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# REISSUE

**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 10/17/07

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September 17, 2007

Office of the Legislative Auditor  
State of Louisiana  
P. O. Box 94397  
Baton Rouge, LA 70804

Re: Tensas Parish Police Jury

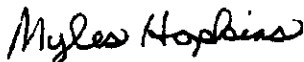
Dear Sir:

Enclosed is a reissued report of the Tensas Parish Police Jury for the year ended December 31, 2006. This report corrects an error made in valuing the liability of the landfill closure costs. The original report was filed on August 15, 2007 and the landfill closure costs liability was stated as \$1,209,262. The attached revised report states the landfill closure liability at December 31, 2007 as \$813,938.

The original report included no costs in 2006 for landfill closure costs. The revised Statement of Activities (Statement B) includes \$38,758 in expense related to the landfill closure costs.

Further explanation of the error correction and the landfill closure costs are found in notes 2 and 12 in the notes to the financial statements. Please let me know if you have any questions.

Sincerely,



Myles Hopkins, CPA

cc: Tensas Parish Police Jury

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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

CONTENTS

|   | <u>Statement</u> | <u>Page</u> |
|---|------------------|-------------|
| Independent Auditors' Report  |                  | 1-2         |
| Required Supplemental Information   |                  | 3           |
| Management's Discussion and Analysis  |                  | 4-8         |
| Government-Wide Financial Statements  |                  | 9           |
| Statement of Net Assets   | A                | 10          |
| Statement of Activities   | B                | 11          |
| Fund Financial Statements   |                  | 12          |
| Governmental Funds  |                  |             |
| Balance Sheet   | C                | 13          |
| Reconciliation of the Governmental Funds Balance Sheet<br>to the Government-Wide Financial Statements of Net Assets   | D                | 14          |
| Statement of Revenues, Expenditures and Changes in Fund Balances  | E                | 15-16       |
| Reconciliation of the Governmental Funds Statement of Revenues,<br>Expenditures and Changes in Fund Balances/Deficits | F                | 17          |
| Notes to the Financial Statements   |                  | 18-33       |
| Required Supplemental Information   |                  | 34          |

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

CONTENTS

|  | <u>Exhibit</u> | <u>Page</u> |
|--|----------------|-------------|
| Budgetary Comparison Schedules   |                | 35          |
| General Fund   | 1-1            | 36          |
| Road Fund  | 1-2            | 37          |
| Ambulance Fund   | 1-3            | 38          |
| Health Unit Fund   | 1-4            | 39          |
| Economic Development Unit Fund   | 1-5            | 40          |
| Landfill Site Fund   | 1-6            | 41          |
| Notes to the Required Supplementary Information  |                | 42-43       |
| Supplemental Information   |                | 44          |
| Combining Nonmajor Governmental Funds-By Fund Type   |                | 45          |
| Nonmajor Special Revenue Funds   |                | 46          |
| Combining Balance Sheet - By Fund Type   | 2              | 47          |
| Combining Statement of Revenues, Expenditures and Changes in<br>Fund Balances - By Fund Type | 3              | 48-49       |
| Combining Balance Sheet  | 4              | 50-51       |
| Combining Statement of Revenues, Expenditures and Changes in<br>Fund Balances                | 5              | 52-53       |



TENSAS PARISH POLICE JURY

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

CONTENTS

|   | <u>Exhibit</u> | <u>Page</u> |
|---|----------------|-------------|
| Compensation Paid   |                | 54          |
| Schedule of Compensation Paid Police Jurors and Others  |                | 55          |
| Other Reports Required by <i>Governmental Auditing Standards</i>  |                | 56          |
| Report on Internal Control Over Financial Reporting and on<br>Compliance and Other Matters Based on an Audit of Financial<br>Statements Performed in Accordance with <i>Government Auditing Standards</i> |                | 57-58       |
| Current Year Findings, Recommendations and Corrective Action Plan   |                | 59          |
| Status of Prior Year Findings   |                | 60          |
| Reports Required by the Single Audit Act  |                | 61          |
| Report on Compliance with Requirements Applicable to Each Major<br>Program and on Internal Control Over Compliance in Accordance<br>With OMB Circular A-133   |                | 62-63       |
| Schedule of Findings and Questioned Costs   |                | 64          |
| Schedule of Expenditures of Federal Awards  |                | 65          |

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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 43, 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.

As discussed in note 2 to the financial statements, certain errors resulting in long-term liabilities being overstated at December 31, 2005 and 2006 were discovered by management. Also expenses in the statement of activities were not included in the financial statements. Accordingly, the financial statements for the year ended December 31, 2006 have been restated to correct the error.

Ferriday, Louisiana  
August 7, 2007  
September 7, 2007

*Switzer, Hopkins & Marge*

REQUIRED SUPPLEMENTAL INFORMATION

Management's Discussion and  
Analysis (MD&A)

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 \$8,476,046 in 2006 and \$6,358,523 in 2005
- Total revenues exceeded expenditures by \$2,117,523 in 2006 and \$777,609 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 \$8,476,046 as of December 31, 2006 and \$6,358,523 as of December 31, 2005.

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

|   | December 31,        |                     |
|---|---------------------|---------------------|
|   | <u>2006</u>         | <u>2005</u>         |
| 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>9,866,909</u>    | <u>7,992,323</u>    |
| <br>  |                     |                     |
| Current Liabilities                               | 273,275             | 385,756             |
| Long-term Liabilities                             | <u>1,117,588</u>    | <u>1,248,044</u>    |
| <b>Total Liabilities</b>                          | <u>1,390,863</u>    | <u>1,633,800</u>    |
| <br>  |                     |                     |
| <b>Net Assets</b>                                 |                     |                     |
| Investment in capital assets, net of related debt | 5,400,359           | 3,993,064           |
| Restricted  | 529,613             | 449,078             |
| Unrestricted (2005 restated)                      | <u>2,546,074</u>    | <u>1,916,381</u>    |
| <b>Total Net Assets</b>                           | <u>\$ 8,476,046</u> | <u>\$ 6,358,523</u> |

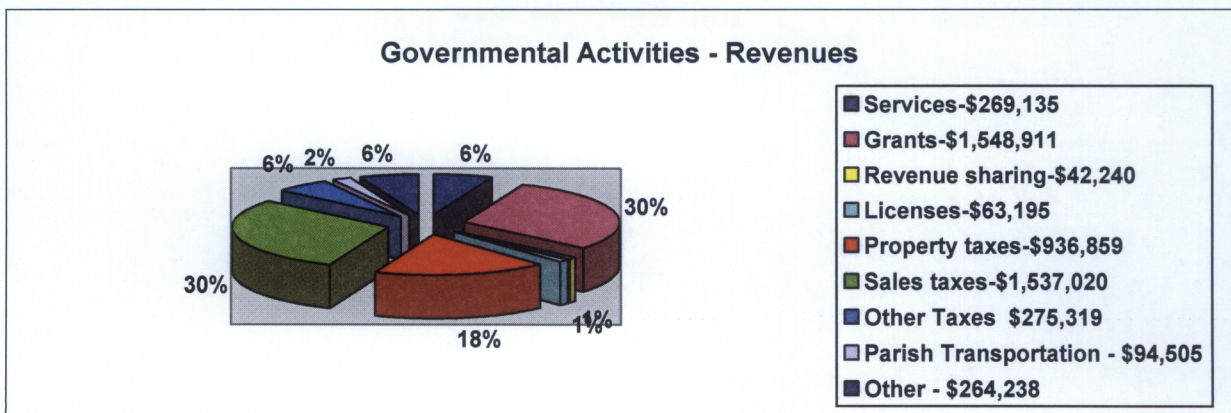


TENSAS PARISH POLICE JURY  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED DECEMBER 31, 2005

The following is a summary of the statement of activities:

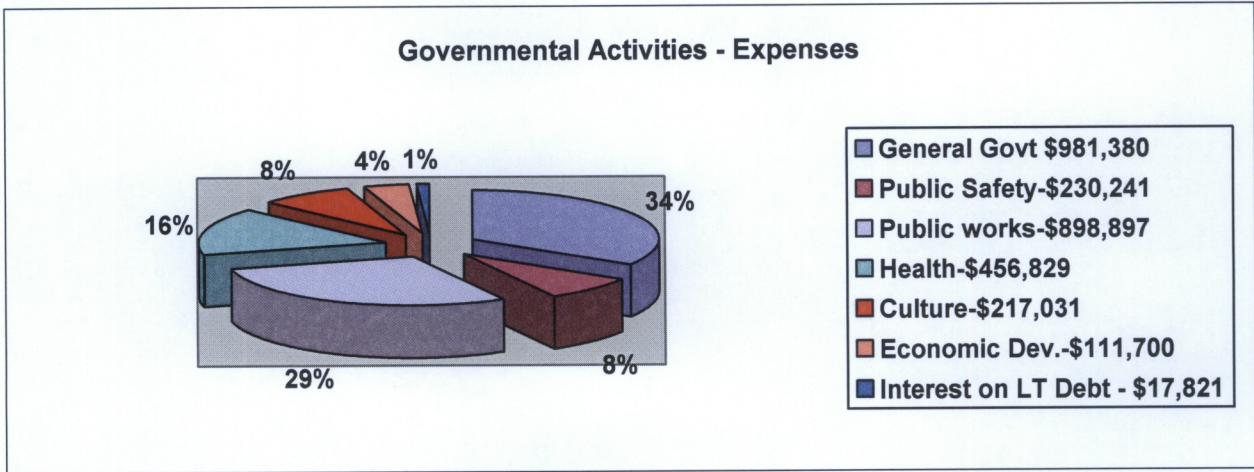
|  | Year Ended December 31,    |                            |
|--|----------------------------|----------------------------|
|  | <u>2006</u>                | <u>2005</u>                |
| <b>Revenues</b>                        |                            |                            |
| Program revenues                       | \$ 1,818,046               | \$ 854,532                 |
| General revenues                       | <u>3,213,376</u>           | <u>3,085,869</u>           |
| <b>Total Revenues</b>                  | <u><u>5,031,422</u></u>    | <u><u>3,940,401</u></u>    |
| <b>Expenses:</b>                       |                            |                            |
| General government                     | \$ 981,380                 | \$ 1,159,960               |
| Public safety                          | 230,241                    | 277,178                    |
| Public works                           | 898,897                    | 1,025,306                  |
| 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>              |
| Total expenses                         | <u><u>2,913,899</u></u>    | <u><u>3,162,792</u></u>    |
| <br>Increase in net assets             | <br>2,117,523              | <br>777,609                |
| <br>Net assets January 1               | <br><u>6,358,523</u>       | <br><u>5,580,914</u>       |
| Net assets December 31 (2005 restated) | <u><u>\$ 8,476,046</u></u> | <u><u>\$ 6,358,523</u></u> |

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>26,588</u>       |
| Total additions                    | <u>\$ 1,679,321</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

ASSETS

|  |                         |
|--|-------------------------|
| Cash and cash equivalents  | \$ 2,711,652            |
| Receivables  | 1,130,559               |
| Amounts held by trustee for landfill closure<br>and postclosure care costs | 507,615                 |
| Restricted assets  | 21,998                  |
| Capital assets, net  | <u>5,495,085</u>        |
| <b>TOTAL ASSETS</b>  | <b><u>9,866,909</u></b> |

LIABILITIES

|                                       |                         |
|---------------------------------------|-------------------------|
| Accounts, salaries and other payables | 54,309                  |
| Intergovernmental payables            | 34,740                  |
| Long-term liabilities                 |                         |
| Due within one year                   | 184,226                 |
| Due in more than one year             | <u>1,117,588</u>        |
| <b>TOTAL LIABILITIES</b>              | <b><u>1,390,863</u></b> |

NET ASSETS

|   |                            |
|---|----------------------------|
| Invested in capital assets, net of related debt | 5,400,359                  |
| Restricted for:                                 |                            |
| Debt service                                    | 21,998                     |
| Landfill closure                                | 507,615                    |
| Unrestricted                                    | <u>2,546,074</u>           |
| <b>TOTAL NET ASSETS</b>                         | <b><u>\$ 8,476,046</u></b> |

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

|   | Program Revenues                |   |   |  |                           |
|---|---------------------------------|---|---|--|---------------------------|
| <u>Expenses</u>                                     | <u>Charges for<br/>Services</u> | <u>Operating<br/>Grants and<br/>Contributions</u> | <u>Capital<br/>Grants and<br/>Contributions</u> | Net (Expense)<br>Revenue and<br>Changes in<br>Net Assets |                           |
| <b>FUNCTIONS/PROGRAMS</b>                           |                                 |   |   |  |                           |
| <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  | 898,897                         | 108,132   | -   | -  | (790,765)                 |
| 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>\$2,913,899</u></b>       | <b><u>\$ 269,135</u></b>                          | <b><u>\$ 10,215</u></b>                         | <b><u>\$ 1,538,696</u></b>                               | <b><u>(1,095,853)</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                                      |                                 |   |   |  | <u>124,265</u>            |
| Total general revenue                               |                                 |   |   |  | <u>3,213,376</u>          |
|   |                                 |   |   |  |                           |
| Changes in net assets                               |                                 |   |   |  | <u>2,117,523</u>          |
|   |                                 |   |   |  |                           |
| Net assets, beginning of year                       |                                 |   |   |  | 5,924,441                 |
|   |                                 |   |   |  |                           |
| Prior period adjustment                             |                                 |   |   |  | <u>434,082</u>            |
|   |                                 |   |   |  |                           |
| Net assets, as restated                             |                                 |   |   |  | <u>6,358,523</u>          |
|   |                                 |   |   |  |                           |
| Net assets, end of year                             |                                 |   |   |  | <u>\$ 8,476,046</u>       |

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

Fund Financial Statements (FFS)

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              |
| Advances to other funds   | -                 | 212,223           | 898,234           | 559,711           | 205,086                   | 629,952            | 1,130,015                | 4,462,231           |
| <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>                                    |                   |                   |                   |                   |                           |                    |                          |                     |
| <b>Liabilities:</b>   |                   |                   |                   |                   |                           |                    |                          |                     |
| 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              |
| Total Liabilities   | <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  | -                 | -                 | -                 | -                 | -                         | 507,615            | 21,998                   | 507,615             |
| Landfill closure  | -                 | -                 | -                 | -                 | -                         | -                  | 18,555                   | 90,407              |
| Advances  | -                 | 20,863            | 37,080            | -                 | 13,909                    | -                  | -                        | 716,824             |
| 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           |
| Total Fund Balances (deficit)   | <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.

(1,301,814)

Net assets (Statement A)

\$ 8,476,046

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                   | 108,132            | 58,799                   | 635,265    |
| Fees, charges and commissions for services | -            | -         | -              | -                | -                         | -                  | 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    |
| Total Revenues                             | 1,627,182    | 495,179   | 654,644        | 130,010          | 1,092,370                 | 130,241            | 901,796                  | 5,031,422  |
| <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<br>Fund   | Road<br>Fund      | Ambulance<br>Fund | Health<br>Unit<br>Fund | Economic<br>Development<br>Fund | Landfill<br>Site<br>Fund | Other<br>Governmental<br>Funds | Total               |
|--|-------------------|-------------------|-------------------|------------------------|---------------------------------|--------------------------|--------------------------------|---------------------|
| Debt 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<br>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 (75,000)

Governmental funds do not report an increase in landfill closure/post closure care liability as a current expenditure because it also does not require the use of current financial resources. However, in the statement of activities, they are recognized as an expense as they accumulate. (38,758)

Change in net assets of governmental activities (Statement B) \$ 2,117,523

## 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 judgements, 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.

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:

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

|                         | <u>Authorized<br/>Millage</u> | <u>Levied<br/>Millage</u> | <u>Expiration<br/>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<br/>Business</u> | <u>Assessed<br/>Valuation</u> | <u>% of Total<br/>Assessed<br/>Valuation</u> | <u>Ad Valorem<br/>Tax<br/>Revenue for<br/>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<br/>Per Cent</u> | <u>Expiration<br/>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                  |

**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 indebtedness | <u>21,998</u>     |
| Total                                       | <u>\$ 529,613</u> |

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

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

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



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**

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.

**2. PRIOR PERIOD ADJUSTMENT – CORRECTION OF ERROR**

An error was made in the computation of the landfill closure and other postclosure care cost as of December 31, 2005 and 2006. A summary of the fund equity adjustment is as follows:

TENSAS PARISH POLICE JURY

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

2. **PRIOR PERIOD ADJUSTMENT – CORRECTION OF ERROR – continued**

|   | <u>2006</u>       | <u>2005</u>       |
|---|-------------------|-------------------|
| Landfill closure and other postclosure care cost as originally stated | \$ 1,209,262      | \$ 1,209,262      |
| Landfill closure and other postclosure care cost as restated          | <u>(813,938)</u>  | <u>(775,180)</u>  |
| Total adjustment  | <u>\$ 395,324</u> | <u>\$ 434,082</u> |

The effect on the changes in net assets for 2006 (Statement B) are as follows:

|   |                     |
|---|---------------------|
| Changes in net assets previously reported | \$ 2,156,281        |
| Expense reported in 2006                  | <u>(38,758)</u>     |
| Changes in net assets as adjusted         | <u>\$ 2,117,523</u> |

3. **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.

TENSAS PARISH POLICE JURY

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

4. 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.

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.

5. 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>Landfill Site 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                           | 5,735                     | 22,165                          | 126,095             |
| Other taxes                | 143,574             | 11,392           | -                     | -                       | -                                | -                         | -                               | 154,966             |
| Fines                      | -                   | -                | -                     | -                       | -                                | -                         | 9,494                           | 9,494               |
| Other                      | -                   | -                | -                     | -                       | -                                | -                         | 5,735                           | 5,735               |
| Total                      | <u>\$ 646,849</u>   | <u>\$ 36,856</u> | <u>\$ 55,755</u>      | <u>\$ 99,910</u>        | <u>\$ 16,976</u>                 | <u>5,735</u>              | <u>\$ 268,478</u>               | <u>\$ 1,130,559</u> |

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.

TENSAS PARISH POLICE JURY

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

**6. 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.

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

| <u>Type of Investment</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>     |

**7. 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                     | 18,555           |
|                                |                                  | <u>\$ 90,407</u> |

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

**8. 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    | 2,256,040                 | 316,205          | -                | 2,572,245              |
| Total                                | <u>5,107,444</u>          | <u>1,679,321</u> | <u>-</u>         | <u>6,786,765</u>       |

TENSAS PARISH POLICE JURY

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

8. CAPITAL ASSETS - continued

|   | Beginning,<br><u>Balance</u> | <u>Increase</u>     | <u>Deletions</u> | Balance,<br><u>Ending</u> |
|---|------------------------------|---------------------|------------------|---------------------------|
| Less accumulated depreciation               |                              |                     |                  |                           |
| Buildings                                   | (242,261)                    | (78,315)            | -                | (320,576)                 |
| Furniture, fixtures and equipment           | (1,126,103)                  | (231,699)           | -                | (1,357,802)               |
| Total accumulated depreciation              | <u>(1,368,364)</u>           | <u>(310,014)</u>    | -                | <u>(1,678,378)</u>        |
| Total depreciable capital assets, net       | <u>3,739,080</u>             | <u>1,369,307</u>    | -                | <u>5,108,387</u>          |
| Governmental activities capital assets, net | <u>\$ 4,125,778</u>          | <u>\$ 1,369,307</u> | <u>\$ -</u>      | <u>\$ 5,495,085</u>       |

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> |

9. 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         | \$ 24,655         |
| 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         | 163,899           |
| Nonmajor Fund        | Nonmajor Fund        | 20,929            |
|                      |                      | <u>\$ 684,839</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

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

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

|              | General<br>Fund  | Road<br>Fund     | Ambulance<br>Fund | Health<br>Unit<br>Fund | Economic<br>Development<br>Fund | Other<br>Governmental<br>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> |

**11. 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<br>Payable   | Certificates<br>of<br>Indebtedness | Lease/<br>Purchases<br>Payable | Landfill<br>Closure and<br>Postclosure<br>Care Costs | Total               |
|--|-------------------|------------------------------------|--------------------------------|--|---------------------|
| Long-term debt at January 1, 2006 (restated) | \$ 156,150        | \$ 184,000                         | \$ 132,714                     | \$ 775,180   | \$ 1,248,044        |
| Additions                                    | -                 | 75,000                             | -                              | 38,758   | 113,758             |
| Deductions                                   | <u>-</u>          | <u>(22,000)</u>                    | <u>(37,988)</u>                | <u>-</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>\$ 813,938</u>                                    | <u>\$ 1,301,814</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<br>Payable   | Certificates<br>of<br>Indebtedness | Lease/<br>Purchases<br>Payable | Landfill<br>Closure and<br>Postclosure<br>Care Costs | Total               |
|-------------------|-------------------|------------------------------------|--------------------------------|--|---------------------|
| Current portion   | \$ 17,806         | \$ 31,000                          | \$ 94,726                      | \$ 40,694  | \$ 184,226          |
| Long-term portion | <u>138,344</u>    | <u>206,000</u>                     | <u>-</u>                       | <u>773,244</u>                                       | <u>1,117,588</u>    |
| Total             | <u>\$ 156,150</u> | <u>\$ 237,000</u>                  | <u>\$ 94,726</u>               | <u>\$ 813,938</u>                                    | <u>\$ 1,301,814</u> |

TENSAS PARISH POLICE JURY

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

11. **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 2007 - 2057 813,938

Total long-term debt \$ 1,301,814

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

TENSAS PARISH POLICE JURY

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

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

| <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 the Debt Service Fund. Future minimum payments, as of December 31, 2006 are as follows:

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

**12. SOLID WASTE LANDFILL COSTS**

State and federal laws and regulations require the police jury place a final cover on its landfill when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although final closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the police jury reports a portion of those closure and postclosure care costs in long-term debt on Statement A, based on cumulative landfill capacity used as of December 31 of each year. The \$813,938 reported as landfill closure and postclosure care liability at December 31, 2006, represents 93 percent of the estimated capacity of the currently active cells. Of that amount, \$38,758, is attributable to operations of the current year. The police jury will recognize the remaining estimated cost of closure and postclosure care of \$525,149, as the remaining capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2006. The police jury expects to



TENSAS PARISH POLICE JURY

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

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

expand the landfill in two to five years. The expansion will extend the life of the landfill for an undetermined number of years.

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> |

**13. 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

**13. 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.

**14. 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<br>(Budgetary Basis) | Favorable<br>(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<br>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                 | <u>542,258</u>    | <u>542,258</u>    | <u>542,258</u>               | <u>-</u>                   |
| 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

|  | <u>Budgeted Amounts</u> |                     | <u>Actual</u>                              | <u>Variance</u>                          |
|--|-------------------------|---------------------|--|--|
|  | <u>Original</u>         | <u>Final</u>        | <u>Amounts</u><br><u>(Budgetary Basis)</u> | <u>Favorable</u><br><u>(Unfavorable)</u> |
| <u>REVENUES</u>                                      |                         |                     |  |  |
| 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>                            |
| <u>EXPENDITURES</u>                                  |                         |                     |  |  |
| 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>                            |
| EXCESS (Deficiency) OF REVENUES<br>OVER EXPENDITURES | (253,797)               | (93,726)            | (60,134)                                   | 33,592                                   |
| <u>OTHER FINANCING SOURCES (Uses)</u>                |                         |                     |  |  |
| 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                              | (178,564)               | (178,564)           | (178,564)                                  | -  |
| 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

|   | <u>Budgeted Amounts</u> |                   | <u>Actual</u>                              | <u>Variance</u>                          |
|---|-------------------------|-------------------|--|--|
|   | <u>Original</u>         | <u>Final</u>      | <u>Amounts</u><br><u>(Budgetary Basis)</u> | <u>Favorable</u><br><u>(Unfavorable)</u> |
| <u>REVENUES</u>                         |                         |                   |  |  |
| 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>                            |
| <u>EXPENDITURES</u>                     |                         |                   |  |  |
| General government:                     |                         |                   |  |  |
| Finance and administrative              | 44,435                  | 34,685            | 56,787                                     | (22,102)                                 |
| Health and welfare                      | 286,395                 | 314,296           | 305,273                                    | 9,023                                    |
| Total Expenditures                      | <u>330,830</u>          | <u>348,981</u>    | <u>362,060</u>                             | <u>(13,079)</u>                          |
| EXCESS OF REVENUES OVER<br>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>                             | <u>-</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                       | Variance                   |
|---|-------------------|-------------------|------------------------------|----------------------------|
|   | Original          | Final             | Amounts<br>(Budgetary Basis) | Favorable<br>(Unfavorable) |
| <u>REVENUES</u>                         |                   |                   |                              |                            |
| 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                         | <u>3,642</u>      | <u>6,852</u>      | <u>9,606</u>                 | <u>2,754</u>               |
| Total Revenues                          | <u>123,648</u>    | <u>129,684</u>    | <u>132,439</u>               | <u>2,755</u>               |
| <u>EXPENDITURES</u>                     |                   |                   |                              |                            |
| General government:                     |                   |                   |                              |                            |
| Finance and administrative              | 7,182             | 6,215             | 5,437                        | 778                        |
| Health and welfare                      | 54,790            | 71,831            | 71,836                       | (5)                        |
| Capital outlay                          | <u>1,967</u>      | <u>1,535</u>      | <u>-</u>                     | <u>1,535</u>               |
| Total Expenditures                      | <u>63,939</u>     | <u>79,581</u>     | <u>77,273</u>                | <u>2,308</u>               |
| EXCESS OF REVENUES OVER<br>EXPENDITURES | 59,709            | 50,103            | 55,166                       | 5,063                      |
| OTHER FINANCING (Uses)                  |                   |                   |                              |                            |
| Transfers (out)                         | <u>-</u>          | <u>-</u>          | <u>(51,180)</u>              | <u>(51,180)</u>            |
| 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>               | <u>-</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<br>(Budgetary Basis) | Favorable<br>(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                          | <u>91,210</u>     | <u>817,049</u>    | <u>908,650</u>               | <u>(91,601)</u>            |
| Total Expenditures                      | <u>213,167</u>    | <u>1,001,729</u>  | <u>1,051,499</u>             | <u>(49,770)</u>            |
| EXCESS OF REVENUES OVER<br>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)                         | <u>(34,750)</u>   | <u>-</u>          | <u>(95,493)</u>              | <u>(95,493)</u>            |
|   | <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

|   | <u>Budgeted Amounts</u> |                   | <u>Actual</u>                              | <u>Variance</u>                          |
|---|-------------------------|-------------------|--|--|
|   | <u>Original</u>         | <u>Final</u>      | <u>Amounts</u><br><u>(Budgetary Basis)</u> | <u>Favorable</u><br><u>(Unfavorable)</u> |
| <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<br>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>                             | <u>-</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<br>Fund   | Road<br>Fund      | Ambulance<br>Fund | Health<br>Unit<br>Fund | Economic<br>Development<br>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<br/>Revenue</u>     | <u>Debt<br/>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                        | <u>18,555</u>                  | -                           | <u>18,555</u>                  |
| <b>TOTAL ASSETS</b>                            | <u><u>1,108,017</u></u>        | <u><u>21,998</u></u>        | <u><u>1,130,015</u></u>        |
| <br><b>LIABILITIES AND FUND BALANCES</b>       |                                |                             |                                |
| <b>Liabilities:</b>                            |                                |                             |                                |
| Accounts, salaries and other payables          | 24,862                         | -                           | 24,862                         |
| Intergovernmental payables                     | <u>27,785</u>                  | -                           | <u>27,785</u>                  |
| <b>Total Liabilities</b>                       | <u><u>52,647</u></u>           | <u><u>-</u></u>             | <u><u>52,647</u></u>           |
| <br><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                                | <u>1,036,815</u>               | -                           | <u>1,036,815</u>               |
| <b>Total Fund Balances</b>                     | <u><u>1,055,370</u></u>        | <u><u>21,998</u></u>        | <u><u>1,077,368</u></u>        |
| <br><b>TOTAL LIABILITIES AND FUND BALANCES</b> | <br><u><u>\$ 1,108,017</u></u> | <br><u><u>\$ 21,998</u></u> | <br><u><u>\$ 1,130,015</u></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</u><br><u>Revenue</u> | <u>Debt</u><br><u>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         |
| <b>TOTAL REVENUES</b>  | <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        |
| <b>TOTAL EXPENDITURES</b>                                    | <u>907,942</u>                   | <u>77,809</u>                 | <u>985,751</u> |
| <b>EXCESS (Deficiency) OF REVENUES<br/>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<br/>Revenue</u> | <u>Debt<br/>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<br>District<br>No.1 | Drainage<br>District<br>No. 2 | Drainage<br>District<br>No. 3 | Waste<br>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><u>62,630</u></u>         | <u><u>202,447</u></u>         | <u><u>90,984</u></u>          | <u><u>379,338</u></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>8,865</u>             |
| <b>Fund Balances:</b>                          |                              |                               |                               |                          |
| Reserved for:                                  |                              |                               |                               |                          |
| 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>62,630</u>                | <u>202,447</u>                | <u>90,984</u>                 | <u>370,473</u>           |
| <b>TOTAL LIABILITIES AND FUND<br/>BALANCES</b> | <u><u>\$ 62,630</u></u>      | <u><u>\$ 202,447</u></u>      | <u><u>\$ 90,984</u></u>       | <u><u>\$ 379,338</u></u> |

TENSAS PARISH POLICE JURY  
NONMAJOR SPECIAL REVENUE FUNDS  
Combining Balance Sheet  
December 31, 2006

Exhibit 4

| Criminal<br>Court | Library           | Emergency<br>Preparedness | Fire<br>Protection | Rural<br>Development | Bookmobile  | Total               |
|-------------------|-------------------|---------------------------|--------------------|----------------------|-------------|---------------------|
| \$ 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           |
| 10,902            | 310,008           | 7,526                     | -                  | 400                  | -           | 1,055,370           |
| <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<br>District<br><u>No.1</u> | Drainage<br>District<br><u>No. 2</u> | Drainage<br>District<br><u>No. 3</u> | Waste<br>Collection |
|--|-------------------------------------|--------------------------------------|--------------------------------------|---------------------|
| <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<br/>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>     |
| Net change in fund balances                                  | 11,732                              | 33,147                               | 15,413                               | 23,452              |
| Fund balance, beginning                                      | <u>50,898</u>                       | <u>169,300</u>                       | <u>75,571</u>                        | <u>347,021</u>      |
| Fund balance, ending   | <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 & Mange*

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<br>Finding<br>Initially<br>Occurred | Description of Finding  | Corrective<br>Action Taken<br>(Yes, No,<br>Partially) | Planned Corrective<br>Action/Partial<br>Corrective<br>Action Taken |
|---|---|---|---|--|
| Section I - Internal Control and Compliance Not Material to the Financial Statements: |   |   |   |  |
| 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 & Manges*



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/<br>Program Title   | Domestic Assistance<br>Number | Federal<br>Expenditures |
|--|-------------------------------|-------------------------|
| <u><i>U.S. Department of Housing and Urban Development</i></u>   |                               |                         |
| Passed-through the State of Louisiana<br>Community Development Block Grants/States Program/<br>FY 2004 LCDBG Public Facilities Program     | 14.228                        | \$ <u>577,112</u>       |
| <u><i>U.S. Department of Transportation</i></u>  |                               |                         |
| Passed-through State of Louisiana Department of Transportation<br>Highway Planning and Construction/Transportation Enhancement<br>(Museum) | 20.205                        | <u>147,300</u>          |
| <u><i>U.S. Department of Homeland Security</i></u>   |                               |                         |
| Direct Program<br>FY 2005 Equipment Support Program  | 97.004                        | 36,893                  |
| Passed-through the State of Louisiana<br>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.