMAJOR SPECIAL REVENUE FUNDS  
 Combining Statement of Revenues, Expenditures  
 and Changes in Fund Balances  
 For the year ended December 31, 2006

Exhibit 5

<u>Criminal Court</u>	<u>Library</u>	<u>Emergency Preparedness</u>	<u>Fire Protection</u>	<u>Rural Development</u>	<u>Bookmobile</u>	<u>Total</u>
\$ -	\$ 161,278	\$ -	\$ -	\$ -	\$ -	\$ 260,010
-	-	-	-	-	-	317,477
-	-	-	36,893	-	-	36,893
-	13,410	48,584	-	-	-	70,428
-	10,215	88,842	-	-	-	99,057
-	-	-	-	-	-	-
72,161	-	-	-	-	-	72,161
261	4,416	1,157	664	-	-	18,225
5,850	3,452	-	7,275	-	-	27,306
<u>78,272</u>	<u>192,771</u>	<u>138,583</u>	<u>44,832</u>	<u>-</u>	<u>-</u>	<u>901,557</u>
153,866	-	-	-	-	-	153,866
-	8,135	4,604	2,850	-	-	42,100
-	-	88,913	-	-	-	88,913
-	-	-	-	-	-	229,070
-	144,796	-	-	-	-	144,796
-	48,104	163,714	33,492	-	3,887	249,197
<u>153,866</u>	<u>201,035</u>	<u>257,231</u>	<u>36,342</u>	<u>-</u>	<u>3,887</u>	<u>907,942</u>
(75,594)	(8,264)	(118,648)	8,490	-	(3,887)	(6,385)
86,200	-	77,698	-	-	-	163,898
-	(24,838)	(49,844)	(15,811)	-	-	(198,267)
<u>86,200</u>	<u>(24,838)</u>	<u>27,854</u>	<u>(15,811)</u>	<u>-</u>	<u>-</u>	<u>(34,369)</u>
10,606	(33,102)	(90,794)	(7,321)	-	(3,887)	(40,754)
296	343,110	98,320	7,321	400	3,887	1,096,124
<u>\$ 10,902</u>	<u>\$ 310,008</u>	<u>\$ 7,526</u>	<u>\$ -</u>	<u>\$ 400</u>	<u>\$ -</u>	<u>\$ 1,055,370</u>

TENSAS PARISH POLICE JURY  
SUPPLEMENTAL INFORMATION SCHEDULES  
As of December 31, 2006

COMPENSATION PAID

The schedule of compensation paid to Police Jurors and other board members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature.

**POLICE JURORS**

Compensation of the police jurors is included in the legislative expenditures of the General Fund. In accordance with Louisiana Revised Statute 33:1233, the police jury has elected the monthly payment method of compensation. Under this method jurors receive monthly compensation at varying rates, but not exceeding the maximum provided by State law.

**COMMISSIONERS – GRAVITY DRAINAGE DISTRICTS**

In accordance with Louisiana Revised Statute (LSR-R.S.) 38:1794, each board member may receive per diem of up to \$60 for each day in the conduct of official business of the district, not to exceed 36 days each year.

The board of commissioners of Gravity District No. 1 has elected to receive \$50 per diem per meeting.

The board of commissioners of Gravity District No. 2 has elected to receive \$50 per diem per meeting.

The board of commissioners of Gravity District No. 3 has elected to receive \$50 per diem per meeting.

**COMMISSIONERS – LIBRARY BOARD OF CONTROL**

The commissioners of the library board of control receive no compensation from the library.



TENSAS PARISH POLICE JURY

SUPPLEMENTAL INFORMATION SCHEDULES  
 Schedule of Compensation Paid Police Jurors and Others  
 For the Year Ended December 31, 2006

Police Jurors

Woodrow W. Wiley, Jr.	\$ 14,400
William Trevillion	14,400
Roderick Webb	14,400
Emmett L. Adams, Jr.	14,400
Danny C. Clark	14,400
Jane M. Netterville	14,400
Roy K. Smith	14,400
Totals	<u>100,800</u>

Gravity Drainage District No. 1

Woodrow Wiley, Sr.	\$ 350
Calvin Rabb	350
Woodrow Wiley, Jr.	350
Walter Butler	300
Roy Smith, Sr.	300
Totals	<u>1,650</u>

Gravity Drainage District No. 2

Bill Crigler	\$ 100
Curt Leake	100
LaVance Herring	100
Patrick Glass	50
Robert Scott	50
Totals	<u>400</u>

Gravity Drainage District No. 3

Sidney Lee	\$ 50
Clarence Evans	100
David Miller	150
Bobby Conner	150
Terry Mize, Jr.	100
Totals	<u>550</u>

**OTHER REPORTS REQUIRED BY  
*GOVERNMENT AUDITING STANDARDS***

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

Police Jurors  
Tensas Parish Police Jury  
St. Joseph, LA

We have audited the financial statements of the Tensas Parish Police Jury as of and for the year ended December 31, 2006, and have issued our report thereon dated August 7, 2007. 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.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered Tensas Parish Police Jury's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Tensas Parish Police Jury's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Tensas Parish Police Jury's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affect the Tensas Parish Police Jury's ability to initiate, authorize record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Tensas Parish Police Jury's financial statements that is more than inconsequential will not be prevented or detected by the Tensas Parish Police Jury's internal control. We consider the deficiency described in the accompanying schedule of findings and responses to be a significant deficiency in internal control over financial reporting. The finding we describe in the accompanying current year findings is referred number 2006-1.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that none of the significant deficiencies described above is a material weakness.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether Tensas Parish Police Jury's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an object of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and is described in the accompanying schedule of current year findings as 2006-2.

This report is intended for the information and use of management of the Tensas Parish Police Jury and the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

Ferriday, Louisiana  
August 7, 2007

*Switzer, Hopkins & Mangle*

TENSAS PARISH POLICE JURY

Current Year Findings, Recommendations and  
Corrective Action Plan  
For the Year Ended December 31, 2006

Ref No.	Description of Finding	Corrective Action Planned	Name(s) of Contact Person(s)	Anticipated Completion Date
<b>Section I - Internal Control and Compliance Not Material to the Financial Statements:</b>				
2006-1	<p>During the year, it was discovered that the accounts receivable clerk had not deposited all the cash was received as rental income. It was determined that \$200 had been misappropriated. The employee repaid the \$200 and was dismissed from employment</p> <p>An investigation of the accounting of other cash was performed after the employee was dismissed. It was discovered that a total of \$945 in additional funds was misappropriated during 2005 and 2006. These receipts were from building permits and garbage container sales. These funds have not been recovered.</p> <p>We recommend that the Police Jury install a system making it easier to detect and account for cash receipts.</p>	<p>The Police Jury has installed controls including pre-numbered garbage cans and numbered building permits. At the end of the each month, the receipts are traced to the general ledger to verify that all receipts are accounted for.</p>	Cathy Darden	12/31/06
2006-2	<p>Louisiana Revised Statute 24:513 requires all audit engagements be completed and transmitted to the Louisiana Legislative Auditor within six months of the close of the entity's year end. Accordingly, this audit report for the year ended December 31, 2006 was due to the Legislative Auditor by June 30, 2006.</p> <p>We recommend the Police Jury comply with Revised Statute 24:513.</p>	<p>This year's audit was filed late due to an unexpected illness that prevented the auditor from completing his work by June 30. Next year the audit will be completed on time.</p>	Cathy Darden	6/30/08

**Section II - Internal Control and Compliance Material to Federal Awards:**

None

**Section III - Management Letter:**

None

TENSAS PARISH POLICE JURY

Status of Prior Audit Findings  
For Year Ended December 31, 2006

Ref No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken (Yes, No, Partially)	Planned Corrective Action/Partial Corrective Action Taken
<b>Section I - Internal Control and Compliance Not Material to the Financial Statements:</b>				
2005-1	2005	<p>Louisiana Revised Statute 24:513 requires all audit engagements be completed and transmitted to the Louisiana Legislative Auditor within six months of the close of the entity's year end. Accordingly, this audit report for the year ended December 31, 2006 was due to the Legislative Auditor by June 30, 2006.</p> <p>We recommend the Town comply with Revised Statute 24:513.</p>	No	To be corrected in 2007

**Section II - Internal Control and Compliance Material to Federal Awards**

None

**Section III - Management Letter:**

None

**REPORTS REQUIRED BY THE SINGLE AUDIT ACT**

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

Police Jurors  
Tensas Parish Police Jury  
St. Joseph, Louisiana

### Compliance

We have audited the compliance of the Tensas Parish Police Jury with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2006. The Tensas Parish Police Jury's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Tensas Parish Police Jury's management. Our responsibility is to express an opinion on the Tensas Parish Police Jury's compliance based on our audit.

We conducted our audit of compliance in accordance with 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 that 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 Tensas Parish Police Jury's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Tensas Parish Police Jury's compliance with those requirements.



In our opinion, the Tensas Parish Police Jury complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2006.

Internal Control Over Compliance

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

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

This report is intended solely for the information and use of the management, others within the organization, the Tensas Parish Police Jury and federal awarding agencies and pass-through entities and is not intended to be and should not be used by other than these specified parties.

Ferriday, Louisiana  
August 7, 2007

*Switzer, Hopkins & Marge*

TENSAS PARISH POLICE JURY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED DECEMBER 31, 2006

SECTION 1: SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

- |  |             |
|--|-------------|
| 1. Type of auditor's report issued on the financial statements:                          | Unqualified |
| 2. Material noncompliance relating to the financial statements?                          | No          |
| 3. Internal control over financial reporting:  |             |
| a. Material weakness(es) identified?   | No          |
| b. Reportable condition(s) identified that are not considered to be material weaknesses? | No          |

Federal Awards:

- |  |             |
|--|-------------|
| 4. Type of auditor's report issued on compliance for major Federal programs:   | Unqualified |
| 5. Internal control over major programs:   |             |
| a. Material weakness(es) identified?   | No          |
| b. Reportable condition(s) identified that are not Considered to be material weaknesses?   | No          |
| 6. Any audit finding(s) reported by section .510(a) of OMB Circular A-133?   | No          |
| 7. Federal programs identified as major programs:  |             |
| a. CFDA #14.228 Community Development Block Grants/State's Program   |             |
| 8. The dollar threshold used to distinguish between Type A and Type B programs:  | \$500,000   |
| 9. Auditee qualified as a low-risk auditee?  | No          |
| 10. Prior fiscal year audit finding(s) and questioned cost relative to federal awards which would require the auditee to prepare a summary schedule of prior audit findings as discussed in Section .315(b) of OMB Circular A-133? | No          |

TENSAS PARISH POLICE JURY  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE YEAR ENDED DECEMBER 31, 2006

Pass-Through Grantor/ Program Title	Domestic Assistance Number	Federal Expenditures
<i><u>U.S. Department of Housing and Urban Development</u></i>		
Passed-through the State of Louisiana Community Development Block Grants/States Program/ FY 2004 LCDBG Public Facilities Program	14.228	\$ <u>577,112</u>
<i><u>U.S. Department of Transportation</u></i>		
Passed-through State of Louisiana Department of Transportation Highway Planning and Construction/Transportation Enhancement (Museum)	20.205	<u>147,300</u>
<i><u>U.S. Department of Homeland Security</u></i>		
Direct Program FY 2005 Equipment Support Program	97.004	36,893
Passed-through the State of Louisiana 911 Equipment Grant	97.004	114,841
Hazard Mitigation	97.039	<u>37,500</u>
Total U.S. Department of Homeland Security		<u>189,234</u>
Total for all Federal Awards		<u>\$ 913,646</u>

NOTES TO SCHEULE

- This schedule was prepared using the same basis of accounting and the same significant accounting policies as applicable, used for the financial statements.  
See independent auditor's report.