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**EAST FELICIANA PARISH POLICE JURY**  
**CLINTON, LOUISIANA**

**ANNUAL FINANCIAL STATEMENTS**

**As of December 31, 2006**  
**and for the Year Then Ended**



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

Release Date 7-11-07

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**INDEPENDENT AUDITOR'S REPORT**

June 4, 2007

To the Honorable Louis Kent, President  
and Members of the East Feliciana Parish Police Jury  
Clinton, Louisiana

I have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the East Feliciana Parish Police Jury as of and for the year ended December 31, 2006, which collectively comprises the Police Jury's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Police Jury's management. My responsibility is to express an opinion of these basic financial statements based on my audit.

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

In my opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the East Feliciana Parish Police Jury as of December 31, 2006, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 1, the East Feliciana Parish Police Jury has implemented a new financial reporting model, as required by the provisions of GASB Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis-For State and Local Governments, as of December 31, 2006.

The budgetary comparison information on pages 36 to 39 is not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. I have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and presentation of the supplementary information. However, I did not audit the information and express no opinion on it.

The East Feliciana Parish Police Jury has not presented Management's Discussion and Analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be part of, the basic financial statements.

My audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the East Feliciana Pairsh Police Jury's basic financial statements. The combining and individual nonmajor fund financial statements and schedules listed in the Table of Contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, are fairly stated in all material respects in relation to the financial statements taken as a whole.

In accordance with Government Auditing Standards, I have also issued a report dated June 4, 2007, on our consideration of East Feliciana Parish Police Jury's internal control over financial reporting and our tests of its compliance with laws and regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my 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 Governmental Auditing Standards and should be read in conjunction with this report in considering the results of my audit.

*Donald C. DeWille*

GOVERNMENT-WIDE FINANCIAL STATEMENTS

**GOVERNMENT-WIDE STATEMENT OF NET ASSETS**

**EAST FELICIANA PARISH POLICE JURY  
CLINTON, LOUISIANA  
December 31, 2006**

	<b>PRIMARY GOVERNMENT</b>		
	<b>GOVERNMENTAL</b>	<b>BUSINESS-TYPE</b>	
	<b>ACTIVITIES</b>	<b>ACTIVITIES</b>	<b>TOTAL</b>
<b>ASSETS:</b>			
Cash	\$3,700,634	\$0	\$3,700,634
Ad Valorem taxes	480,207	0	480,207
Sales Taxes Receivable	99,988	0	99,988
Other Taxes Receivable	13,856	0	13,856
Receivable From Other Governments	217,593	0	217,593
Accounts Receivable	56,206	0	56,206
Due From Other Funds	914,065	0	914,065
Fixed Assets, net	4,346,439	0	4,346,439
<b>Total Assets</b>	<b>9,828,988</b>	<b>0</b>	<b>9,828,988</b>
<b>LIABILITES</b>			
<b>LIABILITIES:</b>			
Notes and Bonds Payable	200,427	0	200,427
Bank Overdraft	34,687	0	34,687
Accounts Payable	121,986	0	121,986
Employee Withholdings	207	0	207
Due To Other Funds	788,127	0	788,127
Payable To Other Governments	59,204	0	59,204
Deferred Revenue	40,839	0	40,839
Compensated absences	39,546	0	39,546
	<b>1,285,023</b>	<b>0</b>	<b>1,285,023</b>
<b>NET ASSETS</b>			
Invested in Capital Assets, net of debt	4,346,439	0	4,346,439
Unrestricted	4,197,526	0	4,197,526
<b>Total Net Assets</b>	<b>\$8,543,965</b>	<b>\$0</b>	<b>\$8,543,965</b>

See accompanying notes to financial statements.

**GOVERNMENT WIDE STATEMENT OF ACTIVITIES**

**EAST FELICIANA PARISH POLICE JURY  
CLINTON, LOUISIANA  
FOR THE YEAR ENDED DECEMBER 31, 2006**

FUNCTIONS/PROGRAMS	Program Revenues			Capital Grants & Contributions	Net (Expenses) Revenues and Increases (Decreases) in Net Assets
	Expenses	Charges for Services	Grants and Contributions		
<b>PRIMARY GOVERNMENT</b>					
Governmental Activities					
General Government	\$604,697	\$144,691	\$716,089	\$0	(\$256,083)
Public Safety	1,232,937	141,680	22,564	0	1,068,693
Highways and Streets	3,361,817	5,150	716,469	0	2,640,198
Health and Welfare	238,400	8,860	38,677	0	190,863
Culture and Recreation	11,010	0	0	0	11,010
Sanitation	1,344,551	0	0	0	1,344,551
Economic Development	13,500	0	0	0	13,500
Interest on Long Term Debt	2,699	0	0	0	2,699
<b>Total Governmental Activities</b>	<b>6,809,611</b>	<b>300,381</b>	<b>1,493,799</b>	<b>0</b>	<b>5,015,431</b>
General Revenues:					
Property Taxes					462,448
Franchise Taxes					6,662
Other Taxes					3,310,556
Investment earnings					165,406
Rental Income					19,650
Other general revenues					140,013
<b>Total general revenues and transfers</b>					<b>4,104,735</b>
Change in Net Assets					(910,696)
Net assets-beginning					9,454,661
Net assets-ending					8,543,965

See accompanying notes to financial statements.



FUND FINANCIAL STATEMENTS

**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**

**EAST FELICIANA PARISH POLICE JURY**  
**CLINTON, LOUISIANA**  
**December 31, 2006**

	GENERAL FUND	ROADS & BRIDGES	HEALTH UNIT	SOLID WASTE	NONMAJOR FUNDS	TOTAL
<b>ASSETS:</b>						
Cash	\$308,724	\$92,826	\$2,814	\$3,046,254	\$250,016	\$3,700,634
Ad Valorem Taxes Receivable	211,970	0	196,659	0	71,578	480,207
Other Taxes Receivable	13,856	0	0	99,988	0	113,844
Accounts Receivable	41,905	0	0	0	14,301	56,206
Due From Other Funds	61,389	95,064	0	669,668	87,944	914,065
Receivable From Other Governments	157,140	23,602	25,785	0	11,066	217,593
<b>TOTAL ASSETS</b>	<b>794,984</b>	<b>211,492</b>	<b>225,258</b>	<b>3,815,910</b>	<b>434,905</b>	<b>5,482,549</b>

**LIABILITIES AND FUND BALANCES**

<b>LIABILITIES:</b>						
Bank Overdraft	\$0	\$0	\$0	\$0	\$34,687	\$34,687
Accounts Payable	850	0	0	109,268	11,868	121,986
Employee Withholding	0	0	0	0	207	207
Due To Other Funds	22,947	691,410	7,586	0	66,184	788,127
Payable to Other Governments	47,310	0	7,563	0	4,331	59,204
Deferred Revenue	0	0	0	0	40,839	40,839
	<b>71,107</b>	<b>691,410</b>	<b>15,149</b>	<b>109,268</b>	<b>158,116</b>	<b>1,045,050</b>

**FUND BALANCE:**

Unreserved	723,877	(479,918)	210,109	3,705,642	276,789	4,437,499
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**TOTAL LIABILITIES AND  
FUND EQUITY**

	794,984	211,492	225,258	3,815,910	434,905	5,482,549
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See accompanying notes to financial statements.

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCE  
TO THE GOVERNMENT-WIDE FINANCIAL STATEMENT OF NET ASSETS

EAST FELICIANA PARISH POLICE JURY  
CLINTON, LOUISIANA  
DECEMBER 31, 2006

Amounts reported for governmental activities in the Statement of Net Assets are different because:

Total Governmental Fund Balance	\$4,437,499
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	4,346,439
Long-term liabilities, including loans payable, are not due and payable in the current period and therefore are not reported in the funds.	(200,427)
Some expense reported in the statement of activities such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in government funds.	(39,546)
Net Assets of Governmental Activities	<u>8,543,965</u>

See accompanying notes to financial statements.

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**GOVERNMENTAL FUNDS**

**EAST FELICIANA PARISH POLICE JURY**  
**CLINTON, LOUISIANA**  
**YEAR ENDED DECEMBER 31, 2006**

	GENERAL FUND	ROAD & BRIDGES	HEALTH UNIT	SOLID WASTE	NONMAJOR FUNDS	TOTAL
<b>REVENUES:</b>						
Taxes	\$792,638	\$1,191,010	\$196,659	\$1,355,975	\$243,384	\$3,779,666
Intergovernmental	716,089	716,469	38,677	0	22,564	1,493,799
Fines	0	0	0	0	150,540	150,540
Licenses and Permits	115,756	5,150	0	0	0	120,906
Charges For Services	0	0	0	0	28,935	28,935
Rental Income	19,650	0	0	0	0	19,650
Investment Income	12,601	5,083	32,810	98,882	16,030	165,406
Miscellaneous	97,285	37,569	0	0	5,159	140,013
Total Revenue	1,754,019	1,955,281	268,146	1,454,857	466,612	5,898,915

**EXPENDITURES:**

Current:						
General Government	496,899	0	0	0	5,095	501,994
Public Safety	791,400	0	0	0	342,118	1,133,518
Highway and Streets	0	3,205,655	0	0	11,808	3,217,463
Health & Welfare	78,010	0	122,617	0	0	200,627
Culture & Recreation	3,510	0	0	0	0	3,510
Sanitation	0	0	0	1,330,839	0	1,330,839
Economic Development	13,500	0	0	0	0	13,500
Debt Service:						
Principal	8,525	0	0	0	15,469	23,994
Interest Expense	0	0	0	0	2,699	2,699
Capital Outlay	4,683	84,884	0	0	0	89,567
Total Expenditures	1,396,527	3,290,539	122,617	1,330,839	377,189	6,517,711

**EXCESS (DEFICIENCY) OF  
REVENUE OVER EXPENDITURES**

357,492 (1,335,258) 145,529 124,018 89,423 (618,796)

<b>OTHER SOURCES AND USES</b>									
Transfer In	0	500,000	0	0	0	0	0	0	500,000
Transfer Out	0	0	(500,000)	0	0	0	0	0	(500,000)
	0	500,000	(500,000)	0	0	0	0	0	0
<b>EXCESS (DEFICIENCY) OF REVENUE &amp;</b>									
<b>OTHER SOURCES OVER EXPENDITURES</b>	357,492	(835,258)	(354,471)	124,018	89,423				(618,796)
<b>FUND BALANCE, BEGINNING</b>	366,385	355,340	564,580	3,621,624	187,366				5,095,295
<b>RESIDUAL EQUITY TRANSFER</b>	0	0	0	0	0				0
<b>FUND BALANCE, ENDING</b>	<u>723,877</u>	<u>(479,918)</u>	<u>210,109</u>	<u>3,745,642</u>	<u>276,789</u>				<u>4,476,499</u>

See accompanying notes to financial statements.

**RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF  
ACTIVITIES**

**EAST FELICIANA PARISH POLICE JURY  
CLINTON, LOUISIANA**

**YEAR ENDED DECEMBER 31, 2006**

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

Net Change in Fund Balances-Total Governmental Funds	\$ (618,796)
Governmental funds report capital outlays 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 exceeded depreciation in the current period.	(316,847)
Some expense reported in the statement of activities such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	953
Some Governmental Funds other sources reported as income; however, in the statement of activities, the income is not reported, such as loans proceeds.	(-0-)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of assets.	<u>23,994</u>
Changes in Net Assets of Governmental Activities	<u><u>(910,696)</u></u>

See accompanying notes to financial statements.

**STATEMENT OF FIDUCIARY NET ASSETS**  
**AGENCY FUNDS**

**EAST FELICIANA PARISH POLICE JURY**  
**CLINTON, LOUISIANA**  
**December 31, 2006**

	<b>SALES TAX</b>	<b>LIBRARY TAX</b>	<b>TOTAL</b>
<b>ASSETS</b>			
Cash	\$0	\$0	\$0
Receivables:			
Ad Valorem	0	196,659	196,659
Sales Taxes	195,353	0	195,353
Receivable From Other Governments	0	27,569	27,569
<b>Total Assets</b>	<b>195,353</b>	<b>224,228</b>	<b>419,581</b>
<b>LIABILITIES</b>			
Payables:			
Interfund	\$125,937	\$0	\$125,937
Payable To Other Governments	69,416	224,228	293,644
<b>Total Liabilities</b>	<b>195,353</b>	<b>224,228</b>	<b>419,581</b>
<b>NET ASSETS</b>	<b>0</b>	<b>0</b>	<b>0</b>

See accompanying notes to financial statements.

**EAST FELICIANA PARISH POLICE JURY**  
**CLINTON, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2006**

**Introduction**

The East Feliciana Parish Police Jury (Police Jury) is the governing authority for East Feliciana Parish and is a political subdivision of the State of Louisiana. The Police Jury is governed by nine jurors representing the various districts within the parish.

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

The area of East Feliciana Parish is 455 square miles and the Police Jury maintains 288 miles of roads. The population of East Feliciana Parish is 21,360 persons and the Police Jury employs about 55 persons.

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 government 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.

The police jury has determined that the following component units are part of the reporting entity:

<u>Component-Units</u>	<u>Year End</u>	<u>Criteria</u>
Audubon Regional Library	December 31	2
Water District No. 1	December 31	1
Gas Utility District No. 1	April 30	1
Gas Utility District No. 2	August 31	1
East Feliciana Council on Aging	June 30	2
East Feliciana Parish Sheriff	December 31	1
East Feliciana Parish Clerk of Court	June 30	1
East Feliciana Tax Assessor	June 30	1



**EAST FELICIANA PARISH POLICE JURY**  
**CLINTON, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2006**

20th Judicial District-District Attorney	December 31	1
Industrial Development Board	December 31	1
Fire Protection District	December 31	1

The police jury has chosen to issue financial statements of the primary government (police jury) only; therefore, none of the previous listed component units are included in the accompanying financial statements. GASB Statement 14 provides for the issuance of primary government financial statements that separate from those of the reporting entity. However, an primary government's financial statements are not a substitute for the reporting entity's financial statements. The accompanying primary government financial statements have been prepared in conformity with generally accepted accounting principles as applied to governmental units.

These financial statements are not intended to and do not report on the reporting entity but rather are intended to reflect only the financial statements of the primary government (police jury).

**Note 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. For the most part, the effect of interfund activity has been removed from those statements. Governmental activities, which normally are supported by taxes 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.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are 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, 2) grants and contributions that are restricted to meeting the operational or capital requirement of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

**EAST FELICIANA PARISH POLICE JURY**  
**CLINTON, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2006**

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statement.

**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, as are the propriety fund and fiduciary fund financial statements. 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.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

The police jury reports the following major governmental funds:

**General Fund** is the general operating fund of the Police Jury. It is used to account for all financial resources except those required to be accounted for in another fund.

**EAST FELICIANA PARISH POLICE JURY**  
**CLINTON, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2006**

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

**MAJOR SPECIAL REVENUE FUNDS**

**Roads and Bridge Fund** is used to account for funds used to provide repair and maintenance to the parish's roads and bridges.

**Health Unit Fund** is use to account for funds used to administer parish health unit.

**Solid Waste Fund** is used to account for funds used to provide sanitation services to the parish.

As a general rule the effect of interfund activities has been eliminated from the government-wide financial statements.

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 a program revenues. Likewise, general revenues included 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**

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

**EAST FELICIANA PARISH POLICE JURY**  
**CLINTON, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2006**

**D. Receivable and Payables**

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

Advances between funds, are 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 taxes receivable are shown net of an of an allowance for uncollectives.

Accounts receivable are written-off under the direct write-off method whereby bad debts are recorded when a receivable is deemed uncollectible. If they are subsequently collected they are recorded as miscellaneous income.

The direct charge-off method is not a material departure from GAAP as it approximates the valuation method.

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

<b><u>TAXES DUE FOR:</u></b>	<b><u>AUTHORIZED</u></b> <b><u>MILLAGE</u></b>	<b><u>LEIVED</u></b> <b><u>MILLAGE</u></b>
<b>Parish-wide Taxes:</b>		
<b>General Fund</b>		
General Fund	1.38	1.38
General Fund	2.77	2.77
<b>Special Revenue</b>		
Health Unit	2.50	2.50
Emergency 911	.91	.91
<b>Agency Fund</b>		
Library Tax	2.50	2.50

**EAST FELICIANA PARISH POLICE JURY**  
**CLINTON, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2006**

The following are the principal taxpayers for the parish and related ad valorem tax revenue for the police jury:

<u>TAXPAYER</u>	<u>TYPE OF BUSINESS</u>	<u>ASSESSED VALUATION</u>	<u>% OF TOTAL ASSESSED VALUATION</u>	<u>AD VALOREM TAX REVENUE</u>
Colonial Pipeline	Oil & Gas	\$10,683,880	1.05%	\$484,790
Transcontinental Gas	Oil & Gas	6,771,860	0.66%	306,823
Entergy	Utility	4,338,500	0.42%	197,126

The East Feliciana Parish Police Jury receives the following sales taxes: 1.00% Designated for Roads and Bridges and 1.00% Designated for Solid Waste approved by the voters of the parish. The Police Jury also splits a new 1.0% sales tax between the General and Road and Bridge Funds. The police jury has entered into an agreement with the East Feliciana Parish School Board whereby the school board will collect the police jury's sales and use tax for a stipulated fee. The school board remits the proceeds of the sales and use tax to the police jury on a monthly basis.

**E. Prepaid Items**

Insurance and similar services which extend over more than one accounting period have been recorded as prepaid.

**F. Capital Assets**

Capital assets, which include property, plant equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type columns in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated asset are recorded as capital assets at their estimated fair market value at the date of donation. The police jury maintains a threshold level of \$2,500 or more for capitalizing capital assets.

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

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

Buildings	40 Years
Equipment	5-10 Years
Vehicles	5 Years
Computers	10 Years

Salvage values have not been established by management when calculating how much of an asset's cost needs to be depreciated.

Depreciation is not computed or recorded on capital assets for purposes of the Fund Financial Statements.

**G. Compensated Absences**

The police jury has the following policy relating to vacation and sick leave:

**Annual Leave - Hourly Employees**

1 Week after 1 year of service  
2 Weeks after 3 years of service  
3 Weeks after 6 years of service  
4 Weeks after 12 years of service

**Annual Leave - Salaried Employees**

1 Week after 1 year of service  
2 Weeks after 2 years of service  
3 Weeks after 5 years of service  
4 Weeks after 10 years of service

**Sick Leave - Full Time Employees**

5 Days after 1 year of service plus  
1 1/2 days for each year of service.

**Sick Leave - Part Time Employees**

Prorated on number of days worked per year as follows:  
3 days a week - 156 days yearly = 62% or 7 hours per year  
2 days a week - 104 days yearly = 40% of 10 hours per year  
5 days per month - 60 days yearly = 23% or 3 hours per year

The police jury's recognition and measurement criteria for compensated absences follows:

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GASB Statement No. 16 provides that vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if both of the following conditions are met:

1. The employee's rights to receive compensation are attributable to service already rendered.
2. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

The Police Jury's sick leave policy does not provide for the vesting of sick leave thereby requiring the employee to be paid for any unused leave upon termination of employment. Accordingly, no amounts have been accrued as unpaid compensated absence in the Government-Wide Financial Statements relative to sick leave.

The entire compensated absence liability is reported on the government-wide financial statements. For governmental fund financial statements, the current portion of unpaid compensated absences is the amount that is normally expected to be paid using expendable available financial resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported.

**H. Long Term Obligations**

In the government-wide financial statements, and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities, in applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance cost are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognized bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financial sources while discounts on debt issuances are reported as other financing uses. Issuance costs whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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**I. 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.

**J. ESTIMATES**

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

**NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**a. BUDGETS**

The Police Jury uses the following budget practices:

1. A proposed operating budget for the fiscal year is presented by either the finance committee or secretary-treasurer of the Police Jury. The operating budget includes proposed expenditures and the means of financing them.
2. The Police Jury conducts public hearings on the budget, which must be adopted by December 15.
3. Budget amendments involving the transfer of funds from one department, program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the respective Governing Board.
4. All unencumbered budget appropriations, except project budgets, lapse at the end of each fiscal year.
5. Budgets are adopted on the GAAP Basis.



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**B. Expenditures Exceeding Appropriations**

The following individual funds have actual expenditures over budgeted expenditures for the year ended December 31, 2006:

<u>FUND</u>	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>UNFAVORABLE VARIANCE</u>
Roads & Bridges	\$3,171,500	\$3,290,539	\$(119,039)

**NOTE 3 - CASH AND CASH EQUIVALENTS**

At December 31, 2006, the Police Jury had cash and cash equivalent (book balances) totaling \$3,700,634. These deposits are stated at cost, which approximates market.

Under state law, all bank deposits must be (1) secured by federal deposit insurance or by the pledge of securities owned by the fiscal agent bank, or (2) invested exclusively in instruments backed by the U.S. government. The fair value of the pledged securities plus the federal deposit insurance must always equal or exceed the amount on deposit with the fiscal agent.

**Custodial Credit Risk-Deposits.** At year-end the bank balances was \$4,140,927. Of the bank balances, \$362,822 was covered by federal depository insurance. \$7,274,022 was collateralized with securities held by the pledging financial institution's trust department or agent but not in the Fire Protection Subdistrict's name (GASB Category 3).

GASB Statement 3 categorizes deposits into three categories of credit risk:

1. Insured by FDIC or collateralized with securities held by the Police Jury or by its agent in the Police Jury's name. (Category 1)
2. Uninsured but collateralized with securities held by the pledging financial institution trust department or agent in the Police Jury's name. (Category 2)
3. Uninsured and uncollateralized; or collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the Police Jury name; or collateralized with no written or approved collateral agreement. (Category 3)

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

**Interest Rate-Deposits.** The Council's policy does not address interest rate risk.

**NOTE 4 - RECEIVABLES**

A. A Summary of Receivables as of December 31, 2006, Follows:

<u>CLASS OF RECEIVABLE</u>	<u>GOVERNMENTAL FUNDS</u>				
	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>SUB-TOTAL</u>	<u>AGENCY</u>	<u>TOTAL</u>
Taxes:					
Ad Valorem	\$211,970	\$268,237	\$480,207	\$196,659	\$676,866
Franchise & Other	13,856	99,988	113,844	195,353	309,197
	<u>225,826</u>	<u>368,225</u>	<u>594,051</u>	<u>392,012</u>	<u>986,063</u>
Intergovernmental:					
Federal	-0-	-0-	-0-	-0-	-0-
State	123,600	12,715	136,315	-0-	217,593
Local	33,540	47,738	81,278	-0-	81,278
	<u>157,140</u>	<u>60,453</u>	<u>217,593</u>	<u>-0-</u>	<u>217,593</u>
Accounts Receivable:					
Accounts	41,905	14,301	56,206	-0-	56,206
	<u>41,905</u>	<u>14,301</u>	<u>56,206</u>	<u>-0-</u>	<u>56,206</u>
Total	<u>424,871</u>	<u>442,979</u>	<u>867,850</u>	<u>392,012</u>	<u>1,259,862</u>

Accounts receivable are written-off under the direct write-off method whereby bad debts are recorded when a receivable is deemed uncollectible. If they are subsequently collected they are recorded as miscellaneous income.

The direct charge-off method is not a material departure from GAAP as it approximates the valuation method.

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**NOTE 5 - INTERFUND RECEIVABLES/PAYABLES**

Due To/From Other Funds:

<u>RECEIVABLE FUND</u>	<u>PAYABLE FUND</u>	<u>AMOUNT</u>	<u>PURPOSE</u>
General Fund	Health Unit	\$640	Equity Transfer
General Fund	Payroll	9,740	Operations
General Fund	Criminal Court	18,457	Operations
General Fund	Sales Tax	30,873	Operations
General Fund	EPA	1,679	Operations
Road & Bridges	Sales Tax	95,064	Operations
Payroll	Road & Bridges	41,410	Salaries
Payroll	E 911	5,517	Salaries
Payroll	Coroner	1,394	Salaries
Payroll	Health Unit	6,946	Salaries
Payroll	Criminal Court	4,669	Salaries
Payroll	FEMA	5,061	Salaries
Solid Waste	Road & Bridges	650,000	Operations
Solid Waste	Payroll	19,668	Operations
Clerk of Court	General Fund	22,947	Operations
Total		914,065	

**NOTE 6 - CAPITAL ASSETS**

Capital asset activity for the year ended was as follows:

	<u>BEGINNING BALANCE</u>	<u>INCREASES</u>	<u>DECREASES</u>	<u>ENDING BALANCE</u>
<b><u>Governmental Activities:</u></b>				
Not Being Depreciated				
Land	\$259,230	\$-0-	\$-0-	\$259,230
Other Capital Assets				
Buildings	5,855,318	-0-	\$-0-	5,855,318
Equipment	3,298,546	89,524	-0-	3,388,070
Sub Total	9,413,094	89,524	-0-	9,502,618
Accumulated Depreciation				
Buildings	2,987,639	146,384	-0-	3,136,644
Equipment	1,762,126	260,030	-0-	2,019,535
Sub Total	4,749,765	406,414	-0-	5,156,179
<b>Net Capital Assets</b>	4,663,329	(316,890)	-0-	4,346,439

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**NOTE 6 - CAPITAL ASSETS** (Continued)

Depreciation was charged to governmental activities as follows:

General Government	\$103,656
Public Safety	99,419
Highways and Streets	156,162
Health	25,965
Culture & Recreation	7,500
Sanitation	13,712

Total governmental activities depreciation expense	<u>406,414</u>
--	----------------

**NOTE 7 - ACCOUNTS, SALARIES AND OTHER PAYABLES**

The payables of \$110,118 at December 31, 2006, are as follows:

<u>PAYABLE TO</u>	<u>GOVERNMENTAL FUNDS</u>				<u>TOTAL</u>
	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>SUB-TOTAL</u>	<u>AGENCY</u>	
Accounts	<u>\$850</u>	<u>121,136</u>	<u>\$121,986</u>	<u>\$-0-</u>	<u>\$121,986</u>

The following is a summary of the payable to other governments as of December 31, 2006:

<u>PAYABLE TO</u>	<u>GOVERNMENTAL FUNDS</u>				<u>TOTAL</u>
	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>SUB-TOTAL</u>	<u>AGENCY</u>	
Sheriff	\$29,552	\$11,894	\$41,446	\$7,563	\$49,009
Audubon Library	-0-	-0-	-0-	216,665	216,665
Town of Slaughter	-0-	-0-	-0-	8,821	8,821
Town of Jackson	-0-	-0-	-0-	27,538	27,538
Village of Norwoo	-0-	-0-	-0-	3,981	3,981
Village of Wilson	-0-	-0-	-0-	7,328	7,328
Town of Clinton	17,758	-0-	17,758	21,748	39,506
Total	<u>47,310</u>	<u>11,894</u>	<u>59,204</u>	<u>293,644</u>	<u>352,848</u>

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**NOTE 8 - LEASES**

The Police Jury does not record immaterial items under capital leases as assets and obligations in the accompanying financial statements.

The Police Jury's leases for buildings and office space have expired. These leases are on a month to month basis.

The minimum annual commitments under noncancelable operating leases are as follows:

<u>FISCAL YEAR END</u>	<u>BUILDING &amp; OFFICE FACILITIES</u>	<u>EQUIPMENT</u>	<u>TOTAL</u>
12-31-2007	\$-0-	-0-	\$-0-

**NOTE 9 - LONG-TERM OBLIGATIONS**

On February 5, 2004, the police jury obtained a Revenue Bond for \$170,000 at 4.25% interest which matures February 5, 2014. At year-end \$119,188 was still owed.

On January 1, 2006, entered into an agreement to pay back \$90,265 on a defaulted grant over 120 months with 0% interest. At year-end \$81,238 was still owed.

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:

	<u>GRANT PAY BACK</u>	<u>BONDED DEBT</u>	<u>TOTAL BONDS/ NOTES</u>	<u>COMPENSATED ABSENCES</u>	<u>TOTAL</u>
Long-term obligations, Beginning Of Year	\$89,764	\$134,656	\$224,420	\$40,499	\$264,919
Additions	-0-	-0-	-0-	-0-	-0-
Deductions	(8,526)	(15,467)	(23,993)	(953)	(24,946)
Long-term obligations End of Year	<u>81,238</u>	<u>119,189</u>	<u>200,427</u>	<u>39,546</u>	<u>239,973</u>

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**NOTE 9 - LONG-TERM OBLIGATIONS** (Continued)

All parish bonds outstanding at December 31, 2006, for \$119,189, are Revenue Bonds with maturities from 2004 to 2014, and interest rate at 4.25%. Bond principle and interest payable in the next fiscal year are \$20,897. The individual issues are as follows:

<u>Bond</u>	<u>Original Issue</u>	<u>Interest Rate</u>	<u>Final Payment Date</u>	<u>Interest to Maturity</u>	<u>Principle Outstanding</u>	<u>Funding Source</u>
Revenue Bond	2-5-2004	4.25%	2-5-2014	\$32,760	\$119,189	Clinton Bank

All principle and interest requirements are funded in accordance with Louisiana law by the charges of the recordation and registration of certain documents filed with the Clerk of Court of East Feliciana Parish. The bonds and notes are due as follows:

<u>Year Ending</u>	<u>Principle Payments</u>	<u>Interest Payments</u>	<u>Total</u>
2007	\$24,750	\$5,174	\$29,924
2008	25,431	4,493	29,924
2009	26,142	3,782	29,924
2010	26,883	3,041	29,924
2011	27,657	2,267	29,924
2012-2014	69,564	14,003	83,567
	<u>200,427</u>	<u>32,760</u>	<u>233,187</u>

**NOTE 10 - RETIREMENT SYSTEM**

**Plan Description.**

Substantially all employees of the financial reporting entity are members of one of the following cost-sharing, multiple-employer defined benefit pension plans, each administered by separate board of trustees:

<u>Entity</u>	<u>Retirement System</u>
Police Jury	Parochial Employees' Retirement System (Plan A)

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**Employee Eligibility Requirements:**

Parochial Plan A

All employees working at least 28 hours per week and all elected parish officials are eligible to participate.

**RETIREMENT BENEFITS:**

<u>Plan</u>	<u>Minimum Age</u>	<u>Years of Service</u>	<u>Percent of Final Average Factor</u>	<u>Salary</u>
Parochial Plan A	60	10	3%	30%
	55	25	3%	75%
	Any Age	30	3%	90%

Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Each of the pension plans also provides death and disability benefits. Benefits are established or amended by state statute.

Each retirement system issues an annual publicly available financial report that includes financial statements and required supplementary information. These reports may be obtained by writing or calling the particular retirement retirement system. The following is the mailing address and phone number for each retirement system:

**Parochial Employee's Retirement System:** Post Office Box 14619;  
 Baton Rouge, Louisiana 70898-4619, (225) 928-1361.

**Funding Policy**

State statute requires covered employees to contribute a percentage of their salaries to the pension plans. As provided by R.S. 11:103, the employer contributions are determined by an actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The required contribution rates by retirement system follows:

**Parochial Employee's Retirement System:**

Under Plan A, members are required by state statute to contribute 9.5 percent of their annual covered salary and the Police Jury is required to contribute at an actuarially determined rate. The current rate is 12.75 percent of annual covered payroll. Contributions to the System also include one-fourth of one per cent of the taxes shown to be collectible by the tax rolls of each parish, except Orleans and East Baton Rouge Parishes. These tax dollars are divided between Plan A and Plan B, based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the Police Jury are established and may be amended by state statute.

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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 for the prior fiscal year. The Police Jury's contributions to the System under Plan A for the years ended December 31, 2006, 2005, and 2004, were \$124,257, \$81,981, and \$56,936, respectively, equal to the required contributions for each year.

**NOTE 11 - OTHER POST-EMPLOYMENT BENEFITS**

The Police Jury does not provide continuing health care and life insurance benefits for its retired employees.

**NOTE 12 - CHANGES IN AGENCY FUNDS DUE TO OTHERS**

A summary of changes in assets and liabilities follows:

	<b><u>BALANCE</u></b>			<b><u>BALANCE</u></b>
	<b><u>1-1-06</u></b>	<b><u>ADDITIONS</u></b>	<b><u>REDUCTIONS</u></b>	<b><u>12-31-06</u></b>
<b>ASSETS</b>				
CASH	\$130	\$2,577,304	\$2,577,434	\$-0-
RECEIVABLE-AD VALOREM	160,674	196,659	160,674	196,659
RECEIVABLE-SALES TAX	184,976	195,353	184,976	195,353
INTERGOVERNMENTAL RECEIVABLE	41,064	27,569	41,064	27,569
	<u>386,844</u>	<u>2,996,885</u>	<u>2,964,148</u>	<u>419,581</u>
<b>TOTAL ASSETS</b>				
	<u>386,844</u>	<u>2,996,885</u>	<u>2,964,148</u>	<u>419,581</u>
<b>LIABILITIES</b>				
ACCOUNTS PAYABLE	\$195,513	\$-0-	\$195,513	\$-0-
DUE TO OTHER FUNDS	118,625	125,937	118,625	125,937
DUE TO OTHER GOVERNMENTS	72,706	293,644	72,706	293,644
	<u>386,844</u>	<u>419,581</u>	<u>386,844</u>	<u>419,581</u>
<b>TOTAL LIABILITIES</b>				
	<u>386,844</u>	<u>419,581</u>	<u>386,844</u>	<u>419,581</u>

**NOTE 13 - INTERFUND TRANSFERS**

Interfund transfers to and from are listed by fund for the year:

**TRANSFERS OUT**

**TRANSFERS IN**

	<b><u>GENERAL</u></b>	<b><u>ROADS &amp; BRIDGES</u></b>	<b><u>TOTAL</u></b>
Health Unit	\$-0-	\$500,000	\$500,000



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**NOTE 14 - CRIMINAL COURT FUND**

Louisiana Revised Statute 15:571.11 requires that one-half of any balance remaining in the criminal court fund at year end be transferred to the parish General Fund. The following details the amount due at year-end:

Balance due at January 1, 2006	\$21,192
Amount due for 2006	<u>-0-</u>
Total	
Remitted during year	<u>(2,735)</u>
Balance due at December 31, 2006	<u><u>18,457</u></u>

Due to a deficit fund balance no residual equity transfer was made from the Criminal Court Fund to the General Fund.

**NOTE 15 - E911 SYSTEM ACTIVITY**

The following activity is presented in compliance with Act 1029 of 1999, which amends and reenact Louisiana Revised Statutes (R.S.) 33:9101 through 9131.

\$171,807 Emergency telephone service charges were collected for 2006.

\$160,564 total expenditure made for the implementation of the E911 system for the current fiscal year.

The Wireless E911 system was activated on August 3, 2001.

**NOTE 16 - FEDERAL COMPLIANCE CONTINGENCIES**

The police jury receives funds from Federal and State grants for specific purposes that are subject to audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grant. Based on past experience, disallowed cost, if any, for grants will be immaterial.

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**NOTE 17 - RELATED PARTY TRANSACTIONS**

Some of the more significant related party transactions during the year ended December 31, 2006, were as follows:

Disbursements To:	
Component Units	
Audubon Regional Library	\$230,448

**NOTE 18 - RISK MANAGEMENT**

The police jury is exposed to various risks of loss related to torts theft of, damage to and destruction of assets; errors and omissions and natural disasters for which the Police Jury carries commercial insurance. There have been no significant reductions in coverage from the previous year and settlements have not exceeded coverage in the past three years.

**NOTE 19 - LITIGATION AND CLAIMS**

At December 31, 2006, the Police Jury is defendant in several pending lawsuits filed in the 20th Judicial District Court. Although the suit are still pending, the Police Jury denies any liability and is actively defending its position along with its liability insurance carrier. While the ultimate outcome of the above matters cannot be predicted at this time, it is the opinion of management that the disposition of these matters will not have a material adverse effect on the financial position of the Police Jury.

It is also the opinion of the District Attorney that the Police Jury does not have any reasonable estimated or probable liability using the criteria established under F.A.S.B. Statement 5.

**NOTE 20 - ON-BEHALF PAYMENTS**

There were no on-behalf payments in 2006.

**NOTE 21 - PRIOR PERIOD ADJUSTMENT**

A prior period adjustment was made to the FEMA Fund for \$891,056 in unspent FEMA grant funds that should have been deferred. In 2006, \$860,942 in unspent FEMA funds were returned to the State.

SUPPLEMENTARY INFORMATION REQUIRED BY GASB STATEMENT 34

**EAST FELICIANA PARISH POLICE JURY  
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BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
YEAR ENDED DECEMBER 31, 2006**

	<u>BUDGET AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>POSITIVE (NEGATIVE)</u>
<b>REVENUES:</b>				
Taxes	\$208,100	\$670,200	\$792,638	\$122,438
Intergovernmental	219,000	472,700	716,089	243,389
Fines and Foreitures	50,000	0	0	0
Licenses and Permits	115,800	93,300	115,756	22,456
Charges For Services	5,500	4,000	0	(4,000)
Rental Income	0	20,000	19,650	(350)
Investment Income	80,350	12,350	12,601	251
Miscellaneous	244,000	139,980	97,285	(42,695)
Total Revenue	<u>922,750</u>	<u>1,412,530</u>	<u>1,754,019</u>	<u>341,489</u>
<b>EXPENDITURES:</b>				
Current				
General Government	490,200	678,900	496,899	182,001
Public Safety	447,200	838,500	791,400	47,100
Highway and Streets	1,500	1,500	0	1,500
Health and Welfare	0	55,000	78,010	(23,010)
Culture & Recreation	200	9,450	3,510	5,940
Economic Development	3,000	23,000	13,500	9,500
Debt Service:				
Principal	0	0	8,525	(8,525)
Interest Expense	0	0	0	0
Capital Outlay	0	0	4,683	(4,683)
Total Expenditures	<u>942,100</u>	<u>1,606,350</u>	<u>1,396,527</u>	<u>209,823</u>
<b>EXCESS (DIFICIENCY) OF REVENUE OVER EXPENDITURES</b>	(19,350)	(193,820)	357,492	551,312
<b>OTHER FINANCIAL USES</b>				
Transfer In	0	150,000	0	(150,000)
<b>EXCESS (DIFICIENCY) OF REVENUE &amp; OTHER SOURCES OVER EXPENDITURES</b>	(19,350)	(43,820)	357,492	401,312
<b>FUND BALANCE, BEGINNING OF YEAR</b>	366,385	366,385	366,385	0
<b>RESIDUAL EQUITY TRANSFER</b>	0	0	0	0
<b>FUND BALANCE, END OF YEAR</b>	<u>347,035</u>	<u>322,565</u>	<u>723,877</u>	<u>401,312</u>

**EAST FELICIANA PARISH POLICE JURY  
CLINTON, LOUISIANA  
BUDGETARY COMPARISON SCHEDULE  
ROADS AND BRIDGES  
YEAR ENDED DECEMBER 31, 2006**

	<u>BUDGET AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>POSITIVE (NEGATIVE)</u>
<b>REVENUES:</b>				
Taxes	\$0	\$1,000,000	\$1,191,010	191,010
Intergovernmental	1,425,000	711,000	716,469	5,469
Fines	0	0	0	0
Licenses and Permits	0	1,000	5,150	4,150
Charges For Services	0	0	0	0
Rental Income	0	0	0	0
Investment Income	6,600	3,400	5,083	1,683
Miscellaneous	0	42,000	37,569	(4,431)
Total Revenue	<u>1,431,600</u>	<u>1,757,400</u>	<u>1,955,281</u>	<u>197,881</u>
<b>EXPENDITURES:</b>				
Current				
General Government	0	0	0	0
Public Safety	0	0	0	0
Highway and Streets	1,714,500	3,101,500	3,205,655	(104,155)
Health	0	0	0	0
Culture & Recreation	0	0	0	0
Sanitation	0	0	0	0
Economic Development	0	0	0	0
Debt Service:				
Principal	0	0	0	0
Interest Expense	0	0	0	0
Capital Outlay	0	70,000	84,884	(14,884)
Total Expenditures	<u>1,714,500</u>	<u>3,171,500</u>	<u>3,290,539</u>	<u>(119,039)</u>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES</b>	(282,900)	(1,414,100)	(1,335,258)	78,842
<b>OTHER FINANCIAL SOURCES:</b>				
<b>TRANSFERS IN</b>	<u>0</u>	<u>650,000</u>	<u>500,000</u>	<u>(150,000)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES</b>	(282,900)	(764,100)	(835,258)	(71,158)
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>355,340</u>	<u>355,340</u>	<u>355,340</u>	<u>0</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>72,440</u>	<u>(408,760)</u>	<u>(479,918)</u>	<u>(71,158)</u>

**EAST FELICIANA PARISH POLICE JURY  
CLINTON, LOUISIANA  
BUDGETARY COMPARISON SCHEDULE  
HEALTH UNIT  
YEAR ENDED DECEMBER 31, 2006**

	<u>BUDGET AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>POSITIVE (NEGATIVE)</u>
<b>REVENUES:</b>				
Taxes	\$181,500	\$157,500	\$196,659	39,159
Intergovernmental	0	24,000	38,677	14,677
Fines	0	0	0	0
Licenses and Permits	0	0	0	0
Charges For Services	0	0	0	0
Rental Income	0	0	0	0
Investment Income	14,000	32,000	32,810	810
Miscellaneous	0	0	0	0
Total Revenue	<u>195,500</u>	<u>213,500</u>	<u>268,146</u>	<u>54,646</u>
<b>EXPENDITURES:</b>				
Current				
General Government	0	0	0	0
Public Safety	0	0	0	0
Highway and Streets	0	0	0	0
Health & Welfare	200,500	160,500	122,617	37,883
Culture & Recreation	0	0	0	0
Sanitation	0	0	0	0
Economic Development	0	0	0	0
Capital Outlay	0	0	0	0
Debt Service				0
Principal	0	0	0	0
Interest Expense	0	0	0	0
Total Expenditures	<u>200,500</u>	<u>160,500</u>	<u>122,617</u>	<u>37,883</u>
<b>EXCESS (DIFICIENCY) OF REVENUE OVER EXPENDITURES</b>	(5,000)	53,000	145,529	92,529
Transfers out	<u>(150,000)</u>	<u>(500,000)</u>	<u>(500,000)</u>	0
<b>EXCESS (DIFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER USES</b>	(155,000)	(447,000)	(354,471)	92,529
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>564,580</u>	<u>564,580</u>	<u>564,580</u>	0
<b>FUND BALANCE, END OF YEAR</b>	<u>409,580</u>	<u>117,580</u>	<u>210,109</u>	<u>92,529</u>

**EAST FELICIANA PARISH POLICE JURY  
 CLINTON, LOUISIANA  
 BUDGETARY COMPARISON SCHEDULE  
 SOLID WASTE  
 YEAR ENDED DECEMBER 31, 2006**

	<u>BUDGET AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>POSITIVE (NEGATIVE)</u>
<b>REVENUES:</b>				
Taxes	\$1,100,000	\$1,350,000	\$1,355,975	5,975
Intergovernmental	0	0	0	0
Fines	0	0	0	0
Licenses and Permits	0	0	0	0
Charges For Services	0	0	0	0
Rental Income	0	0	0	0
Investment Income	20,000	90,000	98,882	8,882
Miscellaneous	0	0	0	0
Total Revenue	<u>1,120,000</u>	<u>1,440,000</u>	<u>1,454,857</u>	<u>14,857</u>
<b>EXPENDITURES:</b>				
Current				
General Government	0	0	0	0
Public Safety	0	0	0	0
Highway and Streets	0	0	0	0
Health	0	0	0	0
Culture & Recreation	0	0	0	0
Sanitation	1,120,000	1,406,000	1,330,839	75,161
Economic Development	0	0	0	0
Capital Outlay	0	0	0	0
Debt Service				
Principal	0	0	0	0
Interest Expense	0	0	0	0
Total Expenditures	<u>1,120,000</u>	<u>1,406,000</u>	<u>1,330,839</u>	<u>75,161</u>
<b>EXCESS (DIFICIENCY) OF REVENUE OVER EXPENDITURES</b>	0	34,000	124,018	90,018
<b>OTHER FINANCIAL SOURCES TRANSFER IN</b>	0	300,000	0	300,000
<b>EXCESS (DIFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES</b>	0	334,000	124,018	390,018
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>3,621,624</u>	<u>3,621,624</u>	<u>3,621,624</u>	0
<b>FUND BALANCE, END OF YEAR</b>	<u>3,621,624</u>	<u>3,955,624</u>	<u>3,745,642</u>	<u>390,018</u>

EAST FELICIANA PARISH POLICE JURY  
 CLINTON, LOUISIANA  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 December 31, 2006

	CRIMINAL				CLERK OF		TOTAL	
	PAYROLL	COURT	CORONER	EPA	E911	COURT		FEMA
<b>ASSETS:</b>								
Cash	\$0	\$1,784	\$27,738	\$5,358	\$165,975	\$3,261	\$45,900	\$250,016
Ad Valorem taxes	0	0	0	0	71,578	0	0	71,578
Sales Taxes Receivable	0	0	0	0	0	0	0	0
Other Taxes Receivable	0	0	0	0	0	0	0	0
Accounts Receivable	0	0	0	0	14,301	0	0	14,301
Due From Other Funds	64,997	0	0	0	0	22,947	0	87,944
Receivable From Other Governments	0	6,958	320	0	0	3,788	0	11,066
<b>Total Assets</b>	<b>64,997</b>	<b>8,742</b>	<b>28,058</b>	<b>5,358</b>	<b>251,854</b>	<b>29,996</b>	<b>45,900</b>	<b>434,905</b>

**LIABILITIES AND FUND BALANCE**

<b>Liabilities:</b>								
Bank Overdraft	34,687	0	0	0	0	0	0	34,687
Accounts Payable	0	0	0	0	11,868	0	0	11,868
Employee Withholding	207	0	0	0	0	0	0	207
Due To Other Funds	29,408	23,126	1,394	1,679	5,516	0	5,061	66,184
Payable to Other Governments	0	1,578	0	0	2,753	0	0	4,331
Deferred Grant	0	0	0	0	0	0	40,839	40,839
	<b>64,302</b>	<b>24,704</b>	<b>1,394</b>	<b>1,679</b>	<b>20,137</b>	<b>0</b>	<b>45,900</b>	<b>158,116</b>
<b>Fund Balances:</b>								
Unreserved	695	(15,962)	26,664	3,679	231,717	29,996	0	276,789
<b>Total Liabilities and Fund Balances</b>	<b>64,997</b>	<b>8,742</b>	<b>28,058</b>	<b>5,358</b>	<b>251,854</b>	<b>29,996</b>	<b>45,900</b>	<b>434,905</b>



EAST FELICIANA PARISH POLICE JURY  
 CLINTON, LOUISIANA  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 NONMAJOR GOVERNMENTAL FUNDS  
 YEAR ENDED DECEMBER 31, 2006

REVENUES:	CRIMINAL					CLERK OF		TOTAL
	PAYROLL	COURT	CORONER	EPA	E 911	COURT	FEMA	
Taxes	\$0	\$0	\$0	\$0	\$243,384	\$0	\$0	\$243,384
Intergovernmental	0	0	0	0	0	0	22,564	22,564
Fines	0	141,680	8,860	0	0	0	0	150,540
Charges For Services	0	0	0	0	0	28,935	0	28,935
Investment Earnings	0	202	1,023	186	5,348	55	9,216	16,030
Miscellaneous	0	5,159	0	0	0	0	0	5,159
<b>Total Revenue</b>	<b>0</b>	<b>147,041</b>	<b>9,883</b>	<b>186</b>	<b>248,732</b>	<b>28,990</b>	<b>31,780</b>	<b>466,612</b>

EXPENDITURES:	CRIMINAL					CLERK OF		TOTAL
	PAYROLL	COURT	CORONER	EPA	E 911	COURT	FEMA	
Current:								
General Government	0	0	0	0	0	5,095	0	5,095
Public Safety	0	149,774	0	0	160,564	0	31,780	342,118
Health & Welfare	0	0	11,808	0	0	0	0	11,808
Debt Service:								
Principal	0	0	0	0	0	15,469	0	15,469
Interest Expense	0	0	0	0	0	2,699	0	2,699
<b>Total Expenditures</b>	<b>0</b>	<b>149,774</b>	<b>11,808</b>	<b>0</b>	<b>160,564</b>	<b>23,263</b>	<b>31,780</b>	<b>377,189</b>

<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES</b>	0	(2,733)	(1,925)	186	88,168	5,727	0	89,423
<b>FUND BALANCE, BEGINNING</b>	695	(13,229)	28,589	3,493	143,549	24,269	0	187,366
<b>RESIDUAL EQUITY TRANSFER</b>	0	0	0	0	0	0	0	0
<b>FUND BALANCE, ENDING</b>	<b>695</b>	<b>(15,962)</b>	<b>26,664</b>	<b>3,679</b>	<b>231,717</b>	<b>29,996</b>	<b>0</b>	<b>276,789</b>

EAST FELICIANA PARISH POLICE JURY, LOUISIANA  
SCHEDULE OF COMPENSATION PAID TO ELECTED OFFICIALS  
YEAR ENDED DECEMBER 31, 2006

The schedule of compensation paid to Police Jurors is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. 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, the maximum salary allowed is \$1,200 per month. Police Jurors can receive cash in lieu of medical coverages. Compensation paid to the Police Jury is as follows:

Louis J. Kent, President	\$10,854
James F. Hunt	\$10,265
John M. Barnett	10,254
Robert Johnson, Sr	10,254
Buck Richardson	9,531
Richard C. Dudley	10,254
Dwight Hill	10,254
Charles F. Haynes	7,723
Charles Chaney	10,254

*Certified Public Accountant*  
  
**Donald C. DeVille**

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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**

June 4, 2007

To the Honorable Louis Kent, President  
and Members of the East Feliciana Parish Police Jury  
Clinton, Louisiana

I have audited the financial statements of East Feliciana Parish Police Jury as of and for the year ended December 31, 2006, and have issued my report thereon dated June 4, 2007. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

**INTERNAL CONTROL OVER FINANCIAL REPORTING**

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

My 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 control over financial reporting that might be significant deficiencies or material weaknesses. However, I noted certain deficiencies in internal control over financial reporting that I consider to be significant deficiencies.

A control deficiency exist 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 deficiencies is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data in reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more

accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. I consider the deficiencies described in the accompanying schedule of findings and responses to be significant deficiencies in internal control over financial reporting. See Item 1.

A material weakness is a significant deficiency, or combination of significant deficiencies, that result 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.

My 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 and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, I believe that none of the significant deficiencies described above is a material weakness.

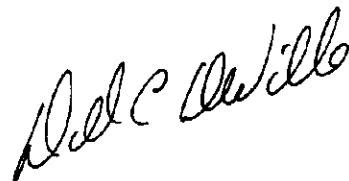
#### **COMPLIANCE AND OTHER MATTERS**

As part of obtaining reasonable assurance about whether East Feliciana Parish Police Jury's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclose instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and which are described in the accompanying schedule of findings of and responses as item 1.

East Feliciana Parish Police Jury's response to the findings identified in my audit are described in the Schedule of Corrective Action Planned. I did not audit the East Feliciana Parish Police Jury's response and, accordingly, I express no opinion on it.

This report is intended solely for the information and use of management, board members, and federal awarding agencies, pass-through entities, and state Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties.

Under Louisiana Revised Statutes 24:513, this report is distributed by the Legislative Auditor as a public document.



EAST FELICIANA PARISH POLICE JURY  
CLINTON, LOUISIANA  
SCHEDULE OF PRIOR YEARS AUDIT FINDINGS  
YEAR ENDED DECEMBER 31, 2006

<u>REF NO.</u>	<u>FISCAL YEAR FINDING INITIALLY OCCURRED</u>	<u>DESCRIPTION OF FINDING</u>	<u>CORRECTIVE ACTION TAKEN (YES,NO,PARTIALLY)</u>	<u>CORRECTIVE ACTION/PARTIAL CORRECTIVE ACTION TAKEN</u>
1.	12-31-05	Expenditures Exceed Budgets For:  Road & Bridge Fund	Yes	The Road & Bridge Fund's Expenditures Exceeded the Budget But Not By More Than 5%

\* \* \* \*

EAST FELICIANA PARISH POLICE JURY  
CLINTON, LOUISIANA  
SCHEDULE OF CURRENT YEAR'S FINDINGS  
DECEMBER 31, 2006

**REPORTABLE CONDITION:** The Road and Bridge and Criminal Court Funds had fund deficits of (479,918) and (15,962), respectively at year-end.

**CRITERIA:** Good accounting procedures requires all funds to be solvent.

**CAUSE:** The Road and Bridge Fund had a major overlay project in 2006 and the police jury is responsible for the cost of the criminal court.

**EFFECT:** There are \$479,918 and \$13,229 in deficits to be made up.

**RECOMMENDATION:** I recommend that part of the \$650,000 loan from the Solid Waste Fund be forgiven to off-set the deficit. I also recommend that the Police Jury meet with the judges and district attorney to reduce expenditures and/or increase revenue.

**MANAGEMENT RESPONSE:** See corrective action plan.

EAST FELICIANA PARISH POLICE JURY  
CLINTON, LOUISIANA  
CORRECTIVE ACTION PLAN  
DECEMBER 31, 2006

REF NO.	DESCRIPTION OF FINDING	CORRECTIVE ACTION PLANNED	NAME OF CONTACT PERSON	ANTICIPATED COMPLETION DATE
1.	Criminal Court Fund Had Deficit Fund Balance	Meeting With Judges And District Attorney Planned.	Phil Graham, CPA	12-31-07
	Road & Bridge Fund Had Deficit Fund Balance	Increased Sales Tax Will Reduce the Deficit. Also, Part of the \$650,000 Loan From Solid Waste Could Be Used To Off Set Deficit As Approved By the Citizens of East Feliciana.	Phil Graham, CPA	12-31-07