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

**Primary Government Financial Statements
And Independent Auditor's Reports
As of December 31, 2007
With Supplemental Information Schedules**

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

Release Date 7/16/08

TENSAS PARISH POLICE JURY
Annual Financial Statements
As of and for the Year Ended December 31, 2007
With Supplemental Information Schedules

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INDEPENDENT AUDITORS' REPORT

Police Jurors
Tensas Parish Police Jury
St. Joseph, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Tensas Parish Police Jury (Police Jury) as of and for the year ended December 31, 2007, 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. 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 do not include financial data of the Parish's legally separate component units. Accounting principles generally accepted in the United States of America require the financial data for those component units to be reported with the financial data of the Parish's primary government unless the Parish also issues financial statements for the financial reporting entity that includes the financial data for its component units. The Parish has not issued such reporting entity financial statements. The amount by which this departure would affect the assets, liabilities, net assets, revenues and expenses of the aggregate discretely presented component units is not reasonably determinable.

In our opinion, because the omission of the discretely presented component units as discussed above, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the aggregate discretely presented component units of the Tensas Parish Police Jury, as of December 31, 2007, or the changes in financial position thereof for the year then ended.

In addition, in our opinion, the 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, 2007, 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 June 24, 2008 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 42, 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.

Ferriday, Louisiana
June 24, 2008

Switzer, Hopkins & Mance

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, 2007

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, 2007. 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 \$9,345,223 in 2007 and \$8,476,046 in 2006.
- Total revenues exceeded expenditures by \$749,027 in 2007 and \$2,117,523 in 2006.
- The Police Jury had net capital assets of \$5,470,372 and has a \$276,113 debt associated with capital assets as of December 31, 2007.

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 13 – 17 of this report.

TENSAS PARISH POLICE JURY
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED DECEMBER 31, 2007

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 – 32 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 \$9,345,223 as of December 31, 2007 and \$8,476,046 as of December 31, 2006.

Net Assets as of December 31, 2007 and 2006

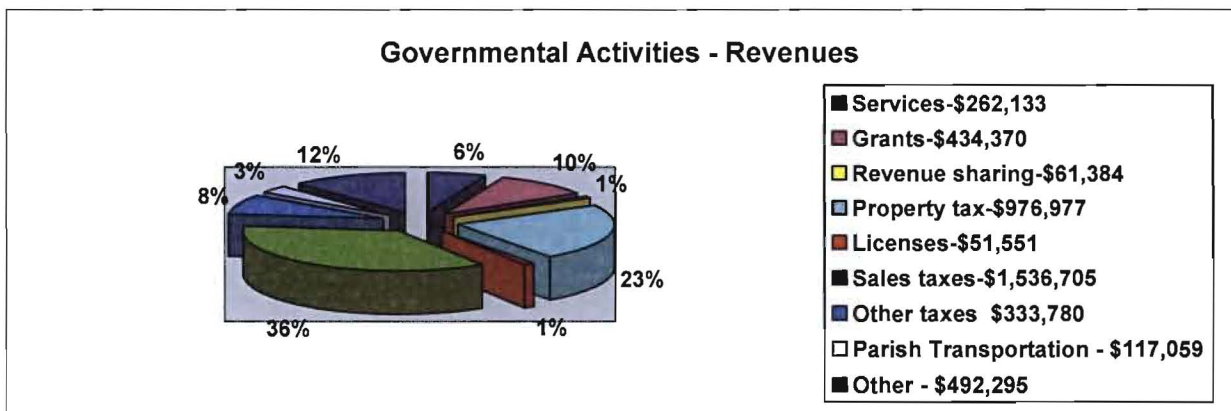
	<u>2007</u>	<u>2006</u>
Current Assets	\$ 4,474,724	\$ 3,842,211
Restricted Assets	628,312	529,613
Capital Assets	<u>5,470,372</u>	<u>5,495,085</u>
Total Assets	<u>10,573,408</u>	<u>9,866,909</u>
Current Liabilities	192,967	273,275
Long-term Liabilities	<u>1,035,218</u>	<u>1,117,588</u>
Total Liabilities	<u>1,228,185</u>	<u>1,390,863</u>
Net Assets		
Investment in capital assets, net of related debt	5,194,259	5,400,359
Restricted	628,312	529,613
Unrestricted	<u>3,522,652</u>	<u>2,546,074</u>
Total Net Assets	<u>\$ 9,345,223</u>	<u>\$ 8,476,046</u>

TENSAS PARISH POLICE JURY
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED DECEMBER 31, 2007

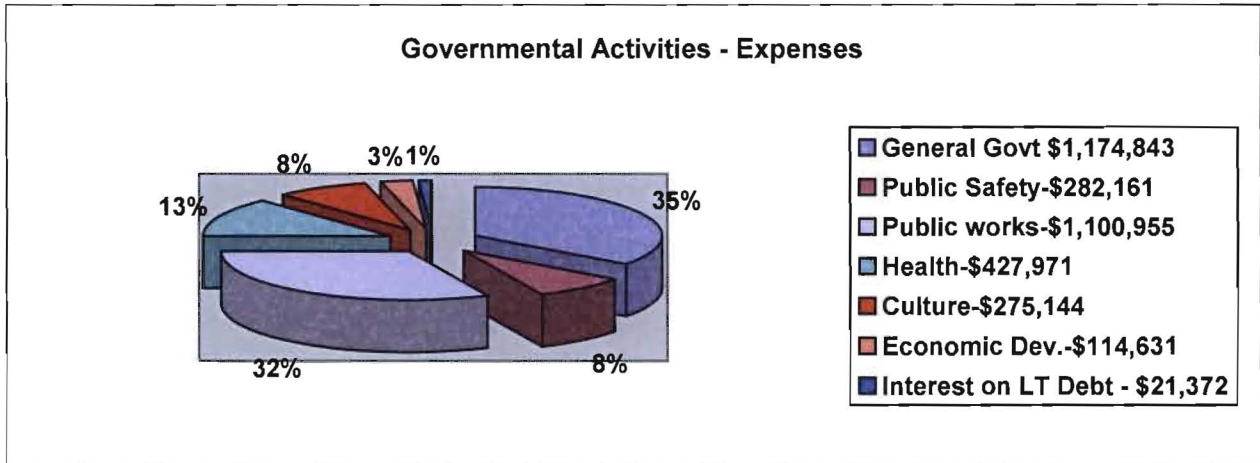
The following is a summary of the statement of activities:

	Year Ended December 31,	
	<u>2007</u>	<u>2006</u>
Revenues		
Program revenues	\$ 696,503	\$ 1,818,046
General revenues	<u>3,569,751</u>	<u>3,213,376</u>
Total Revenues	<u><u>4,266,254</u></u>	<u><u>5,031,422</u></u>
Expenses:		
General government	\$ 1,174,843	\$ 981,380
Public safety	282,161	230,241
Public works	1,100,955	898,897
Health and welfare	427,971	456,829
Culture and recreation	275,144	217,031
Economic development	114,631	111,700
Interest on long-term debt	<u>21,372</u>	<u>17,821</u>
Total expenses	<u><u>3,397,077</u></u>	<u><u>2,913,899</u></u>
 Increase in net assets	 869,177	 2,117,523
 Net assets January 1	 <u>8,476,046</u>	 <u>6,358,523</u>
Net assets December 31	<u><u>\$ 9,345,223</u></u>	<u><u>\$ 8,476,046</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, 2007



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 \$2,571,317 and revenues were budgeted at \$3,187,010.

Actual revenues were over budgeted amounts by over \$71,622 and actual expenditures were under the budgeted amounts by over \$16,962. The budget was amended to primarily reflect additional grant revenues and expenditures and increases in taxes.

CAPITAL ASSETS

As of December 31, 2007, the Police Jury had \$5,470,372 invested in capital assets net of accumulated depreciation, including land of \$386,698 that is not being depreciated. This year there were additions of \$370,075 in all the funds. Additions were as follows:

TENSAS PARISH POLICE JURY
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED DECEMBER 31, 2007

Industrial Park Road	\$ 173,564
General fund equipment and fixtures	28,361
Livestock chutes and gates	57,343
Economic Development storage building	3,630
Economic Development equipment	6,861
Library equipment	10,036
Library books	30,441
Landfill extract system	4,350
Kubota mower	11,069
2008 Ford Ranger truck	11,825
2008 Ford F-350 truck	<u>32,595</u>
Total additions	<u>\$ 370,075</u>

Infrastructure assets (roads and bridges) are included in capital assets only as added currently.

MANAGEMENT COMMENTS AND PLANS

Tensas Parish was able to move forward on many fronts in 2007. The Tensas Recreation District was formed and \$50,000 was obtained in early 2008 to fund this effort. Also, the Tensas Parish Port Commission was formed in 2007 and land has been purchased in 2008 for just over \$350,000 on the Mississippi River for the port. Users have been identified for the project and a USDA grant has been applied for to fund a feasibility study for the port.

As noted in the capital asset additions, chutes and pens were installed at the Ag Arena in 2007 and a large animal wash rack has just been completed. Both these projects were funded with Capital Outlay funds. A tenant moved into the recently completed meat market in 2007. The Industrial Park Road was paved with funds from the Delta Regional Authority and the Police Jury in 2007 and two new trucks were purchased for the Maintenance Unit using LAGAP grant funds. A state-of-the-art fence was installed at the Maintenance Unit in 2007.

In 2008, funds are already in place and work is proceeding on a \$350,000 expansion of the Health Unit and a \$550,000 renovation of the Courthouse. The paving of Walker Road that began in 2007, has been completed. Also the Police Jury has obtained a \$50,000 grant to fund a Walking Trail at Courthouse Square, with completion scheduled this year.

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, 2007

Statement A

ASSETS

Cash and cash equivalents	\$ 3,304,302
Receivables	1,170,422
Amounts held by trustee for landfill closure and postclosure care costs	600,645
Restricted assets	27,667
Capital assets, net	<u>5,470,372</u>
TOTAL ASSETS	<u>10,573,408</u>

LIABILITIES

Accounts, salaries and other payables	75,910
Intergovernmental payables	21,526
Long-term liabilities	
Due within one year	95,531
Due in more than one year	<u>1,035,218</u>
TOTAL LIABILITIES	<u>1,228,185</u>

NET ASSETS

Invested in capital assets, net of related debt	5,194,259
Restricted for:	
Debt service	27,667
Landfill closure	600,645
Unrestricted	<u>3,522,652</u>
TOTAL NET ASSETS	<u>\$ 9,345,223</u>

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

TENSAS PARISH POLICE JURY
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2007

Statement B

	Program Revenues				
<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Net (Expense) Revenue and Changes in Net Assets</u>	
FUNCTIONS/PROGRAMS					
<i>Primary Government: Governmental Activities:</i>					
General government:					
Legislative	\$ 134,072	\$ -	\$ -	\$ -	\$ (134,072)
Judicial	255,050	66,713	-	-	(188,337)
Elections	36,158				(36,158)
Finance and administrative	378,165	-	-	-	(378,165)
Other general administrative	371,398	-	60,430	-	(310,968)
Public safety	282,161	84,479	-	-	(197,682)
Public works	1,100,955	110,941	-	16,600	(973,414)
Health and welfare	427,971	-	-	-	(427,971)
Culture and recreation	275,144	-	-	20,645	(254,499)
Economic development	114,631	-	-	336,695	222,064
Interest on long-term debt	21,372	-	-	-	(21,372)
TOTAL GOVERNMENTAL ACTIVITIES	\$3,397,077	\$ 262,133	\$ 60,430	\$ 373,940	(2,700,574)

General revenues:

Taxes:

Ad valorem

976,977

Sales

1,536,705

Other taxes

333,780

Licenses and permits

51,551

State funds:

Parish transportation funds

117,059

State revenue sharing

61,384

Fire insurance rebates

20,766

Investment income

193,303

Long-term debt extinguished

120,150

Other revenues

158,076

Total general revenue

3,569,751

Changes in net assets

869,177

Net assets, beginning of year

8,476,046

Net assets, end of year

\$ 9,345,223

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, 2007

Statement C

	General Fund	Road Fund	Ambulance Fund	Health Unit Fund	Economic Development Fund	Landfill Site Fund	Other Governmental Funds	Total
ASSETS								
Cash and cash equivalents	\$ 146,247	\$ 111,857	\$ 1,114,109	\$ 538,523	\$ 321,459	\$ 122,522	\$ 949,585	\$ 3,304,302
Receivables	641,034	35,779	67,312	97,587	23,854	11,186	293,670	1,170,422
Amounts held by trustee for landfill closure and postclosure care costs	-	-	-	-	-	600,645	-	600,645
Restricted assets	-	-	-	-	-	-	27,667	27,667
Due from other funds	-	24,356	43,289	-	16,238	-	29,781	113,664
TOTAL ASSETS	<u>787,281</u>	<u>171,992</u>	<u>1,224,710</u>	<u>636,110</u>	<u>361,551</u>	<u>734,353</u>	<u>1,300,703</u>	<u>5,216,700</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts, salaries and other payables	19,383	24,113	10	1,329	1,071	-	30,004	75,910
Due to other funds	113,664	-	-	-	-	-	-	113,664
Intergovernmental payables	-	-	-	-	-	-	21,526	21,526
Total Liabilities	<u>133,047</u>	<u>24,113</u>	<u>10</u>	<u>1,329</u>	<u>1,071</u>	<u>-</u>	<u>51,530</u>	<u>211,100</u>
Fund Balances/Deficit:								
Reserved for:								
Debt service	-	-	-	-	-	-	27,667	27,667
Landfill closure	-	-	-	-	-	600,645	-	600,645
Unreserved, reported in:								
General	654,234	-	-	-	-	-	-	654,234
Special revenue	-	147,879	1,224,700	634,781	360,480	133,708	1,221,506	3,723,054
Total Fund Balances	<u>654,234</u>	<u>147,879</u>	<u>1,224,700</u>	<u>634,781</u>	<u>360,480</u>	<u>734,353</u>	<u>1,249,173</u>	<u>5,005,600</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 787,281</u>	<u>\$ 171,992</u>	<u>\$ 1,224,710</u>	<u>\$ 636,110</u>	<u>\$ 361,551</u>	<u>\$ 734,353</u>	<u>\$ 1,300,703</u>	<u>\$ 5,216,700</u>

TENSAS PARISH POLICE JURY

Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Assets
December 31, 2007

Statement D

Total fund balances-governmental funds (Statement C) \$ 5,005,600

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	\$ 7,543,538	
Less accumulated depreciation	<u>(2,073,166)</u>	5,470,372

Long-term liabilities are not due and payable in the
current period and therefore are not reported in
the fund liabilities. (1,130,749)

Net assets (Statement A) \$ 9,345,223

TENSAS PARISH POLICE JURY

Statement of Revenues, Expenditures
and Changes in Fund Balances
For the Year Ended December 31, 2007

Statement E

	General Fund	Road Fund	Ambulance Fund	Health Unit Fund	Economic Development Fund	Landfill Site Fund	Other Governmental Funds	Total
REVENUES								
Taxes:								
Ad valorem	\$ 578,878	-	\$ -	\$ 115,080	\$ -	\$ -	\$ 283,019	\$ 976,977
Sales taxes	-	358,251	626,238	-	238,845	-	313,371	1,536,705
Other taxes	333,780	-	-	-	-	-	-	333,780
Licenses and permits	51,551	-	-	-	-	-	-	51,551
Intergovernmental revenues:								
Federal funds-federal grants	-	-	-	-	145,000	-	-	145,000
State funds:								
Parish transportation funds	-	117,059	-	-	-	-	-	117,059
State revenue sharing	25,908	-	-	10,820	-	-	24,656	61,384
Fire insurance rebates	20,766	-	-	-	-	-	-	20,766
Other state grants	60,430	16,600	-	-	191,695	-	20,645	289,370
Fees, charges and commissions for services	-	-	-	-	-	110,941	84,479	195,420
Fines and forfeitures	-	-	-	-	-	-	66,713	66,713
Investment income	9,689	3,214	46,701	24,831	14,186	57,780	36,902	193,303
Other revenues	99,097	3,925	-	-	4,420	-	50,634	158,076
Total Revenues	<u>1,180,099</u>	<u>499,049</u>	<u>672,939</u>	<u>150,731</u>	<u>594,146</u>	<u>168,721</u>	<u>880,419</u>	<u>4,146,104</u>
EXPENDITURES								
General government								
Legislative	134,072	-	-	-	-	-	-	134,072
Judicial	96,127	-	-	-	-	-	158,923	255,050
Elections	36,158	-	-	-	-	-	-	36,158
Finance and administrative	202,725	21,353	40,588	5,772	31,638	3,870	72,219	378,165
Other general government	280,430	-	-	-	-	-	-	280,430
Public safety	110,504	-	-	-	-	-	90,608	201,112
Public works	-	779,592	-	-	-	-	215,927	995,519
Health and welfare	6,878	-	305,875	68,693	-	-	-	381,446
Culture and recreation	234	-	-	-	-	-	163,402	163,636
Economic development	-	-	-	-	114,631	-	-	114,631

TENSAS PARISH POLICE JURY

Statement of Revenues, Expenditures
and Changes in Fund Balances
For the Year Ended December 31, 2007

	Statement E							
	General Fund	Road Fund	Ambulance Fund	Health Unit Fund	Economic Development Fund	Landfill Site Fund	Other Governmental Funds	Total
Debt service:								
Principal retirement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 36,000	\$ 55,613	\$ 91,613
Interest and bank charges	-	-	-	-	-	-	21,372	21,372
Capital outlay	28,361	55,489	-	-	241,398	4,350	40,477	370,075
Total expenditures	<u>895,489</u>	<u>856,434</u>	<u>346,463</u>	<u>74,465</u>	<u>387,667</u>	<u>44,220</u>	<u>818,541</u>	<u>3,423,279</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	284,610	(357,385)	326,476	76,266	206,479	124,501	61,878	722,825
OTHER FINANCING SOURCES (Uses)								
Transfers in	18,200	335,958	-	-	1,015	800	159,504	515,477
Transfers (out)	(365,400)	(27,818)	-	-	(51,782)	(20,900)	(49,577)	(515,477)
Total Other Financing Sources (Uses)	<u>(347,200)</u>	<u>308,140</u>	<u>-</u>	<u>-</u>	<u>(50,767)</u>	<u>(20,100)</u>	<u>109,927</u>	<u>-</u>
Net Change in Fund Balances	(62,590)	(49,245)	326,476	76,266	155,712	104,401	171,805	722,825
FUND BALANCES - BEGINNING	<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>
FUND BALANCES - ENDING	<u>\$ 654,234</u>	<u>\$ 147,879</u>	<u>\$ 1,224,700</u>	<u>\$ 634,781</u>	<u>\$ 360,480</u>	<u>\$ 734,353</u>	<u>\$ 1,249,173</u>	<u>\$ 5,005,600</u>

TENSAS PARISH POLICE JURY

Reconciliation of the Governmental Funds
 Statement of Revenues, Expenditures and Changes in Fund Balances
 to the Statement of Activities
 For the Year Ended December 31, 2007

Statement F

Total net change in fund balances-governmental funds (Statement E) \$ 722,825

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	\$ 370,075	
Depreciation expense	<u>(394,788)</u>	(24,713)

Repayment of long-term liabilities is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets:

Debt extinguished	120,150	
Repayment of long-term liabilities	<u>91,613</u>	211,763

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.

(40,698)

Change in net assets of governmental activities (Statement B) \$ 869,177

TENSAS PARISH POLICE JURY

NOTES TO THE FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2007

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, 2007

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, 2007

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, 2007

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. Deposits 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, 2007

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

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Taxes due for:			
General Fund	3.56	3.56	Indefinite
Court System building	11.3	11.3	2017
Drainage District No. 1	8.76	8.76	2016
Drainage District No. 2	3.02	3.02	2011
Drainage District No. 3	3.8	3.8	2013
Health Unit	2.95	2.95	2016
Library	4.28	4.28	2016

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

	<u>Type of Business</u>	<u>Assessed Valuation</u>	<u>% of Total Assessed Valuation</u>	<u>Ad Valorem Tax Revenue for Parish</u>
American Commercial Barge Line	Barge Line	\$ 3,385,190	8.4%	\$ 84,994
American River Transport Co	Barge Line	3,177,570	7.9%	79,935
Ingram Barge Company	Barge Line	2,759,500	6.9%	69,816
Cross Keys Bank	Banking	2,123,276	5.3%	53,627

Sales taxes are authorized as follows:

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

E. Restricted Assets and Reserved Equity

Restricted assets represent those assets that are legally separated for a specific purpose. Restricted assets at December 31, 2007 were as follows:

Restricted for landfill closure	\$ 600,645
Restricted for certificates of indebttness	<u>27,667</u>
Total	<u>\$ 628,312</u>

TENSAS PARISH POLICE JURY

NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2007

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 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, 2007

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. 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.

TENSAS PARISH POLICE JURY

NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2007

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY – continued

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

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

3. CASH AND CASH EQUIVALENTS

At December 31, 2007, the Police Jury has cash and cash equivalents (book balances) totaling \$3,331,969 as follows:

Demand deposits	\$ 729,915
Time deposits	<u>2,602,054</u>
Total	<u>\$ 3,331,969</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, 2007, the Police Jury has \$3,431,381 in deposits (collected bank balances). These deposits are secured from risk by \$600,000 of federal deposit insurance and \$2,831,381 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.

TENSAS PARISH POLICE JURY

NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2007

4. RECEIVABLES

The receivables of \$1,170,422 at December 31, 2007 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>
Taxes:								
Ad valorem	\$ 491,572	\$ -	\$ -	\$ 97,587	\$ -	\$ -	\$ 244,927	\$ 834,086
Sales and use	-	35,779	63,592	-	23,854	11,016	43,748	177,989
Other taxes	149,462	-	-	-	-	-	-	149,462
Fines	-	-	-	-	-	-	4,434	4,434
Other	-	-	3,720	-	-	170	561	4,451
Total	\$ 641,034	\$ 35,779	\$ 67,312	\$ 97,587	\$ 23,854	11,186	\$ 293,670	\$ 1,170,422

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

5. INVESTMENTS

Investments are categorized into these three categories of credit risk:

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

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

<u>Type of Investment</u>	<u>Category</u>			<u>Carrying Amount</u>	
	<u>1</u>	<u>2</u>	<u>3</u>	<u>Fair Value</u>	<u>Amortized Cost</u>
Federal agencies	<u>\$ 600,645</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 600,645</u>	<u>\$ 433,474</u>

TENSAS PARISH POLICE JURY

NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2007

6. INTERFUND RECEIVABLES/PAYABLES (FSS LEVEL ONLY)

<u>Advances to Other Funds</u>	<u>Advances from Other Funds</u>		
Road Fund	General Fund	\$	24,356
Ambulance Fund	General Fund		43,289
Economic Development Fund	General Fund		16,238
Nonmajor Fund	General Fund		29,781
			<u>113,664</u>
		\$	<u>113,664</u>

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

7. CAPITAL ASSETS

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

<u>Primary Government</u>	<u>Beginning, Balance</u>	<u>Increase</u>	<u>Decreases</u>	<u>Balance, Ending</u>
Capital assets not being depreciated				
Land	\$ 386,698	\$ -	\$ -	\$ 386,698
Capital assets being depreciated				
Buildings	4,214,520	3,630	-	4,218,150
Furniture, fixtures and equipment	2,572,245	366,445	-	2,938,690
Total	6,786,765	370,075	-	7,156,840
Less accumulated depreciation				
Buildings	(320,576)	(128,076)	-	(448,652)
Furniture, fixtures and equipment	(1,357,802)	(266,712)	-	(1,624,514)
Total accumulated depreciation	(1,678,378)	(394,788)	-	(2,073,166)
Total depreciable capital assets, net	5,108,387	(24,713)	-	5,083,674
Governmental activities capital assets, net	\$ 5,495,085	\$ (24,713)	\$ -	\$ 5,470,372

Depreciation expense of \$394,788 for the year ended December 31, 2007 was charged to the following governmental functions:

General Government	\$	90,968
Public Safety		81,049
Public Works		64,738
Health and Welfare		46,525
Culture and Recreation		111,508
Total	\$	<u>394,788</u>

TENSAS PARISH POLICE JURY

NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2007

8. INTERFUND TRANSFERS

Operating transfers for the year ended December 31, 2007 were as follows:

<u>Transfers In</u>	<u>Transfers Out</u>	
Road Fund	General Fund	\$ 289,800
General Fund	Landfill Site Fund	18,200
Road Fund	Landfill Site Fund	600
Road Fund	Nonmajor Fund	45,558
Nonmajor Fund	General Fund	75,600
Nonmajor Fund	Road Fund	26,802
Nonmajor Fund	Economic Development	51,782
Economic Development	Road Fund	1,015
Landfill Site	Nonmajor Fund	800
Nonmajor Fund	Landfill Site Fund	2,100
Nonmajor Fund	Nonmajor Fund	3,220
		<u>\$ 515,477</u>

Transfers are primarily used to cover operating expenses.

9. ACCOUNTS, SALARIES AND OTHER PAYABLES

The payables of \$75,910 at December 31, 2007 are as follows:

	<u>General</u> <u>Fund</u>	<u>Road</u> <u>Fund</u>	<u>Ambulance</u> <u>Fund</u>	<u>Health</u> <u>Unit</u> <u>Fund</u>	<u>Economic</u> <u>Development</u> <u>Fund</u>	<u>Other</u> <u>Governmental</u> <u>Funds</u>	<u>Total</u>
Salaries	\$ 1,337	\$ 2,489	\$ -	\$ -	\$ 228	\$ 282	\$ 4,336
Withholdings	9,120	11,790	-	-	17	11,585	32,512
Accounts	<u>8,926</u>	<u>9,834</u>	<u>10</u>	<u>1,329</u>	<u>826</u>	<u>18,137</u>	<u>39,062</u>
Total	<u>\$ 19,383</u>	<u>\$ 24,113</u>	<u>\$ 10</u>	<u>\$ 1,329</u>	<u>\$ 1,071</u>	<u>\$ 30,004</u>	<u>\$ 75,910</u>

10. LONG-TERM LIABILITIES AND CAPITAL LEASES

The following is a summary of general long-term debt transactions for the year ended December 31, 2007:

TENSAS PARISH POLICE JURY

NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2007

10. LONG-TERM LIABILITIES AND CAPITAL LEASES - continued

	Note Payable	Certificates of Indebtedness	Capital Leases	Landfill Closure and Postclosure Care Costs	Total
Long-term debt at January 1, 2007	\$ 156,150	\$ 237,000	\$ 94,726	\$ 813,938	\$ 1,301,814
Additions	-	-	-	40,698	40,698
Debt extinguished	(120,150)	-	-	-	(120,150)
Reductions	<u>(36,000)</u>	<u>(31,000)</u>	<u>(24,613)</u>	<u>-</u>	<u>(91,613)</u>
Long-term debt payable at December 31, 2007	<u>\$ -</u>	<u>\$ 206,000</u>	<u>\$ 70,113</u>	<u>\$ 854,636</u>	<u>\$ 1,130,749</u>

Debt of \$156,150 due to Louisiana Department of Economic Development (LDED) was forgiven during 2007. Under the agreement, the Tensas Parish Police Jury paid \$36,000 to LDED and the remaining \$120,150 was forgiven.

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 as follows:

Equipment	\$ 243,346
Less accumulated depreciation	<u>(137,859)</u>
	<u>\$ 105,487</u>

Depreciation in 2007 on capital lease equipment was \$24,335.

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, 2007:

	Certificates of Indebtedness	Capital Leases	Landfill Closure and Postclosure Care Costs	Total
Current portion	\$ 33,000	\$ 19,531	\$ 42,000	\$ 94,531
Long-term portion	<u>173,000</u>	<u>50,582</u>	<u>812,636</u>	<u>1,036,218</u>
Total	<u>\$ 206,000</u>	<u>\$ 70,113</u>	<u>\$ 854,636</u>	<u>\$ 1,130,749</u>

Long-term debt is comprised of the following issues:

TENSAS PARISH POLICE JURY

NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2007

10. LONG-TERM LIABILITIES AND CAPITAL LEASES - continued

Certificates of indebtedness:

\$245,999 certificates of indebtedness due in semi annual interest and principal payments totaling \$24,000 to \$32,000 thru 2012 with interest at 7.5%. Secured by pledge of annual revenues. \$ 140,000

\$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. 66,000

Capital lease:

\$163,000 capital lease due in monthly payments of \$1,907 thru August 2007 with interest at 4.55%. Secured by motor grader. \$ 70,113

Landfill closure costs:

Landfill closure costs estimated to occur in 2008 - 2057 854,636

Total long-term debt \$ 1,130,749

Annual debt service requirements to maturity for the following debt reported in the statement of net assets are as follows:

<u>Year</u>	<u>Certificate of Indebtedness</u>		<u>Capital Leases</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2008	\$ 33,000	\$ 15,000	\$ 19,531	\$ 3,677
2009	36,000	12,650	20,736	2,472
2010	39,000	10,068	22,016	1,192
2001	41,000	7,257	7,830	100
Thereafter	<u>57,000</u>	<u>6,432</u>	-	-
Total	<u>\$ 206,000</u>	<u>\$ 51,407</u>	<u>\$ 70,113</u>	<u>\$ 7,441</u>

The Police Jury's \$140,000 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, 2007, the Police Jury was in compliance with this covenant.

TENSAS PARISH POLICE JURY

NOTES TO THE FINANCIAL STATEMENTS

As of and for the Year Ended December 31, 2007

11. SOLID WASTE LANDFILL COSTS

State and federal laws and regulations require the police jury to 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 \$854,636 reported as landfill closure and postclosure care liability at December 31, 2007, represents 93 percent of the estimated capacity of the currently active cells. Of that amount, \$40,698 is attributable to operations of the current year. The police jury will recognize the remaining estimated cost of closure and postclosure care of \$484,451, as the remaining capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2007. The police jury expects to 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 \$1,339,087. 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, 2007, relating to the police jury's compliance with the LDEQ agreement:

Balance, December 31, 2006	\$ 507,615
Additions:	
Deposits	41,054
Interest earnings	<u>51,976</u>
Balance, December 31, 2007	<u>\$ 600,645</u>

12. RETIREMENT

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

TENSAS PARISH POLICE JURY

NOTES TO THE FINANCIAL STATEMENTS

As of and for the Year Ended December 31, 2007

12. RETIREMENT - continued

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.

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, 2007 were \$70,829.

13. RISK MANAGEMENT

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

REQUIRED SUPPLEMENTAL INFORMATION

TENSAS PARISH POLICE JURY

Budgetary Comparison Schedules

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

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

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

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

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

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

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

TENSAS PARISH POLICE JURY

Budgetary Comparison Schedule
 Budget and Actual (Non-GAAP Basis)
 General Fund
 For the Year Ended December 31, 2007

Exhibit 1-1

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Budgetary Basis)	Favorable (Unfavorable)
REVENUES				
Taxes:				
Ad valorem	\$ 579,003	\$ 590,581	\$ 590,581	\$ -
Other taxes	188,267	342,088	327,892	(14,196)
Licenses and permits	71,147	45,986	51,551	5,565
Intergovernmental revenues:				
State funds:				
State revenue sharing	19,064	25,908	25,908	-
Fire insurance rebates	19,224	20,766	20,766	-
State grants	-	60,430	60,430	-
Interest income	7,060	7,540	9,689	2,149
Other revenues	69,641	101,854	99,097	(2,757)
Total Revenues	953,406	1,195,153	1,185,914	(9,239)
EXPENDITURES				
General government:				
Legislative	214,509	192,845	132,793	60,052
Judicial	93,888	97,810	95,932	1,878
Elections	20,318	42,139	35,897	6,242
Finance and administration	194,494	200,683	205,055	(4,372)
Other general government	107,681	173,754	276,199	(102,445)
Public safety	89,885	91,685	107,581	(15,896)
Health and welfare	8,527	6,588	6,878	(290)
Culture and recreation	20,787	20,735	234	20,501
Transportation	1,913	3,027	-	3,027
Capital outlay	-	20,572	28,361	(7,789)
Total Expenditures	752,002	849,838	888,930	(39,092)
EXCESS OF REVENUES OVER EXPENDITURES	201,404	345,315	296,984	(48,331)
OTHER FINANCING (Uses)				
Transfers (out)	(201,404)	(374,027)	(347,200)	26,827
Net change in fund balances	-	(28,712)	(50,216)	(21,504)
Fund balance, beginning	609,185	609,185	609,185	-
Fund balance, ending	\$ 609,185	\$ 580,473	\$ 558,969	\$ (21,504)

TENSAS PARISH POLICE JURY

Budgetary Comparison Schedule
 Budget and Actual (Non-GAAP Basis)
 Road Fund
 For the Year Ended December 31, 2007

Exhibit 1-2

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Budgetary Basis)	Favorable (Unfavorable)
REVENUES				
Taxes:				
Sales taxes	\$ 330,336	\$ 344,442	\$ 347,938	\$ 3,496
Intergovernmental revenues:				
State funds:				
State grants	-	16,600	16,600	-
Parish transportation funds	67,889	119,667	128,451	8,784
Interest income	4,716	3,036	3,214	178
Other revenues	48,897	57,983	3,925	(54,058)
Total Revenues	<u>451,838</u>	<u>541,728</u>	<u>500,128</u>	<u>(41,600)</u>
EXPENDITURES				
General government:				
Finance and administrative	11,628	11,754	20,597	(8,843)
Public works	633,999	744,868	771,334	(26,466)
Capital outlay	29,731	83,608	55,489	28,119
Total Expenditures	<u>675,358</u>	<u>840,230</u>	<u>847,420</u>	<u>(7,190)</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(223,520)	(298,502)	(347,292)	(48,790)
OTHER FINANCING SOURCES:				
Transfers in	<u>223,520</u>	<u>298,502</u>	<u>308,140</u>	<u>9,638</u>
Net change in fund balances	-	-	(39,152)	(39,152)
Fund balance, beginning	<u>160,013</u>	<u>160,013</u>	<u>160,013</u>	<u>-</u>
Fund balance, ending	<u>\$ 160,013</u>	<u>\$ 160,013</u>	<u>\$ 120,861</u>	<u>\$ (39,152)</u>

TENSAS PARISH POLICE JURY

Budgetary Comparison Schedule
 Budget and Actual (Non-GAAP Basis)
 Ambulance Fund
 For the Year Ended December 31, 2007

Exhibit 1-3

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u> <u>(Budgetary Basis)</u>	<u>Favorable</u> <u>(Unfavorable)</u>
<u>REVENUES</u>				
Taxes:				
Sales taxes	\$ 526,603	\$ 612,191	\$ 614,681	\$ 2,490
Interest income	17,055	39,851	46,701	6,850
Total Revenues	<u>543,658</u>	<u>652,042</u>	<u>661,382</u>	<u>9,340</u>
<u>EXPENDITURES</u>				
General government:				
Finance and administrative	34,706	38,646	40,588	(1,942)
Health and welfare	<u>286,428</u>	<u>291,473</u>	<u>305,875</u>	<u>(14,402)</u>
Total Expenditures	<u>321,134</u>	<u>330,119</u>	<u>346,463</u>	<u>(16,344)</u>
EXCESS OF REVENUES OVER EXPENDITURES	222,524	321,923	314,919	(7,004)
Fund balance, beginning	<u>860,905</u>	<u>860,905</u>	<u>860,905</u>	<u>-</u>
Fund balance, ending	<u>\$1,083,429</u>	<u>\$ 1,182,828</u>	<u>\$ 1,175,824</u>	<u>\$ (7,004)</u>

TENSAS PARISH POLICE JURY

Budgetary Comparison Schedule
 Budget and Actual – (Non-GAAP Basis)
 Health Unit Fund
 For the Year Ended December 31, 2007

Exhibit 1-4

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u> <u>(Budgetary Basis)</u>	<u>Favorable</u> <u>(Unfavorable)</u>
<u>REVENUES</u>				
Taxes:				
Ad valorem	\$ 114,943	\$ 119,984	\$ 117,403	\$ (2,581)
Intergovernmental revenues:				
State funds:				
State revenue sharing	9,242	8,239	10,820	2,581
Interest income	<u>5,415</u>	<u>23,427</u>	<u>24,831</u>	<u>1,404</u>
Total Revenues	<u>129,600</u>	<u>151,650</u>	<u>153,054</u>	<u>1,404</u>
<u>EXPENDITURES</u>				
General government:				
Finance and administrative	5,438	5,772	5,772	-
Health and welfare	<u>54,321</u>	<u>67,393</u>	<u>68,560</u>	<u>(1,167)</u>
Total Expenditures	<u>59,759</u>	<u>73,165</u>	<u>74,332</u>	<u>(1,167)</u>
EXCESS OF REVENUES OVER EXPENDITURES	69,841	78,485	78,722	237
Fund balance, beginning	<u>558,113</u>	<u>558,113</u>	<u>558,113</u>	<u>-</u>
Fund balance, ending	<u>\$ 627,954</u>	<u>\$ 636,598</u>	<u>\$ 636,835</u>	<u>\$ 237</u>

TENSAS PARISH POLICE JURY

Budgetary Comparison Schedule
 Budget and Actual (Non-GAAP Basis)
 Economic Development Unit Fund
 For the Year Ended December 31, 2007

Exhibit 1-5

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u> <u>(Budgetary Basis)</u>	<u>Favorable</u> <u>(Unfavorable)</u>
<u>REVENUES</u>				
Taxes:				
Sales taxes	\$ 220,234	\$ 229,638	\$ 239,583	\$ 9,945
Intergovernmental revenues:				
Federal funds - federal grants	-	145,000	145,000	-
State funds:				
Other state grants	-	191,695	191,695	-
Interest income	3,161	13,073	14,186	1,113
Other revenues	800	4,541	4,420	(121)
Total Revenues	<u>224,195</u>	<u>583,947</u>	<u>594,884</u>	<u>10,937</u>
<u>EXPENDITURES</u>				
General government:				
Finance and administrative	23,085	28,411	31,638	(3,227)
Economic development and assistance	159,033	187,309	113,878	73,431
Capital outlay	15,000	218,025	241,398	(23,373)
Total Expenditures	<u>197,118</u>	<u>433,745</u>	<u>386,914</u>	<u>46,831</u>
EXCESS OF REVENUES OVER EXPENDITURES	27,077	150,202	207,970	57,768
OTHER FINANCING SOURCES				
Transfers (out)	-	-	(50,767)	(50,767)
Net change in fund balances	27,077	150,202	157,203	7,001
Fund balance, beginning	420,730	420,730	420,730	-
Fund balance, ending	<u>\$ 447,807</u>	<u>\$ 570,932</u>	<u>\$ 577,933</u>	<u>\$ 7,001</u>

TENSAS PARISH POLICE JURY

Budgetary Comparison Schedule
 Budget and Actual (Non-GAAP Basis)
 Landfill Site Fund
 For the Year Ended December 31, 2007

Exhibit 1-6

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Budgetary Basis)	Favorable (Unfavorable)
REVENUES				
Fees, charges and commissions	\$ 54,612	\$ 57,056	\$ 105,490	\$ 48,434
Investment income	2,350	5,434	57,780	52,346
Total Revenues	<u>56,962</u>	<u>62,490</u>	<u>163,270</u>	<u>100,780</u>
EXPENDITURES				
General government:				
Finance and administrative	2,511	3,870	3,870	-
Principal retirement	-	36,000	36,000	-
Capital outlay	4,300	4,350	4,350	-
Total expenditures	<u>6,811</u>	<u>44,220</u>	<u>44,220</u>	<u>-</u>
EXCESS OF REVENUES OVER EXPENDITURES	50,151	18,270	119,050	100,780
OTHER FINANCING (Uses)				
Transfers (out)	<u>(103,900)</u>	<u>-</u>	<u>(20,100)</u>	<u>(20,100)</u>
Net change in fund balances	(53,749)	18,270	98,950	80,680
Fund balance, beginning	<u>629,952</u>	<u>629,952</u>	<u>629,952</u>	<u>-</u>
Fund balance, ending	<u>\$ 576,203</u>	<u>\$ 648,222</u>	<u>\$ 728,902</u>	<u>\$ 80,680</u>

TENSAS PARISH POLICE JURY

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

Budgetary Comparison Schedule

1. Basis of Presentation

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

2. Budget Adoption and Amendments

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

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

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

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

3. Budget/GAAP Reconciliation

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

TENSAS PARISH POLICE JURY

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION – continued

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

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

	General Fund	Road Fund	Ambulance Fund	Health Unit Fund	Economic Development Fund	Landfill Site Fund
Net change budget basis	\$ (50,216)	\$ (39,152)	\$ 314,919	\$ 78,722	\$ 157,203	\$ 98,950
Increase (decrease)						
Net adjustments for revenue accruals	(5,815)	(1,079)	11,557	(2,323)	(738)	5,451
Net adjustments for expenditure accruals	(6,559)	(9,014)	-	(133)	(753)	-
Net change GAAP Basis	<u>\$ (62,590)</u>	<u>\$ (49,245)</u>	<u>\$ 326,476</u>	<u>\$ 76,266</u>	<u>\$ 155,712</u>	<u>\$ 104,401</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, 2007

Exhibit 2

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 949,585	\$ -	\$ 949,585
Receivables	293,670	-	293,670
Restricted assets	-	27,667	27,667
Advances to other funds	<u>29,781</u>	<u>-</u>	<u>29,781</u>
TOTAL ASSETS	<u><u>1,273,036</u></u>	<u><u>27,667</u></u>	<u><u>1,300,703</u></u>
 LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts, salaries and other payables	30,004	-	30,004
Intergovernmental payables	<u>21,526</u>	<u>-</u>	<u>21,526</u>
Total Liabilities	<u><u>51,530</u></u>	<u><u>-</u></u>	<u><u>51,530</u></u>
 Fund Balances:			
Reserved for:			
Debt service	-	27,667	27,667
Unreserved, reported in			
Special Revenue	<u>1,221,506</u>	<u>-</u>	<u>1,221,506</u>
Total Fund Balances	<u><u>1,221,506</u></u>	<u><u>27,667</u></u>	<u><u>1,249,173</u></u>
 TOTAL LIABILITIES AND FUND BALANCES	 <u><u>\$ 1,273,036</u></u>	 <u><u>\$ 27,667</u></u>	 <u><u>\$ 1,300,703</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, 2007

Exhibit 3

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Total</u>
REVENUES			
Taxes:			
Ad valorem	\$ 283,019	\$ -	283,019
Sales taxes	313,371	-	313,371
Intergovernmental revenues:			
State funds:			
State revenue sharing	24,656	-	24,656
Other state grants	20,645	-	20,645
Fees, charges and commissions	84,479	-	84,479
Fines and forfeitures	66,713	-	66,713
Investment income	36,052	850	36,902
Other Revenues	<u>50,634</u>	<u>-</u>	<u>50,634</u>
TOTAL REVENUES	<u>879,569</u>	<u>850</u>	<u>880,419</u>
EXPENDITURES			
General government			
Judicial	158,923	-	158,923
Finance and administrative	72,219	-	72,219
Public safety	90,608	-	90,608
Public works	215,927	-	215,927
Culture and recreation	163,402	-	163,402
Debt service:			
Principal retirement	-	55,613	55,613
Interest and bank charges	-	21,372	21,372
Capital outlay	<u>40,477</u>	<u>-</u>	<u>40,477</u>
TOTAL EXPENDITURES	<u>741,556</u>	<u>76,985</u>	<u>818,541</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	138,013	(76,135)	61,878

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, 2007

Exhibit 3

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Total</u>
OTHER FINANCING SOURCES (Uses)			
Transfers in	\$ 77,700	\$ 81,804	\$ 159,504
Transfers (out)	<u>(49,577)</u>	<u>-</u>	<u>(49,577)</u>
Total Other Financing Sources	<u>28,123</u>	<u>81,804</u>	<u>109,927</u>
Net change in fund balances	166,136	5,669	171,805
Fund balance, beginning	<u>1,055,370</u>	<u>21,998</u>	<u>1,077,368</u>
Fund balance, ending	<u>\$ 1,221,506</u>	<u>\$ 27,667</u>	<u>\$ 1,249,173</u>

TENSAS PARISH POLICE JURY

NONMAJOR SPECIAL REVENUE FUNDS
 Combining Balance Sheet
 December 31, 2007

Exhibit 4

	Drainage District No.1	Drainage District No. 2	Drainage District No. 3	Waste Collection
ASSETS				
Cash and cash equivalents	\$ 50,568	\$ 203,350	\$ 80,134	\$ 419,210
Receivables	37,258	40,452	25,643	31,983
Advances to other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,662</u>
TOTAL ASSETS	<u>87,826</u>	<u>243,802</u>	<u>105,777</u>	<u>472,855</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts, salaries and other payables	-	-	-	8,845
Intergovernmental payables	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,845</u>
Fund Balances:				
Reserved for:				
Advances	-	-	-	21,662
Unreserved (deficit)	<u>87,826</u>	<u>243,802</u>	<u>105,777</u>	<u>442,348</u>
Total Fund Balances	<u>87,826</u>	<u>243,802</u>	<u>105,777</u>	<u>464,010</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 87,826</u>	<u>\$ 243,802</u>	<u>\$ 105,777</u>	<u>\$ 472,855</u>

TENSAS PARISH POLICE JURY

NONMAJOR SPECIAL REVENUE FUNDS
 Combining Balance Sheet
 December 31, 2007

Exhibit 4

<u>Criminal Court</u>	<u>Library</u>	<u>Emergency Preparedness</u>	<u>Fire Protection</u>	<u>Rural Development</u>	<u>Total</u>
\$ 10	\$ 182,602	\$ 24	\$ 13,687	\$ -	\$ 949,585
4,424	141,983	-	11,927	-	293,670
-	-	-	8,119	-	29,781
<u>4,434</u>	<u>324,585</u>	<u>24</u>	<u>33,733</u>	<u>-</u>	<u>1,273,036</u>
5,296	12,349	3,514	-	-	30,004
-	-	-	21,526	-	21,526
<u>5,296</u>	<u>12,349</u>	<u>3,514</u>	<u>21,526</u>	<u>-</u>	<u>51,530</u>
-	-	-	8,119	-	29,781
(862)	312,236	(3,490)	4,088	-	1,191,725
<u>(862)</u>	<u>312,236</u>	<u>(3,490)</u>	<u>12,207</u>	<u>-</u>	<u>1,221,506</u>
<u>\$ 4,434</u>	<u>\$ 324,585</u>	<u>\$ 24</u>	<u>\$ 33,733</u>	<u>\$ -</u>	<u>\$ 1,273,036</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, 2007

Exhibit 5

	Drainage District <u>No.1</u>	Drainage District <u>No. 2</u>	Drainage District <u>No. 3</u>	Waste <u>Collection</u>
REVENUES				
Taxes:				
Ad valorem	\$ 42,023	\$ 45,512	\$ 28,520	\$ -
Sales taxes	-	-	-	313,371
Intergovernmental revenues:				
State funds:				
State revenue sharing	3,309	4,140	1,508	-
Other state grants	-	-	-	-
Fees, charges and commissions	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment income	1,552	6,505	2,391	14,149
Other Revenues	-	3,151	-	9,914
TOTAL REVENUES	<u>46,884</u>	<u>59,308</u>	<u>32,419</u>	<u>337,434</u>
EXPENDITURES				
General government				
Judicial	-	-	-	-
Finance and administrative	7,099	2,800	2,846	23,715
Public safety	-	-	-	-
Public works	406	240	225	215,056
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	<u>7,505</u>	<u>3,040</u>	<u>3,071</u>	<u>238,771</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	39,379	56,268	29,348	98,663
OTHER FINANCING SOURCES (Uses)				
Transfers in	-	-	-	-
Transfers (out)	(14,183)	(14,913)	(14,555)	(5,126)
Total Other Financing Sources (Uses)	<u>(14,183)</u>	<u>(14,913)</u>	<u>(14,555)</u>	<u>(5,126)</u>
Net change in fund balances	25,196	41,355	14,793	93,537
Fund balance, beginning	<u>62,630</u>	<u>202,447</u>	<u>90,984</u>	<u>370,473</u>
Fund balance, ending	<u>\$ 87,826</u>	<u>\$ 243,802</u>	<u>\$ 105,777</u>	<u>\$ 464,010</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, 2007

Exhibit 5

<u>Criminal Court</u>	<u>Library</u>	<u>Emergency Preparedness</u>	<u>Fire Protection</u>	<u>Rural Development</u>	<u>Total</u>
\$ -	\$ 166,964	\$ -	\$ -	\$ -	\$ 283,019
-	-	-	-	-	313,371
-	15,699	-	-	-	24,656
-	20,645	-	-	-	20,645
-	-	84,479	-	-	84,479
66,713	-	-	-	-	66,713
203	10,783	163	306	-	36,052
4,643	7,427	-	25,499	-	50,634
<u>71,559</u>	<u>221,518</u>	<u>84,642</u>	<u>25,805</u>	<u>-</u>	<u>879,569</u>
158,923	-	-	-	-	158,923
-	14,611	7,150	13,598	400	72,219
-	-	90,608	-	-	90,608
-	-	-	-	-	215,927
-	163,402	-	-	-	163,402
-	40,477	-	-	-	40,477
<u>158,923</u>	<u>218,490</u>	<u>97,758</u>	<u>13,598</u>	<u>400</u>	<u>741,556</u>
(87,364)	3,028	(13,116)	12,207	(400)	138,013
75,600	-	2,100	-	-	77,700
-	(800)	-	-	-	(49,577)
<u>75,600</u>	<u>(800)</u>	<u>2,100</u>	<u>-</u>	<u>-</u>	<u>28,123</u>
(11,764)	2,228	(11,016)	12,207	(400)	166,136
<u>10,902</u>	<u>310,008</u>	<u>7,526</u>	<u>-</u>	<u>400</u>	<u>1,055,370</u>
<u>\$ (862)</u>	<u>\$ 312,236</u>	<u>\$ (3,490)</u>	<u>\$ 12,207</u>	<u>\$ -</u>	<u>\$ 1,221,506</u>

TENSAS PARISH POLICE JURY

SUPPLEMENTAL INFORMATION SCHEDULES

As of December 31, 2007

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, 2007

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, Jr.	14,400
Totals	<u>100,800</u>

Gravity Drainage District No. 1

Calvin Rabb	\$ 150
Woodrow Wiley, Jr.	250
Walter Butler	200
Roy Smith, Sr.	100
Totals	<u>700</u>

Gravity Drainage District No. 2

Bill Crigler	\$ 200
Curt Leake	200
LaVance Herring	200
Patrick Glass	150
Robert Scott	250
Totals	<u>1,000</u>

Gravity Drainage District No. 3

Sidney Lee	\$ 400
Clarence Evans	350
David Miller	350
Bobby Conner	450
Terry Mize, Jr.	150
Totals	<u>1,700</u>

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

SWITZER, HOPKINS & MANGE

Certified Public Accountants

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OFFICES IN NATCHEZ, MISSISSIPPI

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 accompanying primary government financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Tensas Parish Police Jury as of and for the year ended December 31, 2007, which collectively comprise the Tensas Parish Police Jury's basic primary government financial statements and have issued our report thereon dated June 24, 2008. The auditor's report on the primary government financial statements is modified to reflect that the primary government financial statements do not include the financial data of the component units. We conducted our audit in accordance with auditing standards generally accepted in the United States 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 opinions on the financial statements, but not to provide 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.

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 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.

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 Tensas Parish Police Jury's internal control

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

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 no instances of noncompliance or other matters that is required to be reported under *Government Auditing Standards*.

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
June 24, 2008

Switzer, Hopkins & Mang

SCHEDULE OF FINDINGS

TENSAS PARISH POLICE JURY

SCHEDULE OF FINDINGS

FOR THE YEAR ENDED DECEMBER 31, 2007

SECTION 1: SUMMARY OF AUDITORS' RESULTS

Financial Statements:

- | | |
|--|-------------|
| 1. Type of auditors' 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 |

TENSAS PARISH POLICE JURY

Status of Prior Audit Findings
For the Year Ended December 31, 2007

Ref No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken (Yes, No, Partially)	Planned Corrective Action/Partial Corrective Action Taken
Section I - Internal Control and Compliance Not Material to the Financial Statements:				
2006-1	2006	<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>	YES	This finding has been corrected for the year ended December 31, 2007
2006-2	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>	YES	This finding has been corrected for the year ended December 31, 2007

Section II - Internal Control and Compliance Material to Federal Awards

None

Section III - Management Letter:

None

TENSAS PARISH POLICE JURY

Current Year Findings and Recommendations
For the Year Ended December 31, 2007

<u>Ref No.</u>	<u>Description of Finding</u>	<u>Name(s) of Contact Person(s)</u>	<u>Anticipated Completion Date</u>
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Section I - Internal Control and Compliance Material to the Financial Statements:

None

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

None

Section III - Management Letter:

None