

East Carroll Parish Police Jury Lake Providence, Louisiana

**Basic Financial Statements
And Independent Auditors' Report
As of and for the Year Ended December 31, 2008**

**East Carroll Parish Police Jury
400 First Street
Lake Providence, LA 71254**

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

7/15/09

**East Carroll Parish Police Jury
Lake Providence, Louisiana**

**Basic Financial Statements
And Independent Auditors' Report
As of and for the Year Ended December 31, 2008**

East Carroll Parish Police Jury

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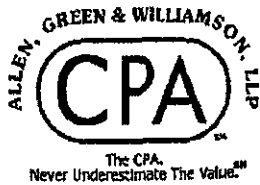
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East Carroll Parish Police Jury

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Independent Auditors' Report

Police Jurors
East Carroll Parish Police Jury
Lake Providence, Louisiana

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the East Carroll Parish Police Jury as of and for the year ended December 31, 2008, which collectively comprise the basic financial statements of the Police Jury'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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Police Jury's internal controls over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, 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 do not include financial data of all of the Police Jury's legally separate component units. Accounting principles generally accepted in the United States of America require the financial data for all component units to be reported with the financial data of the Police Jury's primary government unless the Police Jury also issues financial statements for the financial reporting entity that include the financial data for its component units. The Police Jury has not issued such reporting entity financial statements.

In our opinion, because of the omission of some 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 Police Jury as of December 31, 2008, 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, the business-type activities, each major fund, and the aggregate remaining fund information of the Police Jury as of December 31, 2008 and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated June 30, 2009, on our consideration of the Police Jury's internal control over financial reporting and on our tests 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 the Budgetary Comparison Schedules on pages 4-13 and pages 53-60, respectively, are not a required part of the primary government's basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplemental information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Police Jury's basic financial statements of the primary government. The accompanying supplemental information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the primary government financial statements. Such information has been subjected to the auditing procedures applied in the audit of the primary government's basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the primary government's basic financial statements taken as a whole.

Also, the accompanying other information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements of the primary government of the Police Jury. Such information has not been subjected to the audit procedures applied in the audit of the primary government's basic financial statements and, accordingly, we express no opinion on it.

Allen, Green & Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
June 30, 2009

REQUIRED SUPPLEMENTAL INFORMATION

**Management's Discussion
And Analysis (MD&A)**

**East Carroll Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2008**

Our discussion and analysis of East Carroll Parish Police Jury's financial performance provides an overview of the Police Jury's financial activities for the year ended December 31, 2008.

FINANCIAL HIGHLIGHTS Our financial statements provide these insights into the results of this year's operations:

Total spending for all our governmental activities was \$3,538,339 for the year. Most of the Police Jury's property and sales taxes were used to support the net cost (after deducting restricted grants and fees charged to users) of these four areas: other general government \$290,859, public safety \$316,801, public works \$736,700, and culture and recreation \$315,173.

Governmental activities reported an increase in net assets of \$527,643 due to increases in operating and capital grants as well as an increase in ad valorem taxes.

USING THIS ANNUAL REPORT The Police Jury's annual report consist of a series of financial statements that show information for the Police Jury as a whole, and its funds. The Statement of Net Assets and the Statement of Activities provide information about the activities of the Police Jury as a whole and present a longer-term view of the Police Jury's finances. Our fund financial statements are included later in this report. For our governmental activities, these statements tell how we financed our services in the short-term as well as what remains for future spending. Fund statements also may give you some insights into the Police Jury's overall financial health. Fund financial statements also report the Police Jury's operations in more detail than the government-wide financial statements by providing information about the Police Jury's most significant funds - the General Fund, Road Maintenance and Construction, Garbage District No. 1, Library, Health Unit, Drainage Maintenance, Criminal Court, and Capital Project.

**East Carroll Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2008**

Required Supplemental Information

Management's Discussion & Analysis (MD&A)

Basic Financial Statements

**Government-wide
Financial Statements**



**Fund
Financial Statements**

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Required Supplemental Information

Budgetary Information for Major Funds

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Office of Management and Budget (OMB) Circular A-133**

Other Information

**East Carroll Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2008**

Our auditor has provided assurance in his independent auditors' report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements, after considering the fact that certain component units are not included, are fairly stated. Varying degrees of assurance is being provided by the auditor regarding the Required Supplemental Information (RSI) and the Supplemental Information. A user of this report should read the independent auditors' report carefully to ascertain the level of assurance being provided for each part of this report.

Reporting the Police Jury as a Whole

The Statement of Net Assets and the Statement of Activities Our analysis of the Police Jury as a whole begins with the government-wide financial statements. One of the most important questions asked about the Police Jury is, "Is the Police Jury as a whole better off or worse off financially as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities, which appear first in the Police Jury's financial statements, report information on the Police Jury as a whole and its activities in a way that helps you answer this question. We prepare these statements to include all assets and liabilities, using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Police Jury's net assets – the difference between assets and liabilities, as reported in the Statement of Net Assets – as one way to measure the Police Jury's financial health, or financial position. Over time, increases or decreases in the Police Jury's net assets – as reported in the Statement of Activities – are one indicator of whether its financial health is improving or deteriorating. The relationship between revenues and expenses is the Police Jury's operating results. However, the Police Jury's goal is to provide services to our citizens, not to generate profits as commercial entities do. One must consider many other nonfinancial factors, such as the quality of health and welfare services provided to parish citizens and the condition of roads, bridges and drainage systems to assess the overall health of the Police Jury.

The Statement of Net Assets and Statement of Activities, we divide the Police Jury into two kinds of activities:

Governmental activities – Most of the Police Jury's services are reported here, including public works and health and welfare services. Property taxes, sales taxes, and state and federal grants finance most of these activities.

Business-type activities – The Police Jury manages the Section 8 Housing Choice Voucher program and receives an administrative fee for the activities. This program is reported here.

Reporting the Police Jury's Most Significant Funds

Fund Financial Statements The Police Jury's fund financial statements, which begin on page 19, provide detailed information about the most significant funds – not the Police Jury as a whole. Some funds are required to be established by State law and by bond covenants. However, the Police Jury establishes many other funds to help it control and manage money for particular purposes (like the Criminal Court fund) or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (like grants the Police Jury receives for Section 8). The Police Jury's governmental funds use the following accounting approach:

**East Carroll Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2008**

Governmental funds – Most of the Police Jury's services are reported in governmental funds. Governmental fund reporting focuses on showing how money flows into and out of funds and the balances left at year-end that are available for spending. They are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Police Jury's operations and the services it provides.

Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Police Jury's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in reconciliation on Statements D and F.

Proprietary funds – Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Assets and the Statements of Activities. In fact, the police Jury's Section 8 enterprise funds (a component of proprietary funds) is the same as business-type activities we report in the government-wide financial statements but provide more detail and additional information, such as cash flows, for proprietary funds.

THE POLICE JURY AS A WHOLE The Police Jury's net assets were \$7,513,889 at December 31, 2008. Of this amount, \$984,748 was unrestricted. Restricted net assets are reported separately to show legal constraints from debt covenants and enabling legislation that limit the Police Jury's ability to use those net assets for day-to-day operations. Our analysis below focuses on the net assets (Table 1) and change in net assets (Table 2) of the Police Jury's governmental and business-type activities.

**Table 1
Net Assets
December 31,**

	Governmental Activities		Business-Type Activities	
	2008	2007	2008	2007
Current and other assets	\$4,254,100	\$ 4,117,115	\$ 90,651	\$ 83,668
Capital assets	4,177,503	3,602,616	-	1,550
Total assets	<u>8,431,603</u>	<u>7,719,731</u>	<u>90,651</u>	<u>85,218</u>
Current and other liabilities	216,834	75,965	3,188	4,312
Long-term liabilities	700,880	657,520	-	-
Total liabilities	<u>917,714</u>	<u>733,485</u>	<u>3,188</u>	<u>4,312</u>
Net assets				
Invested in capital assets, net of debt	3,482,943	2,952,616	-	1,550
Restricted	3,046,198	3,286,184	96,325	97,429
Unrestricted	984,748	747,446	(8,862)	(18,073)
Total net assets	<u>\$7,513,889</u>	<u>\$ 6,986,246</u>	<u>\$ 87,463</u>	<u>\$ 80,906</u>

East Carroll Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2008

The \$984,748 in unrestricted net assets of governmental activities represents the accumulated results of all past years' operations. It means that if we had to pay off all of our bills today including all of our noncapital liabilities (compensated absences for example); we would have \$984,748 left. Unrestricted net assets increased approximately \$237,302 from the prior year. The changes in net assets are discussed later in this MD&A.

The net assets of our business-type activities increased \$6,557.

The results of this year's operations for the primary government as a whole are reported in the Statement of Activities. Table 2, on the next page, takes the information from that Statement and rearranges them slightly so you can see our total revenues for the year.

Table 2
Changes in Net Assets
Years Ended December 31,

	<u>Governmental Activities</u>			<u>Business-Type Activities</u>		
	<u>2008</u>	<u>2007</u>	<u>Increase (Decrease) From 2007</u>	<u>2008</u>	<u>2007</u>	<u>Increase (Decrease) From 2007</u>
Revenues:						
Program revenues						
Charges for services	\$ 737,474	\$ 838,706	\$ (101,232)	\$ -	\$ -	\$ -
Operating grants & contributions	372,704	199,034	173,670	626,316	583,917	42,399
Capital grants & contributions	338,448	83,700	254,748	-	-	-
General Revenues						
Ad valorem taxes	1,620,534	1,475,487	145,047	-	-	-
Sales taxes	525,086	526,882	(1,796)	-	-	-
State revenue sharing	60,885	60,809	76	-	-	-
Interest and investment earnings	175,060	234,036	(58,976)	1,737	3,246	(1,509)
Other general revenues	235,791	215,490	20,301	-	65,491	(65,491)
Total revenues	<u>4,065,982</u>	<u>3,634,144</u>	<u>431,838</u>	<u>628,053</u>	<u>652,654</u>	<u>(24,601)</u>
Functions/Program Expenses:						
General government:						
Legislative	154,725	50,167	104,558	-	-	-
Judicial	479,877	521,768	(41,891)	-	-	-
Elections	37,482	34,256	3,226	-	-	-
Finance and administrative	210,645	340,589	(129,944)	-	-	-
Other general government	290,859	344,036	(53,177)	-	-	-
Public safety	399,752	461,802	(62,050)	-	-	-
Public works	1,450,422	1,247,958	202,464	621,496	620,771	725
Health and welfare	115,334	91,512	23,822	-	-	-
Culture and recreation	339,047	292,052	46,995	-	-	-
Economic development and	8,718	7,487	1,231	-	-	-
Transportation	24,530	21,526	3,004	-	-	-
Interest on long-term debt	26,948	25,478	1,470	-	-	-
Total	<u>3,538,339</u>	<u>3,438,631</u>	<u>99,708</u>	<u>621,496</u>	<u>620,771</u>	<u>725</u>
Increase (decrease) in net assets	<u>\$ 527,643</u>	<u>\$ 195,513</u>	<u>\$ 332,130</u>	<u>\$ 6,557</u>	<u>\$ 31,883</u>	<u>\$ (25,326)</u>

**East Carroll Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2008**

The increase in the governmental activities net assets of \$527,643 is due mainly to surplus from the criminal court fund and the Clerk of Courts office as well as a reduction in expenses.

Revenue for operating grants and contributions increased by approximately \$173,670 and capital grants and contributions increased \$254,748.

There was a decrease in charges for services of \$101,232 which is due mainly to mandates by grant agency.

Governmental Activities As reported in the Statement of Activities, the cost of all of our governmental activities this year was \$3,538,339. However, the amount that our taxpayers ultimately financed for these activities through Police Jury taxes was only \$2,089,713 because some of the cost was paid by those who benefited from the programs \$737,474 or by other governments and organizations who subsidized certain programs with grants and contributions \$711,152. We paid for the remaining "public benefit" portion of our governmental activities with \$2,089,713 in taxes and with our other revenues, like interest and general entitlements.

In the table below, we have presented the cost of each of the Police Jury's six largest functions – judicial, public safety, other general government, public works, health and welfare, and culture and recreation, as well as each program's *net* cost (total cost less revenues generated by the activities). As discussed above, net cost shows the financial burden that was placed on the Police Jury's taxpayers by each of these functions. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by that function.

Years Ended December 31,

	<u>Governmental Activities</u>				<u>Business-Type Activities</u>			
	<i>(in thousands)</i>				<i>(in thousands)</i>			
	Total Cost of Services 2008	Net Cost of Services 2008	Total Cost of Services 2007	Net Cost of Services 2007	Total Cost of Services 2008	Net Cost of Services 2008	Total Cost of Services 2007	Net Cost of Services 2007
Judicial	\$ 479,877	\$ 64,179	\$ 521,768	\$ 154,413	\$ -	\$ -	\$ -	\$ -
Other general government	290,859	290,859	344,036	284,236	-	-	-	-
Public safety	399,752	316,801	461,802	432,944	-	-	-	-
Public works	1,450,422	736,700	1,247,958	945,246	-	-	-	-
Health & Welfare	115,334	115,334	91,512	91,512	621,496	(4,820)	628,187	44,270
Culture and Recreation	339,047	315,173	292,052	288,403	-	-	-	-
All others	463,048	250,667	479,503	120,437	-	-	-	-
Totals	<u>\$3,538,339</u>	<u>\$ 2,089,713</u>	<u>\$ 3,438,631</u>	<u>\$2,317,191</u>	<u>\$ 621,496</u>	<u>\$ (4,820)</u>	<u>\$628,187</u>	<u>\$ 44,270</u>

THE POLICE JURY'S FUNDS As we noted earlier, the Police Jury uses funds to help it control and manage money for particular purposes. Looking at funds helps you consider whether the Police Jury is being accountable for the resources taxpayers and others provide to it but may also give you more insight into the Police Jury's overall financial health.

**East Carroll Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2008**

As the Police Jury completed this year, our governmental funds reported a combined fund balance of 4,043,478 which is a decrease of \$3,984 from last year. The primary reasons for these decreases are:

Our general fund is our principal operating fund. The fund balance in the general fund increased \$145,938 to \$611,807. This increase is due to a surplus from the criminal court fund and the Clerk of Courts office.

The Road Maintenance and Construction fund accounts for funds used to maintain the parish roads and streets. This fund showed a decrease of \$302,570 to \$653,087. The decrease was due to the purchase of equipment.

The Garbage District No. 1 accounts for the parish garbage collection services begun in 2001. This fund showed an increase of \$17,728 to \$541,576 due mainly to a reduction in the vehicle maintenance expense.

The Library fund accounts for the public library. This fund showed an increase of \$27,675 to \$530,952. The increase was due to an increase in ad valorem taxes and a reduction in spending.

The Health Unit fund accounts for the parish health center. This fund showed a decrease of \$54,785 to \$637,264. The decrease is due to the construction of the new Health Unit.

The Drainage Maintenance fund accounts for the maintenance of the parish drainage system. This fund showed an increase of \$47,540 to \$371,310. This increase was due to a reduction in the wage reimbursement expense.

The Criminal Court fund accounts for the activities of the parish court. This fund showed an increase of \$26,665 to \$221,051. This increase was due to the LACE Program.

The Other Governmental funds are comprised of the debt service fund and special revenue funds (Airport Hangar, Rural Fire Protection, the Lakeside Walking Trail, and the LSU/SU Extension). The combined funds showed an increase of \$87,825 to \$476,431.

The Section 8 Voucher fund accounts for the activity for HUD's Section 8 Housing Choice Voucher program. This fund showed an increase of \$6,557 to \$87,463. This increase was due to an increase in funding from HUD.

General Fund Budgetary Highlights Over the course of the year, the Police Jury revises its budget as it attempts to deal with unexpected changes in revenues and expenditures. (A schedule showing the Police Jury's original and final budget amounts compared with amounts actually paid and received is provided later in this report).

There were significant revisions made to the 2008 general fund original budget. The primary change was to increase the beginning budgetary fund balance to \$451,859. This was an increase of \$316,494. Total budgeted revenues were increased \$185,165. The largest increases were to other State Funds \$82,060 and other revenues \$39,950. Budgeted expenses were increased a total of \$169,195 mainly due to hiring a custodian, increasing Jurors salaries, reimbursable grant spending, court reporter salary increase, professional and legal fees, coroner's expense and courthouse and jail expense increase.

**East Carroll Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2008**

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets At December 31, 2008, the Police Jury had \$4,177,503 invested in a broad range of capital assets, including land, buildings, furniture and equipment and infrastructure assets such as roads and bridges. This amount represents a net increase (including additions, deductions, and depreciation) of \$574,887, or 15.96%, from last year. The primary reason for the net increase is a result of new equipment purchases exceeding depreciation expense.

Capital Assets at December 31,

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Land	\$ 375,665	\$ 375,665	\$ -	\$ -
Construction in progress	57,110	33,393	-	-
Buildings	373,940	400,545	-	-
Equipment and furniture	495,899	233,867	-	314
Vehicles	515,192	469,230	-	1,236
Books, periodicals and law books	18,617	26,080	-	-
Infrastructure	2,341,080	2,063,836	-	-
Total net assets	<u>\$ 4,177,503</u>	<u>\$ 3,602,616</u>	<u>\$ -</u>	<u>\$ 1,550</u>

This year's additions of \$871,573 were comprised of five vehicles including a garbage truck (\$203,409), construction equipment (\$289,304), furniture and equipment (\$39,262), and construction in progress (\$339,598).

One major capital project is planned for the 2009 fiscal year. Preliminary work has begun on the new Health Unit building. A major improvement was begun and completed during the 2008 fiscal year - the paving and improvement of Henderson Loop Road. We present more detailed information about our capital assets in Note 7 to the financial statements.

The Police Jury is responsible for the maintenance of 139 routes in East Carroll Parish consisting of 289.23 linear miles of two-lane gravel and asphalt roads. Other roads are located in East Carroll Parish but are maintained by the City of Lake Providence or the State of Louisiana. The majority of the Police Jury maintained roads were asphalt surfaced in the 1960s and 1970s. However, since that time many have been disced and changed back to gravel surface. Accordingly, the surface type of most roads maintained today by the Police Jury is gravel.

Infrastructure road right-of-ways consist of the sixty feet right-of-way for the 289.23 miles of roads maintained by the Police Jury. The acreage was determined by multiplying the sixty feet of right-of-way by the 5,280 linear feet in a mile by the 289.23 linear miles of road and dividing the sum by the 43,560 square feet in an acre. The result of 2,103.49 acres is the number of acres comprising the land associated with the 289.23 linear miles of roads maintained by the Police Jury.

These roads include thirty-two bridges, eleven of which are concrete structures and twenty-one are wooden structures. Most bridges are thirty to fifty feet in length with two to three spans. The longest bridge is the Bayou Macon Bridge with twelve spans for a total length of 269 feet. The next longest is Loggy Bayou bridge with eight spans for a total

**East Carroll Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2008**

length of 156 feet. All other bridges are less than 100 feet in total length. The shortest bridge is the drain to Jones Bayou consisting of two spans for a total length of 23 feet.

Cost of infrastructure assets was determined in various ways. GASB No. 34 requires capital assets to be recorded at historical cost or at estimated historical cost whenever it is impractical to determine historical cost because of inadequate records. The cost was determined as identified below whenever actual historical cost was not known.

The surface cost of the roads was determined by multiplying the estimated current cost to construct a linear mile of two lanes of gravel or asphalt road and deflating the current cost to the estimated cost at the time of construction of the roads. Most roads were considered to have been constructed in the 1950s and 1960s with most asphalt surfacing occurring in the 1960s and 1970s, and with resurfacing occurring periodically since. The surface of the roads currently was considered by management to be approximately 20 years old. Accordingly, 1979 was considered as the date of purchase for all surface materials for depreciation purpose.

The cost of the right-of-way was determined by using a current average value for farm land of \$1,500 an acre deflated to the estimated year of acquisition or prescription.

Eleven bridges have been replaced in recent times with concrete structures with funding provided by the U.S. Government. Cost figures for five of these concrete bridges were obtained from the Louisiana Department of Transportation and Development, the pass-through entity for the federal funding. The estimated cost for the other six concrete bridges were estimated based on the actual cost of the other five concrete bridges, considering the date constructed, the number of spans and the total length of the bridge. The cost of the 21 wood structure bridges was based on management's estimate of today's cost to construct deflated to the actual year of construction.

The deflation factors used were as per the "price trends for federal-aid highway construction" obtained from the United States Department of Transportation web site.

Debt At the end of this year, the Police Jury had \$610,000 in bonds outstanding versus \$650,000 last year, a decrease of 6.2%. Those bonds consisted of:

Outstanding Debt at December 31,

	Governmental Activities	
	<u>2008</u>	<u>2007</u>
General obligation bonds (backed by the Police Jury)	\$610,000	\$650,000

The Police Jury's general obligation bonds are not rated. The state limits the amount of general obligation debt that parishes can issue up to 10 percent of the assessed value of all taxable property within the parish. The Police Jury's net outstanding general obligation debt of \$527,256 is significantly below this \$4,035,691 statutorily-imposed limit.

The Police Jury received a note payable for a portion of the funding used to purchase the new garbage truck. The total amount of the note payable is \$96,000 (\$84,560 principal and \$11,440 in interest).

Other obligations include accrued vacation pay and capital leases. We present more detailed information about our long-term liabilities in Note 10 of Notes to the Basic Financial Statements.

East Carroll Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2008

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES Our elected and appointed officials and citizens consider many factors when setting the Police Jury's 2009-year budget and tax rates. One of the most important factors affecting the budget is our ad valorem and sales tax collections. We have budgeted very little change in ad valorem and sales tax collections from 2008 to 2009. Approximately 53% of total revenue is from ad valorem and sales taxes. We have projected no increase in net assets for the 2009 budget year. We project that capital additions will be minimal for the 2009 year.

CONTACTING THE POLICE JURY'S FINANCIAL MANAGEMENT Our financial report is designed to provide our citizens, taxpayers, parents, students, and investors 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. If you have questions about this report or wish to request additional financial information, contact Elisha Y. Lucas, Secretary-Treasurer, at the East Carroll Parish Police Jury, 400 First Street, Lake Providence, Louisiana 71254, telephone number (318) 559-2256.

East Carroll Parish Police Jury

BASIC FINANCIAL STATEMENTS

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

EAST CARROLL PARISH POLICE JURY

STATEMENT OF NET ASSETS
December 31, 2008

Statement A

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS			
Cash and cash equivalents	\$ 1,335,359	\$ 89,674	\$ 1,425,033
Investments	1,264,457	0	1,264,457
Receivables (net)	1,654,284	977	1,655,261
Capital assets not being depreciated	432,775	0	432,775
Capital assets, net of accumulated depreciation	<u>3,744,728</u>	<u>0</u>	<u>3,744,728</u>
TOTAL ASSETS	<u>8,431,603</u>	<u>90,651</u>	<u>8,522,254</u>
LIABILITIES			
Accounts, salaries and other payables	210,622	3,188	213,810
Interest payable	6,212	0	6,212
Long-term liabilities			
Due within one year	70,467	0	70,467
Due in more than one year	<u>630,413</u>	<u>0</u>	<u>630,413</u>
TOTAL LIABILITIES	<u>917,714</u>	<u>3,188</u>	<u>920,902</u>
NET ASSETS			
Invested in capital assets, net of related debt	3,482,943	0	3,482,943
Restricted for:			
Debt service	82,744	0	82,744
Road Maintenance and Construction	653,087	0	653,087
Garbage District No. 1	541,576	0	541,576
Library	530,952	0	530,952
Health Unit	637,264	0	637,264
Drainage Maintenance	371,310	0	371,310
Rural Fire	229,265	0	229,265
Housing Assistance Payments	0	96,325	96,325
Unrestricted	<u>984,748</u>	<u>(8,862)</u>	<u>975,886</u>
TOTAL NET ASSETS	<u>\$ 7,513,889</u>	<u>\$ 87,463</u>	<u>\$ 7,601,352</u>

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

EAST CARROLL PARISH POLICE JURY

**STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2008**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
<i>Governmental Activities:</i>				
General government:				
Legislative	\$ 154,725	\$ 0	\$ 0	0
Judicial	479,877	415,698	0	
Elections	37,482			
Finance and administrative	210,645	188,501	0	
Other general government	290,859		0	0
Public safety	399,752	16,676	66,275	
Public works	1,450,422	90,418	284,856	338,448
Health and welfare	115,334	0	0	
Culture and recreation	339,047	2,301	21,573	
Economic development and assistance	8,718	19,980	0	
Transportation	24,530	3,900	0	0
Interest on long-term debt	26,948	0	0	0
Total Governmental Activities	<u>3,538,339</u>	<u>737,474</u>	<u>372,704</u>	<u>338,448</u>
<i>Business-Type Activities:</i>				
Finance and administrative	0	0	0	0
Health and welfare	621,496	0	626,316	0
Total Component Units	<u>\$ 621,496</u>	<u>\$ 0</u>	<u>\$ 626,316</u>	<u>\$ 0</u>

General revenues:

Taxes:

- Property taxes, levied for general purposes
- Property taxes, levied for debt services
- Sales taxes, levied for general purposes
- State revenue sharing
- Severance tax
- Beer tax
- Licenses and permits
- Interest and investment earnings
- Miscellaneous
- Total general revenues

Changes in net assets

Net assets - beginning

Net assets - ending

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Statement B

NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS

<u>GOVERNMENTAL</u>	<u>BUSINESS-TYPE</u>	<u>TOTAL</u>
<u>ACTIVITIES</u>	<u>ACTIVITIES</u>	
\$ (154,725)	\$ 0	\$ (154,725)
(64,179)	0	(64,179)
(37,482)	0	(37,482)
(22,144)	0	(22,144)
(290,859)	0	(290,859)
(316,801)	0	(316,801)
(736,700)	0	(736,700)
(115,334)	0	(115,334)
(315,173)	0	(315,173)
11,262	0	11,262
(20,630)	0	(20,630)
(26,948)	0	(26,948)
<u>(2,089,713)</u>	<u>0</u>	<u>(2,089,713)</u>
	0	0
	<u>4,820</u>	<u>4,820</u>
	<u>4,820</u>	<u>4,820</u>
1,552,777	0	1,552,777
67,757	0	67,757
525,086	0	525,086
60,885	0	60,885
31,337	0	31,337
19,945	0	19,945
82,329	0	82,329
175,060	1,737	176,797
102,180	0	102,180
<u>2,617,356</u>	<u>1,737</u>	<u>(2,619,093)</u>
527,643	6,557	534,200
<u>6,986,246</u>	<u>80,906</u>	<u>7,067,152</u>
<u>\$ 7,513,889</u>	<u>\$ 87,463</u>	<u>\$ 7,601,352</u>

East Carroll Parish Police Jury



East Carroll Parish Police Jury

BASIC FINANCIAL STATEMENTS

Fund Financial Statements (FFS)

EAST CARROLL PARISH POLICE JURY

GOVERNMENTAL FUNDS
Balance Sheet
December 31, 2008

	GENERAL	ROAD MAINTENANCE AND CONSTRUCTION	GARBAGE DISTRICT NO. 1	LIBRARY
ASSETS				
Cash and cash equivalents	\$ 368,851	\$ 239,706	\$ 36,368	\$ 82,790
Investments	0	189,880	270,304	221,957
Receivables	313,748	268,414	242,021	228,692
Interfund Receivables	0	0	0	0
TOTAL ASSETS	682,599	698,000	548,693	533,439
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts, salaries and other payables	70,792	44,913	7,117	2,487
Interfund payables	0	0	0	0
Total Liabilities	70,792	44,913	7,117	2,487
Fund Balances				
Reserved for:				
Debt Service	0	0	0	0
Capital Project	0	0	0	0
Unreserved, reported in:				
General	611,807	0	0	0
Special Revenue	0	653,087	541,576	530,952
Total Fund Balances	611,807	653,087	541,576	530,952
TOTAL LIABILITIES AND FUND BALANCES	\$ 682,599	\$ 698,000	\$ 548,693	\$ 533,439

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Statement C

HEALTH UNIT	DRAINAGE MAINTENANCE	CRIMINAL COURT	CAPITAL PROJECT	OTHER GOVERNMENTAL	TOTAL
\$ 106,456	\$ 105,595	\$ 187,211	0	\$ 208,382	1,335,359
451,123	61,128	0	0	70,065	1,264,457
118,507	206,023	41,828	32,199	202,852	1,654,284
0	0	0	0	0	0
<u>676,086</u>	<u>372,746</u>	<u>229,039</u>	<u>32,199</u>	<u>481,299</u>	<u>4,254,100</u>
38,822	1,436	7,988	32,199	4,868	210,622
0	0	0	0	0	0
<u>38,822</u>	<u>1,436</u>	<u>7,988</u>	<u>32,199</u>	<u>4,868</u>	<u>210,622</u>
0	0	0	0	82,744	82,744
0	0	0	0	0	0
0	0	0	0	0	611,807
<u>637,264</u>	<u>371,310</u>	<u>221,051</u>	<u>0</u>	<u>393,687</u>	<u>3,348,927</u>
<u>637,264</u>	<u>371,310</u>	<u>221,051</u>	<u>0</u>	<u>476,431</u>	<u>4,043,478</u>
<u>\$ 676,086</u>	<u>\$ 372,746</u>	<u>\$ 229,039</u>	<u>\$ 32,199</u>	<u>\$ 481,299</u>	<u>\$ 4,254,100</u>

East Carroll Parish Police Jury



EAST CARROLL PARISH POLICE JURY
Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Assets
December 31, 2008

Statement D

Total fund balances - governmental funds \$ 4,043,478

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

Costs of capital assets	18,244,775	
Depreciation expense to date	<u>(14,067,272)</u>	
		4,177,503

Long-term liabilities applicable to the Police Jury's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities - both current and long term - are reported in the Statement of Net Assets.

Balances at December 31, 2008 are:

Long-term liabilities		
Bonds payable	(610,000)	
Notes payable	(84,560)	
Compensated absences payable	(6,320)	
Interest payable	<u>(6,212)</u>	
		<u>(707,092)</u>
 Net Assets		 \$ <u>7,513,889</u>

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

EAST CARROLL PARISH POLICE JURY

GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures, and Changes
in Fund Balances
For the Year Ended December 31, 2008

	GENERAL	ROAD MAINTENANCE AND CONSTRUCTION	GARBAGE DISTRICT NO. 1	LIBRARY
REVENUES				
Local sources:				
Taxes:				
Ad valorem	\$ 286,944	\$ 233,369	\$ 267,444	\$ 259,079
Sales and use	48,597	476,489	0	0
Licenses and permits	82,329	0	0	0
Intergovernmental revenues:				
Federal funds - federal grants	66,275	6,620	0	0
State funds:				
Parish transportation funds	0	167,176	0	0
State revenue sharing (net)	49,030	0	0	11,855
Severance taxes	31,337	0	0	0
Other	136,389	0	50,000	21,573
Fees, charges, and commissions for services	186,401	0	0	0
Fines and forfeitures	0	0	0	0
Use of money and property	116,856	13,558	9,095	12,405
Other revenues	139,289	3	14,926	3,952
Total Revenues	1,123,447	897,215	341,465	308,864
EXPENDITURES				
Current:				
General government:				
Legislative	154,725	0	0	0
Judicial	188,633	0	0	0
Elections	35,258	0	0	0
Finance and administrative	117,628	0	325	0
Other general government	282,187	0	905	0
Public safety	197,612	0	0	0
Public works	9,785	900,152	244,919	0
Health and welfare	0	0	0	0
Culture and recreation	46,809	0	0	281,189
Economic development and assistance	8,718	0	0	0
Transportation	0	0	0	0
Capital outlay	33,347	299,633	160,148	0
Debt service:				
Principal retirement	0	0	2,000	0
Interest and bank charges	0	0	0	0
Total Expenditures	1,074,702	1,199,785	408,297	281,189
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ 48,745	\$ (302,570)	\$ (66,832)	\$ 27,675

Statement E

HEALTH UNIT	DRAINAGE MAINTENANCE	CRIMINAL COURT	CAPITAL PROJECT	OTHER GOVERNMENTAL	TOTAL
\$ 134,297	\$ 233,369	\$ 0	\$ 0	\$ 226,032	1,620,534
0	0	0	0	0	525,086
0	0	0	0	0	82,329
0	0	0	338,448	0	411,343
0	0	0	0	0	167,176
0	0	0	0	0	60,885
0	0	0	0	0	31,337
0	0	0	0	16,676	224,638
2,100	0	0	0	2,400	190,901
0	0	415,698	0	0	415,698
13,578	4,616	0	0	4,952	175,060
34	1,291	0	0	1,500	160,995
<u>150,009</u>	<u>239,276</u>	<u>415,698</u>	<u>338,448</u>	<u>251,560</u>	<u>4,065,982</u>
0	0	0	0	0	154,725
0	0	291,028	0	0	479,661
0	0	0	0	0	35,258
0	0	0	22,750	70,803	211,506
0	0	0	0	0	283,092
0	0	812	0	68,069	266,493
0	154,355	0	0	0	1,309,211
158,219	0	0	0	0	158,219
0	0	0	0	1,575	329,573
0	0	0	0	0	8,718
0	0	0	0	4,815	4,815
0	37,381	0	315,698	0	846,207
0	0	0	0	40,000	42,000
0	0	0	0	25,048	25,048
<u>158,219</u>	<u>191,736</u>	<u>291,840</u>	<u>338,448</u>	<u>210,310</u>	<u>4,154,526</u>
\$ (8,210)	\$ 47,540	\$ 123,858	\$ 0	\$ 41,250	(88,544)

EAST CARROLL PARISH POLICE JURY

GOVERNMENTAL FUNDS
 Statement of Revenues, Expenditures, and Changes
 in Fund Balances
 For the Year Ended December 31, 2008

	GENERAL	ROAD MAINTENANCE AND CONSTRUCTION	GARBAGE DISTRICT NO. 1	LIBRARY
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 97,193	\$ 0	\$ 0	\$ 0
Transfers out	0	0	0	0
Proceeds from notes payable	0	0	84,560	0
Total Other Financing Sources (Uses)	97,193	0	84,560	0
Net Change in Fund Balances	145,938	(302,570)	17,728	27,675
FUND BALANCES - BEGINNING	465,869	955,657	523,848	503,277
FUND BALANCES - ENDING	\$ 611,807	\$ 653,087	\$ 541,576	\$ 530,952

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Statement E

HEALTH UNIT	DRAINAGE MAINTENANCE	CRIMINAL COURT	CAPITAL PROJECT	OTHER GOVERNMENTAL	TOTAL
\$ 0	\$ 0	\$ 0	\$ 0	\$ 46,575	\$ 143,768
(46,575)	0	(97,193)	0	0	(143,768)
0	0	0	0	0	84,560
(46,575)	0	(97,193)	0	46,575	84,560
(54,785)	47,540	26,665	0	87,825	(3,984)
692,049	323,770	194,386	0	388,606	4,047,462
\$ 637,264	\$ 371,310	\$ 221,051	\$ 0	\$ 476,431	\$ 4,043,478

(CONCLUDED)

EAST CARROLL 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, 2008

Statement F

Total net change in fund balances - governmental funds \$ (3,984)

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 exceeded depreciation expense in the period: (Note; a purchase of a garbage truck totalling \$147,748 was partially financed with a note payable for \$84,560)

Capital outlay	895,290	
Depreciation expense	<u>(320,403)</u>	574,887

Repayment of bond principal and capital leases is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. 40,000

Issuance of long-term debt provides current financial resources of governmental funds but has no effect on government-wide net assets. (84,560)

In the Statement of Activities, certain operating expenses-compensated absences (vacations and sick leave) - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year, vacation and sick time taken (\$26,158) exceeded the amounts earned \$24,958 by \$1,200. 1,200

Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. 100

Change in net assets of governmental activities. \$ 527,643

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

EAST CARROLL PARISH POLICE JURY
PROPRIETARY FUND TYPE - ENTERPRISE FUND
Statement of Net Assets
December 31, 2008

Statement G

SECTION 8
VOUCHER

ASSETS	
Current Assets:	
Cash	\$ 89,674
Receivables	<u>977</u>
Total Current Assets	90,651
Long-term Assets	
Property, plant and equipment (net of accumulated depreciation)	<u>0</u>
TOTAL ASSETS	<u>90,651</u>
LIABILITIES	
Current Liabilities:	
Accounts, salaries and other payables	<u>3,188</u>
TOTAL LIABILITIES	<u>3,188</u>
NET ASSETS	
Invested in capital assets, net of related debt	0
Restricted for HAP	96,325
Unrestricted	<u>(8,862)</u>
TOTAL NET ASSETS	<u>\$ 87,463</u>

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

EAST CARROLL PARISH POLICE JURY

PROPRIETARY FUND TYPE - ENTERPRISE FUND
Statements of Revenues, Expenses,
and Changes in Fund Net Assets
For the Year Ended December 31, 2008

Statement H

SECTION 8
VOUCHER

OPERATING REVENUES	
Federal Grants	\$ 626,316
Other operating revenue	<u>0</u>
Total operating revenues	<u>626,316</u>
OPERATING EXPENSES	
Administration	66,939
Housing assistance payments	553,007
Depreciation	<u>1,550</u>
Total operating expenses	<u>621,496</u>
OPERATING INCOME (Loss) FROM OPERATIONS	<u>4,820</u>
NONOPERATING REVENUES (EXPENSES)	
Interest income	<u>1,737</u>
Total nonoperating revenues (expenses)	<u>1,737</u>
NET CHANGE IN NET ASSETS	6,557
NET ASSETS - BEGINNING OF YEAR	<u>80,906</u>
NET ASSETS - END OF YEAR	<u>\$ 87,463</u>

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

EAST CARROLL PARISH POLICE JURY
PROPRIETARY FUND TYPE - ENTERPRISE FUND
Statement of Cash Flows
For the Year Ended December 31, 2008

Statement I

SECTION 8
VOUCHER

CASH FLOWS FROM OPERATING ACTIVITIES	
Payments to vendors	\$ (28,728)
Payments to employees	(39,335)
Payments to private landlords	(553,007)
Federal grants	<u>625,339</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>4,269</u>
CASH FLOW FROM INVESTING ACTIVITIES:	
Interest and dividends	<u>1,737</u>
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>1,737</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	6,006
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>83,668</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 89,674</u>
RECONCILIATION OF OPERATING INCOME	
(LOSS) TO NET CASH PROVIDED (USED)	
BY OPERATING ACTIVITIES	
Operating income (loss)	\$ 4,820
Adjustments to reconcile operating income	
to net cash provided (used) by operating	
activities:	
Depreciation expense	1,550
Change in assets and liabilities:	
Accounts receivable	(977)
Accounts payable	<u>(1,124)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 4,269</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

East Carroll Parish Police Jury
Notes to the Basic Financial Statements
As of and for the Year Ended December 31, 2008

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East Carroll Parish Police Jury
Notes to the Basic Financial Statements
As of and for the Year Ended December 31, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES The East Carroll Parish Police Jury (the Police Jury) is the governing authority for East Carroll 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. The jurors serve four-year terms which expire in December 2011.

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 powers to make regulations for their own government, to regulate the construction and maintenance of roads and bridges, to regulate the construction and maintenance of 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 other state and federal grants.

In accomplishing its objectives, the Police Jury also has the authority to create special districts (component units) within the parish. The districts perform specialized functions, such as fire protection, library facilities, airport facilities, and health care facilities.

A. REPORTING ENTITY As the governing authority of the parish, for reporting purposes, the East Carroll Parish Police Jury is the financial reporting entity for East Carroll Parish. The financial reporting entity consists of (a) the primary government (Police Jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board (GASB) Statement No. 14 establishes criteria for determining the governmental reporting entity and component units that should be considered part of the East Carroll Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and:
 - a. The ability of the Police Jury to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Police Jury.
2. Organizations for which the Police Jury does not appoint a voting majority but are fiscally dependent on the Police Jury.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the previous criteria, the Police Jury has determined that the following component units are part of the reporting entity:

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<u>Component Unit</u>	<u>Method of Inclusion</u>	<u>Fiscal Year End</u>	<u>Criteria Used</u>
Included within the reporting entity:			
East Carroll Parish Library	Blended	December 31	1 and 3
Sixth Judicial District Criminal Court (East Carroll Parish)	Blended	December 31	2 and 3
LSU/SU Extension Service	Blended	December 31	2
Not included within the reporting entity:			
East Carroll Parish:			
Sheriff		June 30	2 and 3
Assessor		December 31	2 and 3
Clerk of Court		June 30	2 and 3
East Carroll Hospital Service District		June 30	1 and 3
East Carroll Parish Housing Authority		June 30	1 and 3
East Carroll Recreation District		December 31	1 and 3
Community Action Agency of East Carroll Parish		December 31	1 and 3

The Police Jury has chosen not to include the following component units in the basic financial statements: Sheriff, Assessor, Clerk of Court, East Carroll Hospital Service District, East Carroll Parish Housing Authority, East Carroll Recreation District, and Community Action Agency of East Carroll Parish. Separate financial statements for each of these component units can be obtained by contacting the component unit.

Considered in the determination of component units of the reporting entity were the East Carroll Parish School Board, the District Attorney and Judges for the Sixth Judicial District, and the various municipalities in the parish. It was determined that these governmental entities are not component units of the East Carroll Parish Police Jury reporting entity because they have separately elected governing bodies, are legally separate, and are fiscally independent of the East Carroll Parish Police Jury.

B. FUNDS The accounts of the Police Jury are organized and operated on the basis of funds. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

Governmental funds: The governmental funds are divided into separate "fund types." Governmental funds are used to account for government's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of attention is on the recovering the cost of providing services to the public or other agencies through service charges or user fees. The major governmental funds of the Police Jury are described as follows:

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 Maintenance and Construction - This fund accounts for funds used to maintain the parish roads and streets.

Garbage District No. 1 - This fund accounts for the parish garbage collection services begun in 2001.

Library fund - This fund accounts for the activities performed for the public library.

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Health Unit - This fund accounts for the parish health center.

Drainage Maintenance - The drainage maintenance fund accounts for the maintenance of the parish drainage system. Financing is provided by ad valorem taxes.

Criminal Court - This fund accounts for the activities of the parish court and its operations.

Capital Project - This fund accounts for activity of the CDBG grant.

Proprietary Fund - The proprietary fund accounts for activities similar to those found in the private sector where the determination of net income is necessary or useful to sound financial administration. The proprietary fund differs from a governmental fund in that its focus is on income measurement which, together with the maintenance of equity, is an important financial indicator.

Section 8 Voucher - This fund accounts for the activity for HUD's Section 8 Housing Choice Voucher program. The purpose is to assist low-income families in obtaining affordable housing.

Activities accounted for in the Police Jury's proprietary fund follow all applicable GASB pronouncements as well as applicable Financial Accounting Standards Board pronouncements issued on or before November 30, 1989.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Government-Wide Financial Statements (GWFS) The Statement of Net Assets and the Statement of Activities displays information about the reporting government as a whole. The Statement of Net Assets and the Statement of Activities was prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 "Accounting and Financial Reporting for Nonexchange Transactions." Fiduciary funds are not included in the government-wide financial statements.

Program revenues Program revenues included in the Statement of Activities derive directly from the program itself or from parties outside the Police Jury's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the Police Jury's general revenues.

Allocation of indirect expenses The Police Jury reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Fund Financial Statements (FFS)

Governmental Funds The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting revenues

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are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The government considers all revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured principal and interest on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The governmental funds use the following practices in recording revenues and expenditures:

Revenues Ad valorem taxes and the related state revenue sharing are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar-year basis and attach as an enforceable lien and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. The taxes are normally collected in December of the current year and January and February of the ensuing year.

Sales taxes are susceptible to accrual.

Federal and state grants are recognized when the Police Jury is entitled to the funds.

Fines, forfeitures, and court costs are recognized in the year they are received by the parish tax collector.

Interest income on time deposits is recognized when the time deposits have matured and the interest is available.

Substantially all other revenues are recognized when they become available to the Police Jury.

Based on the above criteria, ad valorem taxes, sales taxes, federal and state grants, and fines, forfeitures, and court costs have been treated as susceptible to accrual.

Expenditures Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for principal and interest on general long-term obligations, which are recognized when due.

Other Financing Sources (Uses) Sale of fixed assets, increases in capital lease purchases, and transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses) and are recognized when the underlying events occur.

Proprietary Funds

Operating Revenues and Expenses Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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D. ENCUMBRANCES Outstanding encumbrances lapse at year-end. Authorization for the eventual expenditure will be included in the following year's budget appropriations. Encumbrance accounting is not employed in governmental funds.

Encumbrance accounting (e.g., purchase orders, contracts) is not recognized within the accounting records for budgetary control purposes.

E. CASH AND CASH EQUIVALENTS Cash includes amounts in demand deposits and interest-bearing demand deposits, and time deposit accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Police Jury may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

F. INVESTMENTS Investments are limited by R.S. 33:2955 and the Police Jury's investment policy. If the original maturities of investments exceed 90 days they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

The investments are reflected at fair value except for the following which are required/permitted as per GASB Statement No. 31:

1. Investments in nonparticipating interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure.
2. The Police Jury reported at amortized cost money market investments and participating interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less.

Definitions:

Interest-earning investment contract include time deposits with financial institutions (such as certificates of deposit), repurchase agreements, and guaranteed investment contracts.

Money market investments are short-term, highly liquid debt instruments that include U. S. Treasury obligations.

The Police Jury participates in the Louisiana Asset Management Pool, Inc., (LAMP) which is an external investment pool that is not SEC-registered. Because the LAMP is an arrangement sponsored by a type of governmental entity, it is exempt by statute from regulation by the SEC. LAMP is a 2a7-like investment pool.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA-R.S. 33.2955.

GASB Statement No. 40 Deposit and Investment Risk Disclosure, requires disclosure of credit risk, custodial credit risk, concentration of credit risk, interest rate risk and foreign currency risk for all public entity investments.

LAMP is a 2a7-like investment pool. The following facts are relevant for 2a7-like investment pools:

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- Credit risk: Lamp is rated AAAM by Standard & Poor's
- Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.
- Concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement.
- Interest rate risk: 2a7-like investment pools are excluded from this disclosure requirement, per paragraph 15 of the GASB 40 statement.
- Foreign currency risk: Not applicable to 2a7-like pools.

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors.

An annual audit of LAMP is conducted by an independent certified public accountant. The Legislative Auditor of the state of Louisiana has full access to the records of the LAMP.

LAMP issues financial reports. These financial reports can be obtained by writing: LAMP, Inc., 228 St. Charles Avenue, Suite 1123, New Orleans, LA 70130.

G. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES (FFS) During the course of operations, numerous transactions occur between individual funds for services rendered. These receivables and payables are classified as interfund receivables/payables on the balance sheet. Short-term interfund loans are also classified as interfund receivables/payables.

H. ELIMINATION AND RECLASSIFICATIONS In the process of aggregating data for the statement of net assets 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.

I. PREPAID ITEMS Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

J. CAPITAL ASSETS Capital assets exceeding \$250 are recorded at either historical cost or estimated historical cost and depreciated over their estimated useful lives (excluding salvage value). Donated capital assets are recorded at their estimated fair value at the date of donation. General and infrastructure assets (e.g. roads, bridges, and other assets that are immovable and of value only to the government) are capitalized and valued at historical cost or estimated historical cost. Interest during construction was not capitalized on capital assets prior to January 1, 1999. Estimated useful life is management's estimate of how long the asset is expected to meet

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service demands. Vehicles and trailers are assigned a salvage value of ten percent of historical costs. Straight line depreciation is used based on the following estimated useful lives:

Buildings	40 years
Portable buildings	10 to 20 years
Office equipment	6 or 10 years
Furniture and fixtures	6 or 10 years
Construction equipment	4 to 10 years
Vehicles	4 or 9 years
Books, periodicals and law books	10 years
Infrastructure:	
Airport hangars	40 years
Road surface	25 years
Bridges	40 to 50 years

K. COMPENSATED ABSENCES All full-time employees of the Police Jury earn annual leave at rates varying from ten to 20 days per year, depending on length of service. Employees may accumulate and carry forward no more than five days of annual leave. All full-time permanent employees earn one sick day per month of continuous employment. Sick leave can be accumulated up to 30 days. Employees are not compensated for sick leave at termination or retirement.

Full-time employees of the East Carroll Parish Library earn from ten to 15 days of vacation leave, depending on their length of service and position with the library. Part-time employees earn six days of vacation leave each year. Vacation leave cannot be accumulated. All 12-month employees earn ten days of sick leave each year. Sick leave can be accumulated up to 20 days. Part-time employees earn six days of sick leave each year. Sick leave lapses upon termination of employment.

The cost of leave privileges, computed in accordance with the previous codification, is recognized as a current-year expenditure within the various funds when leave is actually taken or when employees are paid for accrued vacation leave upon retirement.

The Police Jury's recognition and measurement criterion for compensated absences follows:

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:

The employees' right to receive compensation is attributable to services already rendered.

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.

GASB Statement No. 16 provides that a liability for sick leave should be accrued using one of the following termination approaches:

An accrual for earned sick leave should be made only to the extent it is probable that the benefits will result in termination payments, rather than be taken as absences due to illness or other contingencies, such as medical appointments and funerals.

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Alternatively, a governmental entity should estimate its accrued sick leave liability based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as well as other employees who are expected to become eligible in the future to receive such payments.

L. LIABILITIES For government-wide reporting, the costs associated with the bonds are recognized over the life of the bond. As permitted by GASB Statement No. 34 the amortization of the costs of bonds will be amortized prospectively from the date of adoption of GASB Statement No. 34.

For fund financial reporting, bond premiums and discounts, as well as issuance costs, are recognized in the period the bonds are issued. Bond proceeds are reported as another financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

M. RESTRICTED NET ASSETS For the government-wide statement of net assets, net assets are reported as restricted when constraints placed on net asset use are either:

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments;

Imposed by law through constitutional provisions or enabling legislation. All of the Police Jury's restricted net assets are restricted by enabling legislation except for net assets restricted for housing assistance payments.

It is the Police Jury's policy to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

N. RESERVED FUND BALANCES OF FUND FINANCIAL STATEMENTS Reserves represent those portions of fund balance that are not appropriable for expenditures or that are legally segregated for a specific purpose. Designated fund balances represent tentative management plans for future use of financial resources and are subject to change.

O. INTERFUND TRANSACTIONS Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

P. SALES TAXES The Police Jury has a one percent sales and use tax, which was passed by the voters on October 16, 1993, for a period of five years. In July 2008, this tax was renewed for five years. The taxing period for the renewal is effective from January 1, 2009 through December 31, 2013. The net proceeds of the tax (after necessary costs of collection) are to be used to construct, operate, and maintain parish public roads, drainage canals, and public bridges, with ten percent of the proceeds used exclusively for insurance premiums.

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Q. DEFERRED REVENUES The Police Jury reports deferred revenues on its statement of net assets. Deferred revenues arise when resources are received by the Police Jury before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when the Police Jury has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and the revenue is recognized.

R. 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.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Excess of Actual Expenditures Over Budgeted Expenditures in Individual Funds The following funds had actual expenditures which exceeded budgeted expenditures for the year ended December 31, 2008:

	<u>Final Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
General Fund	\$1,041,823	\$1,074,702	\$ 32,879
Road Maintenance and Construction	1,037,716	1,261,176	223,460
Garbage District No. 1	307,917	309,337	1,420

NOTE 3 - LEVIED TAXES The Police Jury levies taxes on real and business personal property located within East Carroll Parish's boundaries. Property taxes are levied by the Police Jury on property values assessed by the East Carroll Parish Tax Assessor and approved by the State of Louisiana Tax Commission.

The East Carroll Parish sheriff's office bills and collects property taxes for the Police Jury. Collections are remitted to the Police Jury monthly.

Property Tax Calendar

Millage rates adopted	September 9, 2008
Levy date	October 10, 2008
Tax bills mailed	November 7, 2008
Due date	December 31, 2008
Lien date	January 1, 2009
Tax sale - 2008 delinquent property	On or about May 1, 2009

Assessed values are established by the East Carroll Parish Tax Assessor each year on a uniform basis at the following ratios of assessed value to fair market value.

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10% land	15% machinery
10% residential improvements	15% commercial improvements
15% industrial improvements	25% public service properties, excluding land

A revaluation of all property is required after 1978 to be completed no less than every four years. The last revaluation was completed for the roll of January 1, 2008. Total assessed value was \$40,356,908 in calendar year 2008. Louisiana state law exempts the first \$7,500 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was \$5,764,491 of the assessed value in calendar year 2008.

State law requires the sheriff to collect property taxes in the calendar year in which the assessment is made. Property taxes become delinquent January 1 of the following year. If taxes are not paid by the due date, taxes bear interest at the rate of 1.25% per month until the taxes are paid. After notice is given to the delinquent taxpayers, the sheriff is required by the *Constitution of the State of Louisiana* to sell the least quantity of property necessary to settle the taxes and interest owed.

All property taxes are recorded in the general fund, road maintenance and construction special revenue fund, drainage maintenance special revenue fund, garbage district No. 1 special revenue fund, rural fire special revenue fund, library special revenue fund, health unit special revenue fund, extension service fund and the debt service fund. Revenues in such funds are recognized in the accounting period in which they become measurable and available. Property taxes are considered measurable in the calendar year of the tax levy. Estimated uncollectible taxes are those taxes based on past experience which will not be collected in the subsequent year and are primarily due to subsequent adjustments to the tax roll. Available means due, or past due, and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter to pay liabilities of the current period. The remaining property taxes receivable are considered available because they are substantially collected within 60 days subsequent to year-end.

The tax roll is prepared by the parish tax assessor in November of each year; therefore, the amount of 2008 property taxes to be collected occurs in December and January and February of the next year. Historically, virtually all ad valorem taxes receivable were collected since they are secured by property; therefore, there is no allowance for uncollectible taxes.

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The following is a summary of authorized and levied ad valorem taxes for the year ended December 31, 2008:

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Parish-wide taxes:			
General fund	5.76	5.63	Indefinite
Courthouse maintenance	2.45	2.39	2009
Road maintenance	7.18	7.02	2012
Drainage maintenance	7.18	7.02	2012
Library maintenance	7.97	7.79	2009
Health unit	4.13	4.13	2017
La coop Extension Program	2.66	2.60	2009
District taxes:			
Rural fire protection	2.76	2.76	2008
Rural fire protection debt service	Variable	2.60	2018
Waste collection and disposal	10.28	10.28	2010

The difference between authorized and levied millages is the result of reassessments of taxable property in the parish as required by Article 7, Section 18 of the Louisiana Constitution of 1974.

NOTE 4 - DEPOSITS At December 31, 2008, the Police Jury had cash and cash equivalents (book balances) as follows:

Demand deposits (cash and cash equivalents per Statement A)	\$1,425,033
Time deposits (reported as investments)	<u>41,117</u>
Total	<u>\$1,466,150</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.

Custodial Credit Risk-Deposits. At year-end of the bank balance of \$1,822,014, \$500,000 was covered by federal depository insurance or by collateral held by the Police Jury's agent in the Police Jury's name (GASB Category 1). The remaining balance, \$1,322,014 was collateralized with securities held by the pledging financial institution's trust department or agent but not in the Police Jury's name (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Police Jury that the fiscal agent has failed to pay deposited funds upon demand. The Police Jury's policy does not address custodial credit risk.

Interest Rate Risk-Deposits. The Police Jury's policy does not address interest rate risk.

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NOTE 5 - INVESTMENTS At year end, the Police Jury investment balances were as follows:

<u>Type of investment</u>	<u>Carrying Amount</u> <u>Fair Value</u>
Investments not subject to categorization:	
External investment pool (LAMP)	\$1,223,340

Investments held at December 31, 2008 consist of \$1,223,340 in the Louisiana Asset Management Pool (LAMP), a local government investment pool. In accordance with GASB Codification Section 150.126, the investment in LAMP at December 31, 2008 is not categorized in the three risk categories provided by GASB Codification Section 150.125 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form.

Interest Rate Risk. The Police Jury manages its exposure to declines in fair value by investing in the LAMP investment pool which is highly liquid and has short maturity dates. 2a7-like investment pools are excluded from this disclosure requirement, per paragraph 15 of the GASB 40 statement.

Credit Risk. State law limits investments to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies. New regulations also include investments in investment grade commercial paper of domestic U.S. corporations. The Police Jury's investments at December 31, 2008 were limited to investments in LAMP with a Standard and Poor rating of AAAm. LAMP investments in commercial paper is limited to U.S. corporations with an A-1 or A-1+ by Standard and Poor.

Concentration of Credit Risk. Pool investments are excluded from the five percent disclosure requirement.

Custodial Credit Risk-Investments. Participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or bank-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.

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NOTE 6 - RECEIVABLES The following is a summary of receivables at December 31, 2008:

	General	Road Maintenance Construction	Garbage District No. 1	Library	Health Unit	Drainage Maintenance	Criminal Court	Capital Project	Section 8 Vouchers	Other Governmental	Total
Taxes:											
Ad Valorem	\$ 235,579	\$ 206,023	\$240,695	\$228,692	\$118,507	\$ 206,023	\$ -	\$ -	\$ -	\$ 201,827	\$ 1,437,346
Other taxes	5,019	45,167	-	-	-	-	-	-	-	-	50,186
Intergovernmental											
Revenues											
Federal	11,719	4,364	-	-	-	-	-	32,199	977	-	49,259
State	40,562	12,860	-	-	-	-	-	-	-	-	53,422
Other	20,869	-	1,326	-	-	-	41,828	-	-	1,025	65,048
Total	\$ 313,748	\$ 268,414	\$242,021	\$228,692	\$118,507	\$ 206,023	\$41,828	\$32,199	\$ 977	\$ 202,852	\$ 1,655,261

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 has been established.

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NOTE 7 - CAPITAL ASSETS The following schedule presents changes in capital assets for the Police Jury:

	Balance Beginning	Additions	Deletions	Balance Ending
Governmental activities				
Nondepreciable capital assets:				
Land	\$ 274,665	\$ -	\$ -	\$ 274,665
Airport land	101,000	-	-	101,000
Construction in progress	33,393	363,315	339,598	57,110
Total nondepreciable capital assets	<u>409,058</u>	<u>363,315</u>	<u>339,598</u>	<u>432,775</u>
Depreciable capital assets:				
Buildings	1,718,385	-	-	1,718,385
Office equipment	263,993	13,362	-	277,355
Furniture & fixtures	62,768	25,900	-	88,668
Construction & equipment	1,161,017	289,304	-	1,450,321
Vehicles	1,971,452	203,409	-	2,174,861
Books, periodicals & law books	342,548	-	-	342,548
Infrastructure				
Airport hangars	25,000	-	-	25,000
Airport runway	763,626	-	-	763,626
Road right-of-way	558,234	-	-	558,234
Road surface	8,382,757	339,598	-	8,722,355
Bridges	1,690,647	-	-	1,690,647
Total depreciable capital assets	<u>16,940,427</u>	<u>871,573</u>	<u>-</u>	<u>17,812,000</u>
Less accumulated depreciation:				
Buildings	1,317,840	26,605	-	1,344,445
Office equipment	215,290	12,888	-	228,178
Furniture & fixtures	57,886	1,906	-	59,792
Construction & equipment	980,735	51,740	-	1,032,475
Vehicles	1,502,222	157,447	-	1,659,669
Books, periodicals & law books	316,468	7,463	-	323,931
Infrastructure				
Airport hangars	20,313	625	-	20,938
Airport runway	85,909	19,091	-	105,000
Road right-of-way	8,264,037	12,063	-	8,276,100
Bridges	986,169	30,575	-	1,016,744
Total accumulated depreciation	<u>13,746,869</u>	<u>320,403</u>	<u>-</u>	<u>14,067,272</u>
Total depreciable capital assets, net	<u>3,193,558</u>	<u>551,170</u>	<u>-</u>	<u>3,744,728</u>
Governmental activities				
Capital assets, net	<u>\$3,602,616</u>	<u>\$ 914,485</u>	<u>\$339,598</u>	<u>\$4,177,503</u>

East Carroll Parish Police Jury
Notes to the Basic Financial Statements
As of and for the Year Ended December 31, 2008

Depreciation expense was charged to governmental activities for the Police Jury as follows:

Judicial	\$ 216
Elections	2,224
Finance & administrative	339
Other general government	7,767
Public Safety	133,259
Public Works	142,677
Health & Welfare	4,732
Culture & Recreation	9,474
Economic development & assistance	-
Transportation	19,715
Total	<u>\$ 320,403</u>

The following schedule presents changes in capital assets for the business-type activities.

	<u>Balance Beginning</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance Ending</u>
Depreciable capital assets				
Office equipment	\$ 5,810	\$ -	\$ -	\$ 5,810
Furniture & fixtures	3,131	-	-	3,131
Vehicles	12,365	-	-	12,365
Total	<u>21,306</u>	<u>-</u>	<u>-</u>	<u>21,306</u>
Less accumulated depreciation				
Office equipment	5,810	-	-	5,810
Furniture & fixtures	2,817	313	-	3,130
Vehicles	11,129	1,237	-	12,366
Total	<u>19,756</u>	<u>1,550</u>	<u>-</u>	<u>21,306</u>
Business-type activities capital assets, net	<u>\$ 1,550</u>	<u>\$ (1,550)</u>	<u>\$ -</u>	<u>\$ -</u>

Depreciation expense was charged to governmental activities for the business-type activities as follows:

Health and welfare	<u>\$1,550</u>
--------------------	----------------

NOTE 8 - RETIREMENT SYSTEMS Substantially all employees of the Police Jury are members of the Parochial Employees Retirement System of Louisiana (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. The System is composed of two district plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the Police Jury are members of Plan A.

All permanent employees working at least twenty-eight hours per week who are paid wholly or in part from parish funds and all elected parish officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 65 with a minimum of seven years of creditable service, at or after age 60 with at least ten years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to three percent of their final average salary for each year of creditable service. However, for those employees who were members of the

East Carroll Parish Police Jury
Notes to the Basic Financial Statements
As of and for the Year Ended December 31, 2008

supplemental plan only before January 1, 1980, the benefit is equal to one percent of final average salary plus \$24 for each year of supplemental-plan-only service earned before January 1, 1980, plus three percent of final-average salary for each salary for each year of service credited after the revision date. Final average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefits accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

Under Plan A, members are required by state statute to contribute 9.50 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 percent (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each 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 Police Jury 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 for the prior fiscal year. The Police Jury's contributions to the System under Plan A for the years ending December 31, 2008, 2007, and 2006, were \$114,504, \$109,853, and \$99,127, respectively, equal to the required contribution for each year.

The System issues an annual publicly available 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 of Louisiana, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (225) 928-1361.

NOTE 9 - ACCOUNTS, SALARIES, AND OTHER PAYABLES

	General	Road Maintenance and Construction	Garbage District	Library	Health Unit	Drainage Maintenance	Criminal Court	Capital Project	Other Governmental	Section 8 Voucher	Total
Vendors	\$ 70,792	\$ 44,913	\$ 3,623	\$ 2,487	\$ 38,524	\$ 1,436	\$ 7,988	\$ 32,199	\$ 4,868	\$ 3,188	\$ 210,018
Salaries	-	-	3,494	-	298	-	-	-	-	-	3,792
Total	\$ 70,792	\$ 44,913	\$ 7,117	\$ 2,487	\$ 38,822	\$ 1,436	\$ 7,988	\$ 32,199	\$ 4,868	\$ 3,188	\$ 213,810

East Carroll Parish Police Jury
Notes to the Basic Financial Statements
As of and for the Year Ended December 31, 2008

NOTE 10 - LONG-TERM LIABILITIES The following is a summary of the long-term liabilities transactions and balances for the year ended December 31:

	Beginning Balance	Additions	Deletions	Ending Balance	Amounts Due Within One year
Governmental Activities					
Bonds payable:					
General obligation debt	\$ 650,000	\$ -	\$ 40,000	\$ 610,000	\$ 45,000
Other Liabilities:					
Compensated absences	7,520	24,958	26,158	6,320	6,320
Note payable	-	84,560	-	84,560	19,147
Governmental Activities					
Long-term liabilities	<u>\$ 657,520</u>	<u>\$ 109,518</u>	<u>\$ 66,158</u>	<u>\$ 700,880</u>	<u>\$ 70,467</u>

Payments on the general obligation bonds payable that pertain to the Police Jury's governmental activities are made by the debt service fund. The compensated absences liability attributable to the governmental activities will be liquidated by the general fund (26%), the garbage district (14%), health unit (7%), and the road maintenance and construction fund (53%).

The general obligation bonds payable at December 31, is the following issue:

	Original Amount	Interest Rates	Final Payment Due	Interest to Maturity	Principal Outstanding
2004 Issue	<u>\$750,000</u>	3.99	April 1, 2019	<u>\$155,690</u>	<u>\$610,000</u>

All principal and interest requirements are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the parish. At December 31, the Police Jury had accumulated \$82,744 in the debt service fund for future debt requirements. The bonds are due as follows:

<u>Year Ending December 31,</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total</u>
2009	\$ 45,000	\$ 24,398	\$ 69,398
2010	45,000	23,273	68,273
2011	50,000	21,598	71,598
2012	50,000	19,473	69,473
2013	50,000	17,098	67,098
2014-2018	300,000	48,275	348,275
2019	70,000	1,575	71,575
Total	<u>\$ 610,000</u>	<u>\$ 155,690</u>	<u>\$ 765,690</u>

In accordance with Louisiana Revised Statute 39:562, the Police Jury and its component units are legally restricted from incurring long-term bonded debt in excess of ten percent of the assessed value of taxable property in the parish or district. At December 31, the statutory limit is \$4,035,691 and net outstanding bonded debt totals \$527,256.

East Carroll Parish Police Jury
Notes to the Basic Financial Statements
As of and for the Year Ended December 31, 2008

NOTE 11 - 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. In prior years the Criminal Court Fund had a negative fund balance. In the current year the criminal court paid \$97,193 to the General Fund based on the prior year audited fund balance.

NOTE 12 - INTERFUND TRANSFERS (FFS LEVEL ONLY)

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
General	\$ 97,193	\$ -
Health Unit	-	46,575
Criminal court	-	97,193
Other governmental	46,575	-
	<u>\$ 143,768</u>	<u>\$ 143,768</u>

The transfer from the health unit to other governmental was to set up a separate fund for a USDA grant. The transfer is the matching portion of the grant. The transfer from the Criminal Court to the General Fund was to fulfill state requirements. See Note 11 for further details.

NOTE 13 - LITIGATION AND CLAIMS

Litigation At December 31, 2008, the Police Jury was not involved in any litigation, nor was it aware of any unasserted claims.

Grant Disallowances The Police Jury participates in a number of state and federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grant.

Construction Project The Police Jury began a construction project to build a new Health Unit. The current project is the first phase of construction which will cost a total of \$500,000. A total of \$57,110 has been spent to date with an additional \$442,890 to be spent in the 2009 fiscal year.

NOTE 14 - RISK MANAGEMENT The Police Jury is at risk for property damage, liability and theft which are covered by commercial insurance through the Louisianan Rural Parish Insurance Cooperative, a self-insurance fund. This self-insurance program is a public entity risk pool which was approved by the State of Louisiana Insurance Commission. The cooperative operates as any other commercial insurance company. Three insurance companies currently share the excess coverage insurance. The first \$100,000 of all coverage is self-funded by the combined contributions of the members. No additional assessments can be made against the Police Jury. The Police Jury is responsible only for the payment of premiums.

East Carroll Parish Police Jury

REQUIRED SUPPLEMENTAL INFORMATION

East Carroll 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 MAINTENANCE AND CONSTRUCTION The road maintenance fund accounts for the maintenance of the parish highways, streets, and bridges. Major means of financing is provided by a one percent sales tax.

GARBAGE DISTRICT NO. 1 The solid waste fund accounts for the operations of the parish-wide landfill project and is funded by a district ad valorem tax.

LIBRARY The library fund accounts for the operations of the parish library. Financing is provided by a specific parish-wide ad valorem tax.

HEALTH UNIT The health unit fund accounts for the maintenance and operation of the parish health unit. Financing is provided by a specific parish-wide ad valorem taxes.

DRAINAGE MAINTENANCE The drainage maintenance fund accounts for the maintenance of the parish drainage system. Financing is provided by ad valorem taxes.

EAST CARROLL PARISH POLICE JURY

**GENERAL FUND
Budgetary Comparison Schedule
For the Year Ended December 31, 2008**

Exhibit 1-1

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS	FINAL BUDGET
			(BUDGETARY BASIS)	POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES, BEGINNING	\$ 135,365	\$ 451,859	\$ 451,859	0
Resources (inflows)				
Local sources:				
Taxes:				
Ad valorem	219,000	243,450	266,944	23,494
Sales and use	40,500	51,500	48,597	(2,903)
Licenses and permits	56,000	91,000	82,329	(8,671)
Intergovernmental revenues:				
State funds:				
State revenue sharing (net)	48,000	48,000	49,030	1,030
Severance taxes	21,700	2,500	31,337	28,837
Other	57,753	139,813	136,389	(3,424)
Federal funds	42,200	24,600	66,275	41,675
Fees, charges, and commissions for services	183,600	183,600	186,401	2,801
Use of money and property	87,000	117,205	116,856	(349)
Other revenues	92,800	132,750	139,289	6,539
Transfers from other funds	0	0	97,193	97,193
Amounts available for appropriations	<u>983,918</u>	<u>1,486,277</u>	<u>1,672,499</u>	<u>186,222</u>
Charges to appropriations (outflows)				
General government:				
Legislative	86,606	175,556	154,725	20,831
Judicial	154,515	191,515	188,633	2,882
Elections	35,095	35,795	35,258	537
Finance and administrative	120,700	118,700	117,628	1,072
Other general government	241,300	279,395	282,187	(2,792)
Public safety	212,500	207,815	197,612	10,203
Public works	2,000	9,785	9,785	0
Health and welfare	0	2,000	0	2,000
Culture and recreation	16,200	10,950	46,809	(35,859)
Economic development and assistance	3,712	7,312	8,718	(1,406)
Capital outlay	0	0	33,347	(33,347)
Transfers to other funds	0	3,000	0	3,000
Total charges to appropriations	<u>872,628</u>	<u>1,041,823</u>	<u>1,074,702</u>	<u>(32,879)</u>
BUDGETARY FUND BALANCES, ENDING	\$ <u>111,290</u>	\$ <u>444,454</u>	\$ <u>597,797</u>	<u>153,343</u>

EAST CARROLL PARISH POLICE JURY

ROAD MAINTENANCE AND CONSTRUCTION

Budgetary Comparison Schedule

For the Year Ended December 31, 2008

Exhibit 1-2

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS	FINAL BUDGET
			(BUDGETARY BASIS)	POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES, BEGINNING	\$ 456,609	\$ 955,657	\$ 955,657	0
Resources (inflows)				
Local sources:				
Taxes:				
Ad valorem	190,000	212,795	233,369	20,574
Sales and use	405,000	515,000	510,426	(4,574)
Intergovernmental revenues:				
State funds:				
Parish transportation funds	116,000	161,000	167,176	6,176
Use of money and property	21,850	28,963	13,558	(15,405)
Other revenues	96,180	62,702	23,469	(39,233)
Amounts available for appropriations	<u>1,285,639</u>	<u>1,936,117</u>	<u>1,903,655</u>	<u>(32,462)</u>
Charges to appropriations (outflows)				
Public works	829,996	950,216	900,152	50,064
Capital outlay	30,000	37,000	299,633	(262,633)
Transfers to other funds	40,500	50,500	61,391	(10,891)
Total charges to appropriations	<u>900,496</u>	<u>1,037,716</u>	<u>1,261,176</u>	<u>(223,460)</u>
BUDGETARY FUND BALANCES, ENDING	\$ <u>385,143</u>	\$ <u>898,401</u>	\$ <u>642,479</u>	\$ <u>(255,922)</u>

EAST CARROLL PARISH POLICE JURY

GARBAGE DISTRICT NO. 1
 Budgetary Comparison Schedule
 For the Year Ended December 31, 2008

Exhibit 1-3

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS (BUDGETARY BASIS)	FINAL BUDGET POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES, BEGINNING	\$ 229,946	\$ 527,598	\$ 527,598	0
Resources (inflows)				
Local sources:				
Taxes:				
Ad valorem	225,000	239,400	267,444	28,044
Other state revenue	0	50,000	50,000	0
Use of money and property	19,300	9,950	9,095	(855)
Other revenue	25,909	25,909	14,926	(10,983)
Amounts available for appropriations	500,155	852,857	869,063	16,206
Charges to appropriations (outflows)				
Finance and administrative		0	325	(325)
Other general government		920	905	15
Public works	291,304	296,157	244,919	51,238
Debt service:				
Principal retirement	24,840	10,840	63,188	(52,348)
Total charges to appropriations	316,144	307,917	309,337	(1,420)
BUDGETARY FUND BALANCES, ENDING	\$ 184,011	\$ 544,940	\$ 559,726	14,786

EAST CARROLL PARISH POLICE JURY

LIBRARY

Budgetary Comparison Schedule
For the Year Ended December 31, 2008

Exhibit 1-4

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS	FINAL BUDGET
			(BUDGETARY BASIS)	POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES, BEGINNING	287,010	501,869	501,869	0
Resources (inflows)				
Local sources:				
Taxes:				
Ad valorem	208,000	227,907	259,079	31,172
Intergovernmental revenues:				
State funds:				
State revenue sharing (net)	11,500	12,051	11,855	(196)
Other	20,000	21,573	21,573	0
Use of money and property	12,550	14,408	12,405	(2,003)
Other revenues	5,900	4,380	3,952	(428)
Amounts available for appropriations	544,960	782,188	810,733	28,545
Charges to appropriations (outflows)				
Culture and recreation	286,627	266,430	242,781	23,649
Total charges to appropriations	286,627	266,430	242,781	23,649
BUDGETARY FUND BALANCES, ENDING	\$ 258,333	\$ 515,758	\$ 567,952	\$ 52,194

EAST CARROLL PARISH POLICE JURY

HEALTH UNIT

Budgetary Comparison Schedule
For the Year Ended December 31, 2008

Exhibit 1-5

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS	FINAL BUDGET
			(BUDGETARY BASIS)	POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES, BEGINNING	\$ 476,546	\$ 692,773	\$ 692,773	0
Resources (inflows)				
Local sources:				
Taxes:				
Ad valorem	115,000	124,200	134,297	10,097
Fees, charges, and commissions for services	0	2,100	2,100	0
Use of money and property	11,500	14,000	13,578	(422)
Other revenues	355	355	34	(321)
Amounts available for appropriations	<u>603,401</u>	<u>833,428</u>	<u>842,782</u>	<u>9,354</u>
Charges to appropriations (outflows)				
Health and welfare	<u>505,629</u>	<u>134,499</u>	<u>158,219</u>	<u>(23,720)</u>
Total charges to appropriations	<u>505,629</u>	<u>134,499</u>	<u>158,219</u>	<u>(23,720)</u>
BUDGETARY FUND BALANCES, ENDING	<u>\$ 97,772</u>	<u>\$ 698,929</u>	<u>\$ 684,563</u>	<u>(14,366)</u>

EAST CARROLL PARISH POLICE JURY

**DRAINAGE MAINTENANCE
Budgetary Comparison Schedule
For the Year Ended December 31, 2008**

Exhibit 1-6

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>AMOUNTS</u>	<u>FINAL BUDGET</u>
			<u>(BUDGETARY BASIS)</u>	<u>POSITIVE</u> <u>(NEGATIVE)</u>
BUDGETARY FUND BALANCES, BEGINNING	\$ 110,150	\$ 323,770	\$ 323,770	0
Resources (inflows)				
Local sources:				
Taxes:				
Ad valorem	190,000	212,795	233,369	20,574
Use of money and property	16,700	5,425	4,616	(809)
Other revenues	1,020	1,291	1,291	0
Transfers from other funds	0	0	0	0
Amounts available for appropriations	<u>317,870</u>	<u>543,281</u>	<u>563,046</u>	<u>19,765</u>
Charges to appropriations (outflows)				
Public works	85,530	106,732	154,355	(47,623)
Debt service:				
Principal retirement	0	0	0	0
Interest and bank charges	0	0	0	0
Capital outlay	36,105	37,381	37,381	0
Transfers to other funds	94,640	50,000	0	50,000
Total charges to appropriations	<u>216,275</u>	<u>194,113</u>	<u>191,736</u>	<u>2,377</u>
BUDGETARY FUND BALANCES, ENDING	<u>\$ 101,595</u>	<u>\$ 349,168</u>	<u>\$ 371,310</u>	<u>22,142</u>

East Carroll Parish Police Jury

Notes to Budgetary Comparison Schedules For the Year Ended December 31, 2008

A. BUDGETS

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

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

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

For the year ended December 31, 2008, cash basis budgets were adopted for the general fund and all special revenue funds, except the criminal court special revenue fund, which is exempt from the requirements per Louisiana Revised Statutes 30:1301-1314 (Local Government Budget Act).

Encumbrances Encumbrance accounting is not recognized within the accounting records for budgetary control purposes. Authorization for the eventual expenditure will be included in the following year's budget appropriations.

Budget Basis of Accounting All governmental funds' budgets are prepared on the cash basis of accounting. Budgeted amounts are as originally adopted or as amended by the Board. Legally, the Board must adopt a balanced budget; that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the Board to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures within a fund are expected to exceed budgeted expenditures by five percent or more.

B. Unfavorable Budget Variance

Actual Expenditures Greater Than Budgeted Expenditures

	<u>Final Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
General Fund	\$1,041,823	\$1,074,702	\$ 32,879
Road Maintenance and Construction	1,037,716	1,261,176	223,460
Garbage District No. 1	307,917	309,337	1,420

C. BUDGET TO GAAP RECONCILIATION – EXPLANATION OF DIFFERENCES BETWEEN BUDGETARY INFLOWS AND OUTFLOWS AND GAAP REVENUES AND EXPENDITURES

East Carroll Parish Police Jury

**Notes to Budgetary Comparison Schedules
For the Year Ended December 31, 2008**

	<u>General</u>	<u>Maintenance Construction</u>	<u>Garbage District No. 1</u>	<u>Library</u>	<u>Health Unit</u>	<u>Drainage Maintenance</u>
<u>Sources/inflows of resources:</u>						
Actual amounts (budgetary basis) *available for appropriation* from the Budgetary Comparison Schedule	\$ 1,672,499	\$ 1,903,655	\$ 869,063	\$ 810,733	\$ 842,782	\$ 563,046
The fund balance at the beginning of the year is a budgetary resource but is not a current-year revenue for financial reporting purposes	(451,859)	(955,657)	(527,598)	(501,869)	(692,773)	(323,770)
Accrual of accounts receivable for financial reporting purposes	-	60,608	-	-	-	-
Transfers of tax collections to other funds classified as tax revenue for budgetary purposes and as a reduction of tax revenue for financial reporting	-	(61,391)	-	-	-	-
Transfers from other funds to offset expenditures classified as receipts for budgetary purposes and as a reduction of expenditure for financial reporting	<u>(97,193)</u>	<u>(50,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 1,123,447</u>	<u>\$ 897,215</u>	<u>\$ 341,465</u>	<u>\$ 308,864</u>	<u>\$ 150,009</u>	<u>\$ 239,276</u>
<u>Uses/Outflows of resources:</u>						
Actual amounts (budgetary basis) *Total charges to appropriations* from the Budgetary Comparison Schedule	\$ 1,074,702	\$ 1,261,176	\$ 309,337	\$ 242,781	\$ 158,219	\$ 191,736
Accrual of accounts payable for financial reporting	-	-	14,400	38,408	-	-
Proceeds from a note payable were used to purchase equipment and is expensed as payments are made for budgetary purposes.	-	-	84,560	-	-	-
Transfers of tax collections to other funds classified as a transfer out for budgetary purposes and as a reduction of tax revenue for financial reporting	<u>-</u>	<u>(61,391)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	<u>\$ 1,074,702</u>	<u>\$ 1,199,785</u>	<u>\$ 408,297</u>	<u>\$ 281,189</u>	<u>\$ 158,219</u>	<u>\$ 191,736</u>

East Carroll Parish Police Jury

SUPPLEMENTAL INFORMATION

East Carroll Parish Police Jury

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

EAST CARROLL PARISH POLICE JURY
NONMAJOR GOVERNMENTAL FUNDS
Combining Balance Sheet - By Fund Type
December 31, 2008

Exhibit 2

	SPECIAL REVENUE	DEBT SERVICE	TOTAL
ASSETS			
Cash and cash equivalents	\$ 186,515	\$ 21,867	\$ 208,382
Investments	70,065	0	70,065
Receivables	141,975	60,877	202,852
TOTAL ASSETS	398,555	82,744	481,299
 LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts, salaries and other payables	4,868	0	4,868
Total Liabilities	4,868	0	4,868
 Fund Balances:			
Reserved for debt service	0	82,744	82,744
Unreserved, reported in Special Revenue	393,687	0	393,687
Total Fund Balances	393,687	82,744	476,431
TOTAL LIABILITIES AND FUND BALANCES	\$ 398,555	\$ 82,744	\$ 481,299

EAST CARROLL 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, 2008

Exhibit 3

	SPECIAL REVENUE	DEBT SERVICE	TOTAL
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 158,275	\$ 67,757	\$ 226,032
Intergovernmental revenues:			
Federal funds - federal grants	0	0	0
State funds:			
Other	16,676	0	16,676
Fees, charges, and commissions for services	2,400	0	2,400
Use of money and property	4,262	690	4,952
Other revenues	1,500	0	1,500
Total Revenues	183,113	68,447	251,560
EXPENDITURES			
Current:			
General government:			
Finance and administrative	67,950	2,853	70,803
Public Safety	68,069	0	68,069
Culture and recreation	1,575	0	1,575
Transportation	4,815	0	4,815
Capital outlay	0	0	0
Debt service:			
Principal retirement	0	40,000	40,000
Interest and bank charges	0	25,048	25,048
Total Expenditures	142,409	67,901	210,310
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	40,704	546	41,250
OTHER FINANCING SOURCES (USES)			
Transfers in	46,575	0	46,575
Total Other Financing Sources (Uses)	46,575	0	46,575
Net Change in Fund Balances	87,279	546	87,825
FUND BALANCES - BEGINNING	306,408	82,198	388,606
FUND BALANCES - ENDING	\$ 393,687	\$ 82,744	\$ 476,431

East Carroll Parish Police Jury

NONMAJOR SPECIAL REVENUE FUNDS

AIRPORT HANGER The airport fund accounts for the operation and maintenance of the East Carroll Parish airport. Funding is provided primarily from transfers from general fund.

LAKESIDE WALKING TRAIL The Lakeside Walking Trail fund accounts for funds which will be used to create and landscape a walking trail for East Carroll Parish residents.

RURAL FIRE PROTECTION This fund accounts for grant funds provided by USDA, FEMA, and Louisiana Community Development Block Grants. These grants are used to enhance existing equipment, purchase new equipment, emergencies, and construction of a new fire house.

LSU/SU EXTENSION This fund accounts for the LSU Cooperative Extension program which sponsors 4-H events, provides literature and information to local farmers and provides educational seminars, etc.

USDA HEALTH UNIT EQUIPMENT This fund accounts for a USDA grant and matching funds for equipment purchases for the new Health Unit.

EAST CARROLL PARISH POLICE JURY

NONMAJOR SPECIAL REVENUE FUNDS

Combining Balance Sheet

December 31, 2008

	AIRPORT HANGAR	LAKESIDE WALKING TRAIL	RURAL FIRE PROTECTION
ASSETS			
Cash and cash equivalents	\$ 2,713	\$ 12,800	\$ 97,748
Investments	0	0	70,065
Receivables	1,025	0	64,623
TOTAL ASSETS	3,738	12,800	232,436
LIABILITIES AND FUND EQUITY			
Liabilities:			
Accounts, salaries and other payables	179	0	3,171
Total Liabilities	179	0	3,171
Fund Balances:			
Unreserved and undesignated	3,559	12,800	229,265
Total Fund Balance	3,559	12,800	229,265
TOTAL LIABILITIES AND FUND BALANCES	\$ 3,738	\$ 12,800	\$ 232,436

Exhibit 4

	LSU/SU EXTENSION	USDA HEALTH UNIT EQUIPMENT	TOTAL
\$	26,679	\$ 46,575	\$ 186,515
	0	0	70,065
	<u>76,327</u>	<u>0</u>	<u>141,975</u>
	<u>103,006</u>	<u>46,575</u>	<u>398,555</u>
	<u>1,518</u>	<u>0</u>	<u>4,868</u>
	<u>1,518</u>	<u>0</u>	<u>4,868</u>
	<u>101,488</u>	<u>46,575</u>	<u>393,687</u>
	<u>101,488</u>	<u>46,575</u>	<u>393,687</u>
\$	<u>103,006</u>	\$ <u>46,575</u>	\$ <u>398,555</u>

EAST CARROLL PARISH POLICE JURY

NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended December 31, 2008

	<u>AIRPORT HANGAR</u>	<u>LAKESIDE WALKING TRAIL</u>	<u>RURAL FIRE PROTECTION</u>
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 0	\$ 0	\$ 71,806
Intergovernmental revenues:			
State funds:			
Other	0	0	16,676
Fees, charges, and commissions for services	2,400	0	0
Use of money and property	0	0	3,467
Other revenues	1,500	0	0
Total Revenues	<u>3,900</u>	<u>0</u>	<u>91,949</u>
EXPENDITURES			
Current:			
General government:			
Finance and administrative	0	0	0
Public Safety	0	0	68,069
Culture and recreation	0	1,575	0
Transportation	4,815	0	0
Total Expenditures	<u>4,815</u>	<u>1,575</u>	<u>68,069</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>(915)</u>	<u>(1,575)</u>	<u>23,880</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	0	0	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	<u>(915)</u>	<u>(1,575)</u>	<u>23,880</u>
FUND BALANCES - BEGINNING	<u>4,474</u>	<u>14,375</u>	<u>205,385</u>
FUND BALANCES - ENDING	<u>\$ 3,559</u>	<u>\$ 12,800</u>	<u>\$ 229,265</u>

Exhibit 5

LSU/SU EXTENSION	USDA HEALTH UNIT EQUIPMENT	TOTAL
\$ 86,469	\$ 0	\$ 158,275
0	0	16,676
0	0	2,400
795	0	4,262
0	0	1,500
<u>87,264</u>	<u>0</u>	<u>183,113</u>
67,950	0	67,950
0	0	68,069
0	0	1,575
0	0	4,815
<u>67,950</u>	<u>0</u>	<u>142,409</u>
<u>19,314</u>	<u>0</u>	<u>40,704</u>
<u>0</u>	<u>46,575</u>	<u>46,575</u>
<u>0</u>	<u>46,575</u>	<u>46,575</u>
19,314	46,575	87,279
<u>82,174</u>	<u>0</u>	<u>306,408</u>
<u>\$ 101,488</u>	<u>\$ 46,575</u>	<u>\$ 393,687</u>

East Carroll Parish Police Jury

GENERAL

Exhibit 6

COMPENSATION PAID POLICE JURORS 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 president receives \$700 per month and the other jurors receive \$600 per month.

**Schedule of Compensation Paid Police Jurors
For the Year Ended December 31, 2008**

Joseph G. Jackson, President	\$ 9,400
Roger Clement	8,000
Cecil T. Dunn	7,739
Patricia F. Roberson	261
John E. Shoemaker	8,000
Kendall L. Thompson	7,739
Billy Travis	<u>261</u>
Total	<u>\$41,400</u>

East Carroll Parish Police Jury
 Financial Data Schedule
 For the Year Ended December 31, 2008

Line Item No.	Description	Total Programs	14,871 Housing Choice Vouchers
Balance Sheet			
111	Cash-unrestricted	\$ -	
112	Cash-restricted-modernization and development	\$ -	
113	Cash-other restricted	\$ 96,325	\$ 96,325
114	Cash-tenant security deposits	\$ -	
115	Cash - Restricted for payment of current liability	\$ -	
100	Total Cash	\$ 96,325	\$ 96,325
121	Accounts receivable - PHA projects	\$ -	
122-010	Accounts receivable - HUD other projects - Operating Subsidy	\$ -	
122-020	Accounts receivable - HUD other projects - Capital fund	\$ -	
122-030	Accounts receivable - HUD other projects - Other	\$ -	
122	Accounts receivable - HUD other projects	\$ 977	\$ 977
124	Account receivable - other government	\$ -	
125-010	Account receivable - miscellaneous - Not For Profit	\$ -	
125-020	Account receivable - miscellaneous - Partnership	\$ -	
125-030	Account receivable - miscellaneous - Joint Venture	\$ -	
125-040	Account receivable - miscellaneous - Tax Credit	\$ -	
125-050	Account receivable - miscellaneous - Other	\$ -	
125-060	Other - Comment	\$ -	
125	Account receivable - miscellaneous	\$ -	
126	Accounts receivable - tenants	\$ -	
126.1	Allowance for doubtful accounts - tenants	\$ -	
126.2	Allowance for doubtful accounts - other	\$ -	
127	Notes, Loans, & Mortgages Receivable - Current	\$ -	
128	Fraud recovery	\$ -	
128.1	Allowance for doubtful accounts - fraud	\$ -	
129	Accrued Interest receivable	\$ -	
120	Total receivables, net of allowance for doubtful accounts	\$ 977	\$ 977
131	Investments - unrestricted	\$ -	
132	Investments - restricted	\$ -	
135	Investments - Restricted for payment of current liability	\$ -	
142	Prepaid expenses and other assets	\$ -	
143	Inventories	\$ -	
143.1	Allowance for obsolete inventories	\$ -	
144	Inter program - due from	\$ -	
145	Assets held for sale	\$ -	
150	Total Current Assets	\$ 97,302	\$ 97,302

**East Carroll Parish Police Jury
Financial Data Schedule
For the Year Ended December 31, 2008**

Line Item No.	Description	Total Programs	14.871 Housing Choice Vouchers
Balance Sheet			
161	Land	\$ -	
162	Buildings	\$ -	
163	Furniture, equipment and machinery - dwellings	\$ -	
164	Furniture, equipment and machinery - administration	\$ 21,306	\$ 21,306
165	Leasehold improvements	\$ -	
166	Accumulated depreciation	\$ (21,306)	\$ (21,306)
167	Construction in progress	\$ -	
168	Infrastructure	\$ -	
160	Total capital assets, net of accumulated depreciation	\$ -	\$ -
171-010	Notes, Loans, & mortgages receivable - Non-current - Not For Profit	\$ -	
171-020	Notes, Loans, & mortgages receivable - Non-current - Partnership	\$ -	
171-030	Notes, Loans, & mortgages receivable - Non-current - Joint Venture	\$ -	
171-040	Notes, Loans, & mortgages receivable - Non-current - Tax Credit	\$ -	
171-050	Notes, Loans, & mortgages receivable - Non-current - Other	\$ -	
171-060	Other - Comment	\$ -	
171	Notes, Loans, & mortgages receivable - Non-current	\$ -	
172-010	Notes, Loans, & mortgages receivable - Non-current - past due - Not For Profit	\$ -	
172-020	Notes, Loans, & mortgages receivable - Non-current - Partnership	\$ -	
172-030	Notes, Loans, & mortgages receivable - Non-current - Joint Venture	\$ -	
172-040	Notes, Loans, & mortgages receivable - Non-current - Tax Credit	\$ -	
172-050	Notes, Loans, & mortgages receivable - Non-current - Other	\$ -	
172-060	Other - Comment	\$ -	
172	Notes, Loans, & mortgages receivable - Non-current - past due	\$ -	
173	Grants receivable - Non-current	\$ -	
174-010	Other assets - Not For Profit	\$ -	
174-020	Other assets - Partnership	\$ -	
174-030	Other assets - Joint Venture	\$ -	
174-040	Other assets - Tax Credit	\$ -	
174-050	Other assets - Other	\$ -	
174-060	Other - Comment	\$ -	
174	Other assets	\$ -	
176-010	Investment in Joint venture - Not For Profit	\$ -	
176-020	Investment in Joint venture - Partnership	\$ -	
176-030	Investment in Joint venture - Joint Venture	\$ -	
176-040	Investment in Joint venture - Tax Credit	\$ -	
176-050	Investment in Joint venture - Other	\$ -	
176-060	Other - Comment	\$ -	
176	Investment in Joint venture	\$ -	
180	Total Non-current Assets	\$ -	\$ -
190	Total Assets	\$ 97,302	\$ 97,302

East Carroll Parish Police Jury
Financial Data Schedule
For the Year Ended December 31, 2008

Line Item No.	Description	Total Programs	14,871 Housing Choice Vouchers
	Balance Sheet		
311	Bank overdraft	\$ 6,651	\$ 6,651
312	Accounts payable <= 90 days	\$ -	
313	Accounts payable > 90 days past due	\$ -	
321	Accrued wage/payroll taxes payable	\$ 3,188	\$ 3,188
322	Accrued compensated absences - current portion	\$ -	
324	Accrued contingency liability	\$ -	
325	Accrued Interest payable	\$ -	
331-010	Accounts payable - HUD PHA Programs - Operating Subsidy	\$ -	
331-020	Accounts payable - HUD PHA Programs - Capital fund	\$ -	
331-030	Accounts payable - HUD PHA Programs - Other	\$ -	
331	Accounts payable - HUD PHA Programs	\$ -	
332	Accounts payable - PHA Projects	\$ -	
333	Accounts payable - other government	\$ -	
341	Tenant security deposits	\$ -	
342-010	Deferred revenue - Operating Subsidy	\$ -	
342-020	Deferred revenue - Capital fund	\$ -	
342-030	Deferred revenue - Other	\$ -	
342	Deferred revenue	\$ -	
343-010	CFFP	\$ -	
343-020	Capital Projects/ Mortgage Revenue	\$ -	
343	Current portion of long-term debt - capital projects/mortgage revenue bonds	\$ -	
344	Current portion of long-term debt - operating borrowings	\$ -	
345	Other current liabilities	\$ -	
346	Accrued liabilities - other	\$ -	
347	Inter program - due to	\$ -	
348-010	Loan liability - current - Not For Profit	\$ -	
348-020	Loan liability - current - Partnership	\$ -	
348-030	Loan liability - current - Joint Venture	\$ -	
348-040	Loan liability - current - Tax Credit	\$ -	
348-050	Loan liability - current - Other	\$ -	
348-060	Other - Comment		
348	Loan liability - current	\$ -	
310	Total Current Liabilities	\$ 9,839	\$ 9,839

**East Carroll Parish Police Jury
Financial Data Schedule
For the Year Ended December 31, 2008**

Line Item No.	Description	Total Programs	14,871 Housing Choice Vouchers
Balance Sheet			
351-010	Long-term debt - CFFP	\$ -	
351-020	Long-term - Capital Projects/ Mortgage Revenue	\$ -	
351	Capital Projects/ Mortgage Revenue Bonds	\$ -	
352	Long-term debt, net of current - operating borrowings	\$ -	
353	Non-current liabilities - other	\$ -	
354	Accrued compensated absences- Non-current	\$ -	
355-010	Loan liability - Non-current - Not For Profit	\$ -	
355-020	Loan liability - Non-current - Partnership	\$ -	
355-030	Loan liability - Non-current - Joint Venture	\$ -	
355-040	Loan liability - Non-current - Tax Credit	\$ -	
355-050	Loan liability - Non-current - Other	\$ -	
355-060	Other - Comment		
355	Loan liability - Non-current	\$ -	
356	FASB 5 Liabilities	\$ -	
357	Accrued Pension and OPEB Liability	\$ -	
350	Total Non-current liabilities	\$ -	\$ -
300	Total Liabilities	\$ 9,839	\$ 9,839
508.1	Invested in capital assets, net of related debt	\$ -	
511.1	Restricted Net Assets	\$ 96,325	\$ 96,325
512.1	Unrestricted Net Assets	\$ (8,862)	\$ (8,862)
513	Total Equity/Net Assets	\$ 87,463	\$ 87,463
600	Total Liabilities and Equity/Net assets	\$ 97,302	\$ 97,302

East Carroll Parish Police Jury
Financial Data Schedule
For the Year Ended December 31, 2008

Line Item No.	Description	Total Programs	14.871 Housing Choice Vouchers
Income Statement			
70300	Net tenant rental revenue	\$ -	
70400	Tenant revenue - other	\$ -	
70500	Total Tenant Revenue	\$ -	\$ -
70600-010	Housing assistance payments	\$ 550,166	\$ 550,166
70600-020	Ongoing administrative fees earned	\$ 76,150	\$ 76,150
70600-030	Hard to house fee revenue	\$ -	
70600-031	FSS Coordinator	\$ -	
70600-040	Actual independent public accountant audit costs	\$ -	
70600-050	Total preliminary fees earned	\$ -	
70600-060	All other fees	\$ -	
70600-070	Admin fee calculation description	\$ -	
70600	HUD PHA operating grants	\$ 626,316	\$ 626,316
70610	Capital grants	\$ -	
70710	Management Fee	\$ -	
70720	Asset Management Fee	\$ -	
70730	Book-Keeping Fee	\$ -	
70740	Front Line Service Fee	\$ -	
70750	Other Fees	\$ -	
70700	Total Fee Revenue	\$ -	
70800	Other government grants	\$ -	
71100-010	Housing Assistance Payment	\$ -	
71100-020	Administrative Fee	\$ -	
71100	Investment income - unrestricted	\$ -	\$ -
71200	Mortgage interest income	\$ -	
71300	Proceeds from disposition of assets held for sale	\$ -	
71310	Cost of sale of assets	\$ -	
71400-010	Housing Assistance Payment	\$ -	
71400-020	Administrative Fee	\$ -	
71400	Fraud recovery	\$ -	\$ -
71500	Other revenue	\$ -	
71600	Gain or loss on sale of capital assets	\$ -	
72000-010	Housing Assistance Payment	\$ 1,737	\$ 1,737
72000-020	Administrative Fee	\$ -	
72000	Investment income - restricted	\$ 1,737	\$ 1,737
70000	Total Revenue	\$ 628,053	\$ 628,053

East Carroll Parish Police Jury
Financial Data Schedule
For the Year Ended December 31, 2008

Line Item No.	Description	Total Programs	14,871 Housing Choice Vouchers
Income Statement			
91100	Administrative salaries	\$ 31,192	\$ 31,192
91200	Auditing fees	\$ 5,000	\$ 5,000
91300	Management Fee	\$ -	
91310	Book-Keeping Fee	\$ -	
91400	Advertising and Marketing	\$ -	
91500	Employee benefit contributions - administrative	\$ 10,856	\$ 10,856
91600	Office Expenses	\$ 11,146	\$ 11,146
91700	Legal Expense	\$ 1,200	\$ 1,200
91800	Travel	\$ 2,316	\$ 2,316
91810	Allocated Overhead	\$ -	
91900	Other	\$ -	
91000	Total Operating-Administrative	\$ 61,710	\$ 61,710
92000	Asset Management Fee	\$ -	
92100	Tenant services - salaries	\$ -	
92200	Relocation Costs	\$ -	
92300	Employee benefit contributions - tenant services	\$ -	
92400	Tenant services - other	\$ -	
92500	Total Tenant Services	\$ -	\$ -
93100	Water	\$ -	
93200	Electricity	\$ -	
93300	Gas	\$ -	
93400	Fuel	\$ -	
93500	Labor	\$ -	
93600	Sewer	\$ -	
93700	Employee benefit contributions - utilities	\$ -	
93800	Other utilities expense	\$ -	
93000	Total Utilities	\$ -	\$ -
94100	Ordinary maintenance and operations - labor	\$ -	
94200	Ordinary maintenance and operations - materials and other	\$ -	
94300-010	Ordinary Maintenance and Operations Contracts - Garbage and Trash Removal Contracts	\$ -	
94300-020	Ordinary Maintenance and Operations Contracts - Heating & Cooling Contracts	\$ -	
94300-030	Ordinary Maintenance and Operations Contracts - Snow Removal Contracts	\$ -	
94300-040	Ordinary Maintenance and Operations Contracts - Elevator Maintenance Contracts	\$ -	
94300-050	Ordinary Maintenance and Operations Contracts - Landscape & Grounds Contracts	\$ -	

**East Carroll Parish Police Jury
Financial Data Schedule
For the Year Ended December 31, 2008**

Line Item No.	Description	Total Programs	14,871 Housing Choice Vouchers	
Income Statement				
94300-060	Ordinary Maintenance and Operations Contracts - Unit Turnaround Contracts	\$ -		
94300-070	Ordinary Maintenance and Operations Contracts - Electrical Contracts	\$ -		
94300-080	Ordinary Maintenance and Operations Contracts - Plumbing Contracts	\$ -		
94300-090	Ordinary Maintenance and Operations Contracts - Extermination Contracts	\$ -		
94300-100	Ordinary Maintenance and Operations Contracts - Janitorial Contracts	\$ -		
94300-110	Ordinary Maintenance and Operations Contracts - Routine Maintenance Contracts	\$ -		
94300-120	Ordinary Maintenance and Operations Contracts - Misc Contracts	\$ 719	\$	719
94300	Ordinary Maintenance and Operations Contracts	\$ 719	\$	719
94500	Employee benefit contribution - ordinary maintenance	\$ -		
94000	Total Maintenance	\$ 719	\$	719
95100	Protective services - labor	\$ -		
95200	Protective services - other contract costs	\$ -		
95300	Protective services - other	\$ -		
95500	Employee benefit contributions - protective services	\$ -		
95000	Total Protective Services	\$ -	\$	-
96110	Property Insurance	\$ -		
96120	Liability Insurance	\$ 4,350	\$	4,350
96130	Workmen's Compensation	\$ 160	\$	160
96140	All Other Insurance	\$ -		
96100	Total Insurance Premiums	\$ 4,510	\$	4,510
96200	Other general expenses	\$ -		
96210	Compensated absences	\$ -		
96300	Payments in lieu of taxes	\$ -		
96400	Bad debt - tenant rents	\$ -		
96500	Bad debt - mortgages	\$ -		
96600	Bad debt - other	\$ -		
96800	Severance expense	\$ -		
96000	Total Other General Expenses	\$ -	\$	-
96710	Interest of Mortgage (or Bonds) Payable	\$ -		
96720	Interest on Notes Payable (Short and Long Term)	\$ -		
96730	Amortization of Bond Issue Costs	\$ -		
96700	Total Interest Expense and Amortization Cost	\$ -	\$	-
96900	Total Operating Expenses	\$ 66,939	\$	66,939
97000	Excess Revenue Over Operating Expenses	\$ 561,114	\$	561,114

East Carroll Parish Police Jury
Financial Data Schedule
For the Year Ended December 31, 2008

Line Item No.	Description	Total Programs	14,871 Housing Choice Vouchers
Income Statement			
97100	Extraordinary maintenance	\$ -	
97200	Casualty losses- Non-capitalized	\$ -	
97300-010	Mainstream 1 & 5 year	\$ -	
97300-020	Home-Ownership	\$ -	
97300-025	Litigation	\$ -	
97300-030	Hope IV	\$ -	
97300-035	Moving to Work	\$ -	
97300-040	Tenant Protection	\$ -	
97300-050	All Other	\$ 553,007	\$ 553,007
97300	Housing assistance payments	\$ 553,007	\$ 553,007
97350	HAP Portability-in	\$ -	
97400	Depreciation expense	\$ 1,550	\$ 1,550
97500	Fraud losses	\$ -	
97800	Dwelling units rent expense	\$ -	
90000	Total Expenses	\$ 621,496	\$ 621,496
10010	Operating transfer in	\$ -	
10020	Operating transfer out	\$ -	
10030-010	Not For Profit	\$ -	
10030-020	Partnership	\$ -	
10030-030	Joint Venture	\$ -	
10030-040	Tax Credit	\$ -	
10030-050	Other	\$ -	
10030-060	Other Comment	\$ -	
10030	Operating transfers from / to primary government	\$ -	
10040	Operating transfers from / to component unit	\$ -	
10070	Extraordinary items, net gain/loss	\$ -	
10080	Special items, net gain/loss	\$ -	
10091	Inter Project Excess Cash Transfer In	\$ -	
10092	Inter Project Excess Cash Transfer Out	\$ -	
10093	Transfers between Programs and Projects - In	\$ -	
10094	Transfers between Programs and Projects - out	\$ -	
10100	Total other financing sources (uses)	\$ -	\$ -
10000	Excess (Deficiency) of Revenue Over (Under) Expenses	\$ 6,557	\$ 6,557
11020	Required Annual Debt Principal Payments	\$ -	
11030	Beginning equity	\$ 80,906	\$80,906

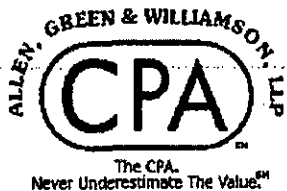
East Carroll Parish Police Jury
Financial Data Schedule
For the Year Ended December 31, 2008

Line Item No.	Description	Total Programs	14,871 Housing Choice Vouchers
Income Statement			
11040-010	Prior period adjustments and correction of errors - Editable	\$ -	
11040-020	Prior period adjustments and correction of errors - Editable	\$ -	
11040-030	Prior period adjustments and correction of errors - Editable	\$ -	
11040-040	Prior period adjustments and correction of errors - Editable	\$ -	
11040-050	Prior period adjustments and correction of errors - Editable	\$ -	
11040-060	Prior period adjustments and correction of errors - Editable	\$ -	
11040-070	Equity Transfers	\$ -	
11040-080	Equity Transfers	\$ -	
11040-090	Equity Transfers	\$ -	
11040-100	Equity Transfers	\$ -	
11040-110	Equity Transfers	\$ -	
11040	Prior period adjustments, equity transfers, and correction of errors	\$ -	\$ -
11170-001	Administrative Fee Equity- Beginning Balance	\$ (16,523)	\$ (16,523)
11170-010	Administrative Fee Revenue	\$ 76,150	\$ 76,150
11170-020	Hard to House Fee Revenue	\$ -	\$ -
11170-021	FSS Coordinator Grant	\$ -	\$ -
11170-030	Audit Costs	\$ -	\$ -
11170-040	Investment Income	\$ -	\$ -
11170-045	Fraud Recovery Revenue	\$ -	\$ -
11170-050	Other Revenue	\$ -	\$ -
11170-051	Comment for Other Revenue	\$ -	\$ -
11170-060	Total Admin Fee Revenues	\$ 76,150	\$ 76,150
11170-080	Total Operating Expenses	\$ 66,939	\$ 66,939
11170-090	Depreciation	\$ 1,550	\$ 1,550
11170-095	Housing Assistance Portability In	\$ -	\$ -
11170-100	Other Expenses	\$ -	\$ -
11170-101	Comment for Other Expense	\$ -	\$ -
11170-110	Total Expenses	\$ 68,489	\$ 68,489
11170-002	Net Administrative Fee	\$ 7,661	\$ 7,661
11170-003	Administrative Fee Equity- Ending Balance	\$ (8,862)	\$ (8,862)
11170	Administrative Fee Equity	\$ (8,862)	\$ (8,862)

East Carroll Parish Police Jury
Financial Data Schedule
For the Year Ended December 31, 2008

Line Item No.	Description	Total Programs	14.871 Housing Choice Vouchers
Income Statement			
11180-001	Housing Assistance Payments Equity - Beginning Balance	\$ 97,429	\$ 97,429
11180-010	Housing Assistance Payment Revenues	\$ 550,166	\$ 550,166
11180-015	Fraud Recovery Revenue	\$ -	\$ -
11180-020	Other Revenue	\$ -	\$ -
11180-021	Comment for Other Revenue	\$ -	\$ -
11180-025	Investment Income	\$ 1,737	\$ 1,737
11180-030	Total HAP Revenues	\$ 551,903	\$ 551,903
11180-080	Housing Assistance Payments	\$ 553,007	\$ 553,007
11180-090	Other Expenses	\$ -	\$ -
11180-091	Comments for Other Expenses	\$ -	\$ -
11180-100	Total Housing Assistance Payments Expenses	\$ 553,007	\$ 553,007
11180-002	Net Housing Assistance Payments	\$ (1,104)	\$ (1,104)
11180-003	Housing Assistance Payments Equity-Ending Balance	\$ 96,325	\$ 96,325
11180	Housing Assistance Payments Equity	\$ 96,325	\$ 96,325
11190-210	Total ACC HCV Units	1704	1,704
11190-220	Unfunded Units	0	0
11190-230	Other Adjustments	0	0
11190	Unit Months Available	1704	1704
11210	Unit Months Leased	1702	1702
11270	Excess Cash	\$ -	\$ -
11610	Land Purchases	\$ -	\$ -
11620	Building Purchases	\$ -	\$ -
11630	Furniture & Equipment-Dwelling Purchases	\$ -	\$ -
11640	Furniture & Equipment-Administrative Purchases	\$ -	\$ -
11650	Leasehold Improvements Purchases	\$ -	\$ -
11660	Infrastructure Purchases	\$ -	\$ -
13510	CFFP Debt Service Payments	\$ -	\$ -
13901	Replacement Housing Factor Funds	\$ -	\$ -

**Other reports required by Government Auditing
Standards and OMB Circular A-133**



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Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards

Police Jurors
East Carroll Parish Police Jury
Lake Providence, Louisiana

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of East Carroll Parish Police Jury, as of and for the year ended December 31, 2008, which collectively comprise the Police Jury's basic financial statements and have issued our report thereon dated June 30, 2009. We issued an adverse opinion on the reporting entity for the omission of the aggregate discretely presented component units and an unqualified opinion on the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the primary government. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the 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 for the purpose of expressing an opinion on the effectiveness of the Police Jury's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Police Jury's internal control over financial reporting.

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as items 08-F2, 08-F3, and 08-F4 to be significant deficiencies in internal control over financial reporting.

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

Our consideration of the internal control over financial reporting was for the limited purpose described in the 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, we believe that none of the significant deficiencies described above is a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Police Jury's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed two instances of noncompliance or other matters that are required to be reported under Government Auditing Standards. These are listed as items 08-F1 and 08-F5 in the Schedule of Findings and Questioned Costs.

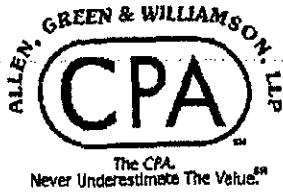
The Police Jury's response to the findings identified in our audit is described in the accompanying Corrective Action Plan for Current Year Audit Findings and Questioned Costs. We did not audit the Police Jury's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Police Jurors, management, others within the entity, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513 this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

Allen, Green & Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
June 30, 2009



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Report on Compliance With Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance With OMB Circular A-133

Police Jurors
East Carroll Parish Police Jury
Lake Providence, Louisiana

Compliance

We have audited the compliance of the East Carroll Parish Police Jury with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended December 31, 2008. The Police Jury's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Police Jury's management. Our responsibility is to express an opinion on the Police Jury's compliance based on our audit.

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

In our opinion, the Policy Jury complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2008. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as items 08-F6, 08-F7, and 08-F8.

Internal Control Over Compliance

The management of the Police Jury is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Police Jury's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Police Jury's internal control over compliance.

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

A control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as items 08-F6, 08-F7, and 08-F8 to be significant deficiencies.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control. We do not consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs to be material weaknesses.

The Police Jury's response to the finding identified in our audit is described in the accompanying Corrective Action Plan for Current Year Audit Findings and Questioned Costs. We did not audit the Police Jury's response and accordingly we express no opinion on it.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Police Jury, as of and for the year ended December 31, 2008, and have issued our report thereon dated June 30, 2009. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the Police Jury's primary government financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

This report is intended solely for the information and use of the Police Jurors, management, others within the entity, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513 this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

Allen, Green + Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
June 30, 2009

**East Carroll Parish Police Jury
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2008**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME	CFDA <u>Number</u>	Pass-Through <u>Grantor No.</u>	<u>Expenditures</u>
CASH FEDERAL AWARDS			
United States Department of Housing and Urban Development			
Direct Programs:			
Section 8 Housing Choice Voucher Program	14.871	FW2118	\$ 626,316
Passed Through Louisiana Office of Community Development:			
Community Development Block Grant	14.228		<u>338,448</u>
Total United States Department of Housing and Urban Development			<u>964,764</u>
Department of Labor			
Passed Through the Workforce Investment Board			
WIA- Dislocated Workers	17.260		6,620
Department of Homeland Security			
Passed Through the Governor's Office of Homeland Security and Emergency Preparedness:			
Emergency Management Performance Grant	97.042		30,244
Homeland Security Grant Program	97.067		<u>36,031</u>
Total Department of Homeland Security			<u>66,275</u>
TOTAL FEDERAL AWARDS			<u><u>\$ 1,037,659</u></u>

East Carroll Parish Police Jury
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2008

NOTE 1 - GENERAL The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the East Carroll Parish Police Jury, Lake Providence, Louisiana. The East Carroll Parish Police Jury (the "Police Jury") primary government of the reporting entity is defined in Note 1 to the Police Jury's financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, is included on the schedule.

NOTE 2 - BASIS OF ACCOUNTING The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting, which is described in Note 1 to the Police Jury's financial statements.

NOTE 3 - RELATIONSHIP TO BASIC FINANCIAL STATEMENTS Federal awards revenues are reported in the Police Jury's fund financial statements as follows:

General fund	\$ 66,275
Road Fund	6,620
Other Governmental fund	338,448
Section 8 Voucher fund:	
Federal grants	626,316
	<u>\$ 1,037,659</u>

NOTE 4 - RELATIONSHIP TO FEDERAL FINANCIAL REPORTS

Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with accounting principles generally accepted in the United States of America.

NOTE 5 - MATCHING REVENUES AND STATE FUNDING

For those funds that have matching revenues and state funding, federal expenditures were determined by deducting matching revenues from total expenditures.

**East Carroll Parish Police Jury
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2008**

PART I - Summary of the Auditors' Results

Financial Statement Audit

- i. The type of audit report issued was an adverse opinion on the reporting entity because of the omission of all aggregate discretely presented component units and an unqualified opinion on the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information of the primary government.
- ii. There were three significant deficiencies required to be disclosed by Government Auditing Standards issued by the Comptroller General of the United States of America. The significant deficiencies were not considered to be material weaknesses.
- iii. There were two instances of noncompliance that were considered material, as defined by the Government Auditing Standards, to the financial statements.

Audit of Federal Awards

- iv. There were three significant deficiencies required to be disclosed by OMB Circular A-133. The significant deficiencies were not considered to be material weaknesses.
- v. The type of report the auditor issued on compliance for major programs was unqualified.
- vi. The audit disclosed three audit finding which the auditor is required to report under OMB Circular A-133, Section .510(a).
- vii. The major federal programs are:

Section 8 Housing Choice Voucher Program	CFDA # 14.871
Community Development Block Grant	CFDA # 14.228
- viii. The dollar threshold used to distinguish between Type A and Type B programs as described in OMB Circular A-133, Section .520(b) was \$300,000.
- ix. The auditee does not qualify as a low-risk auditee under OMB Circular A-133, Section .530.

**East Carroll Parish Police Jury
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2008**

PART II - Findings related to the financial statements which are required to be reported in accordance with Government Auditing Standards generally accepted in the United States of America:

Reference # and title: **08-F1** **Parish Transportation Act**

Entity-wide or program/department specific: This finding is specific to the Road and Maintenance Fund.

Criteria or specific requirement: The Parish Transportation Act (R.S. 48:751-762) requires the police jury to administer the parish road system efficiently and centrally as a whole. One of the key elements of the Act is that a capital improvement plan should be in place and that the plan is prioritized based upon parish-wide needs. In addition a weekly work schedule should be prepared and work orders are to be prepared for all work performed. Best practices indicate that the work orders should be sequentially numbered and there should be an issue date and a completion date on all work orders. Best practices also indicate that a log should be kept of all complaint calls and letters and should indicate the outcome of the complaint.

Condition found: The capital improvement plan was simply a list of projects with no prioritization. A test of 25 work orders revealed that none of the work orders were numbered and 7 of the work orders did not indicate a completion date. Finally, there was no documentation of complaints made to the road department.

Possible asserted effect (cause and effect):

Cause: There has been substantial turnover in key positions during the last year.

Effect: The road department may not be fully compliant with the Parish Transportation Act.

Recommendations to prevent future occurrences: Written procedures should be established so that future managers will have this information available. Steps should be taken to assign numbers to work orders and establish a system for documenting complaints and the outcome.

Reference # and title: **08-F2** **Capital Asset Management**

Entity-wide or program/department specific: This finding is entity-wide.

Criteria or specific requirement: Good internal controls over capital asset acquisitions and record-keeping require that capital asset purchases be coded to the correct account for easy identification, that the items be tagged and that these tag numbers are entered into the asset management system.

Condition found: In testing the capital asset accounts, we discovered that over \$120,000 of capital asset acquisitions were miscoded as supplies and maintenance. As part of capital asset testing a sample of items are chosen at a site and the tag numbers are taken down to trace back to the depreciation schedule. Five assets were chosen to trace back to the listing and one of the five assets could not be traced back to the listing or depreciation schedule.

**East Carroll Parish Police Jury
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2008**

PART II - Findings related to the financial statements which are required to be reported in accordance with Government Auditing Standards generally accepted in the United States of America:

Possible asserted effect (cause and effect):

Cause: It appears that the bookkeepers may not be aware of the proper recording for capital asset purchases or what constitutes a capital asset to be recorded on the listings. It also appears that there is no review of accounts to determine if all capital assets have been reported and tagged.

Effect: Internal controls over capital assets are weakened. Lack of proper record keeping makes it easier for property to be misused or stolen.

Recommendations to prevent future occurrences: The police jury should take a complete inventory of all assets and be certain that all property is tagged and that the correct tag numbers are recorded on the capital asset listing. Training should be provided if needed to ensure that all staff are aware of the need to report all additions and deletions to capital assets inventory and training should be provided to ensure proper recording of capital assets.

Reference # and title: **08-F3** **Inadequate Record Keeping For Leave**

Entity-wide or program/department specific: This finding is specific to the Road fund.

Criteria or specific requirement: In order to maintain good internal controls over leave taking, it is necessary that records are kept with all leave earned and all leave taken to ensure that the employee has earned the necessary leave hours prior to taking leave. It is also necessary for the correct leave type to be coded or corrected when errors are found.

Condition found: It was noted that three employees had negative leave time for annual leave at year end. The negative time totaled 110 hours.

Possible asserted effect (cause and effect):

Cause: The supervisor of the road department was not keeping records correctly and they did not match the ones prepared at the Police Jury offices. The Parish Manager usually reviewed time records but due to prolonged illness was not able to fulfill all of his duties. The time-keeping was limited to sign-in sheets for pay. In addition, employees were not required to immediately submit leave requests for approval.

Effect: Three employees were awarded leave which they had not earned.

Recommendations to prevent future occurrences: The central office at the Police Jury should match their records to the ones kept by the supervisors and should correct leave as needed to ensure proper records for leave are kept. Procedures should be developed to ensure that an employee has adequate leave prior to approval and an employee should not be allowed to take leave until the proper forms are submitted and approved.

**East Carroll Parish Police Jury
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2008**

PART II - Findings related to the financial statements which are required to be reported in accordance with Government Auditing Standards generally accepted in the United States of America:

Reference # and title: **08-F4** **Bank Reconciliations**

Entity-wide or program/department specific: This finding is entity-wide.

Criteria or specific requirement: Good controls over cash require proper bank reconciliations are performed for all bank accounts and that reconciling items are researched to determine the validity of the entry.

Condition found: The bank reconciliation for the payroll bank account is not a true bank reconciliation. The reconciliation lists only the outstanding checks and does not include the bank balance or general ledger balance. A test of bank reconciliations for the general fund and road maintenance funds revealed outstanding deposits of \$509.75 and \$300.00 which were outstanding for months. These deposits were still shown as outstanding at December 31st. There were also several outstanding checks which were more than 60 days past the check date.

Possible asserted effect (cause and effect):

Cause: Unknown.

Effect: Internal controls over cash are weakened.

Recommendations to prevent future occurrences: All stale deposits and checks should be researched to determine the reason for their continued appearance on the bank reconciliations.

Reference # and title: **08-F5** **5% Budget Variances**

Entity-wide or program/department specific: This finding is specific to the Road Maintenance and Construction Fund.

Criteria or specific requirement: Louisiana Revised Statute 39:1311 requires that written notification be made to the proper authority when actual expenditures exceed proposed expenditures by 5% or more and that budget amendments be prepared to address the issue.

Condition found: It was noted that budget amendments were made during the year to address increases in expenditures but that a final budget amendment did not address the increased spending at year end due to capital asset purchases. There was a 22% expenditure over budget variance.

Possible asserted effect (cause and effect):

Cause: Unknown.

Effect: State requirements regarding budgeting have not been met.

Recommendations to prevent future occurrences: A final review of budget to actual should be made to ensure there are no large variances at year end.

**East Carroll Parish Police Jury
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2008**

PART III - Findings and questioned costs for federal awards which are required to be reported under OMB Circular No. A-133 Section .510(a):

Reference # and title: **08-F6** **Rent Reasonableness**

Federal program and specific federal award identification:

Section 8 Housing Choice Voucher Program CFDA#14.871

Criteria or specific requirement: HUD guidelines state that rent reasonableness determinations are required before entering into a HAP contract, before any increase in rent to the owner, if there is a 5% decrease in the published fair market rentals in effect 60 days prior to the contract anniversary date or if directed by HUD.

Condition found: A test of five new leases was performed to determine if rent reasonableness checks were performed and if the rent reasonableness checks conformed with the Section 8 administrative plan. Rent reasonableness checks were performed for all leased units; however, one of the checks was dated 2/11/08 but the move-in date (contract) date was 1/29/08.

Possible asserted effect (cause and effect):

Cause: Unknown

Effect: The administrative plan was not followed.

Recommendations to prevent future occurrences: Efforts should be made to perform rent reasonableness checks prior to the signing of the lease.

Reference # and title: **08-F7** **Test of Resident Files**

Federal program and specific federal award identification:

Section 8 Housing Choice Voucher Program CFDA#14.871

Criteria or specific requirement: The Section 8 program must re-examine family income and composition at least once every 12 months and adjust the housing assistance payment (HAP) as necessary using the documentation from third party verifications (24 CFR section 982.516). As a condition of admission or continued occupancy, the resident and other family members must provide necessary information, documentation, and releases for the Section 8 to verify income eligibility (24 CFR sections 5.230, 5.609, and 982.516). The Section 8 program is required to submit Form 50058 electronically to HUD each time the Section 8 program completes an admission, annual reexamination, interim reexamination, portability move in, or other changes of unit for a family. Several line items on this form must agree to documentation in the file (24 CFR part 908 and 24 CFR section 982.158). For both family income examinations and reexaminations, the Section 8 program must obtain and document in the family file third party verification of reporting family income, the value of assets, expenses related to deductions from annual income, and other factors that affect the determination of adjusted income or income based rent. (24 CFR section 982.516). The Section 8 program must determine income eligibility and calculate the resident's rent payment using the documentation from

**East Carroll Parish Police Jury
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2008**

PART III - Findings and questioned costs for federal awards which are required to be reported under OMB Circular No. A-133 Section .510(a):

third party verifications in accordance with 24 CFR part 5 subpart F (24 CFR section 5.601 and 24 CFR sections 982.201, 982.515 and 982.516).

Condition found: A sample of 14 resident files were tested for certain attributes. Two files had documentation regarding birth dates or social security numbers which did not match the HUD 50058. One income calculation included an exclusion for \$2,400 in unreimbursed child care expenses but the resident no longer worked and had no child care expenses.

Possible asserted effect (cause and effect):

Cause: Unknown

Effect: Incorrect data for the birth dates and social security number was submitted on the HUD 50058. The rent calculation was incorrect for one resident tested.

Recommendations to prevent future occurrences: Quality reviews should be performed periodically to check vital data against the resident files.

Reference # and title: **08-F8** **Review of Utility Allowance Schedule**

Federal program and specific federal award identification:

Section 8 Housing Choice Voucher Program CFDA#14.871

Criteria or specific requirement: Per the Housing Choice Voucher Guidebook, a PHA must review its utility allowance schedule annually and must revise its allowances at other times when there has been a change of ten percent or more in the utility rates or fuel costs since the last revision of the schedule.

Condition found: The last comparison of utility rates was performed in 2007 and became effective December 15, 2007. There were no utility comparisons performed in the 2008 fiscal year.

Possible asserted effect (cause and effect):

Cause: The Director was not aware that an annual utility comparison was required.

Effect: HUD guidelines have not been followed for the utility allowance schedule.

Recommendations to prevent future occurrences: Utility comparisons should be performed annually.

East Carroll Parish Police Jury

Other Information

The information in the following section concerns management's actions or intentions concerning prior- and current-year audit findings and is required by U. S. Office of Management and Budget (OMB) Circular A-133. This information has been prepared by the management of the East Carroll Parish Police Jury. Management accepts full responsibility, as required by OMB Circular A-133, for the accuracy of the information. This information has not been audited by the auditors except as required by OMB Circular A-133 Section 500(e), and accordingly, no opinion is expressed. Section 500(e) requires the auditor to follow-up on prior audit findings, perform procedures to assess the reasonableness of the summary schedule of prior audit findings prepared by the auditee, and report, as a current-year audit finding when the auditor concludes that the summary schedule of prior audit findings materially misrepresents the status of any prior audit finding.

**East Carroll Parish Police Jury
Summary Schedule of Prior Audit Findings
December 31, 2008**

Reference # and title: **07-F1** **Inadequate Record Keeping For Leave**

Origination date: December 31, 2007

Condition found: In order to maintain good internal controls over leave taking, it is necessary that records are kept with all leave earned and all leave taken to ensure that the employee has earned the necessary leave hours prior to taking leave. It is also necessary for the correct leave type to be coded or corrected when errors are found.

It was noted that five employees had negative leave time for annual leave at year end. It was also noted that leave was miscoded as sick leave when the requested leave was actually annual leave.

Corrective action planned: See corrective action plan for finding 08-F3.

Reference # and title: **07-F2** **Bank Reconciliations Not Reconciled Properly**

Origination date: December 31, 2005

Condition found: In order to properly reconcile the general ledger cash account to the bank statements, any unusual or long-term reconciling items should be researched and corrected.

Review of the bank reconciliation for the Criminal Court for year end showed a deposit in transit of \$18,741 which had been outstanding for over six weeks. It was discovered that the item listed as an outstanding deposit was actually one deposit which had been entered into the ledger twice.

Corrective action planned: See corrective action plan for finding 08-F4.

Reference # and title: **07-F3** **Compliance With Transportation Guidelines**

Origination date: December 31, 2007

Condition found: State law prohibits public agencies from donating or providing anything of value to persons, associations, or corporations. Attorney General Opinion 05-0153 gives approval to install culverts on public right of way for the benefit of private land owners only if the police jury is reimbursed for all of their expenses. The opinion states that if the installation is for the good of both the landowner and the public that the public entity may perform the service without reimbursement for installation if a cooperative endeavor agreement is obtained.

In addition the Parish Transportation Act (R.S. 48:751-762) requires a police jury to implement a parish-wide capital improvement plan and to follow that plan as approved.

During our testing we discovered a number of culverts were purchased to install on private property. The culverts themselves were purchased by the landowners, but the police jury was not reimbursed for their expenses. There were no cooperative endeavor agreements observed.

In addition, although a three-year capital improvement plan was adopted, it was not implemented due to problems with broken machinery. Viewing the improvement plan for the next three years, the roads which were to be worked on in 2007 were not at the top of the list for 2008.

**East Carroll Parish Police Jury
Summary Schedule of Prior Audit Findings
December 31, 2008**

Corrective action planned: See corrective action plan for finding 08-F1.

Reference # and title: **07-F4** **Test of Resident Files**

Origination date: December 31, 2002

Condition found: Re-examination of income and family composition must be performed, at a minimum, yearly. The income should be verified by a third party or by viewing original documents provided by the resident. All social security numbers and birth dates reported on the re-examination form (form 50058) must match the information provided by the resident. All family members who are 18 years or older must sign the fraud affidavit and permission to release information. All participating parties must sign the amendment.

A total of twenty-six files were chosen for testing. Of the twenty-six files tested, one 50058 was incomplete, nine files contained social security numbers or birth dates which did not match the documentation, two files did not have the proper expense or revenue verified by a third party or original document, and seven files contained incorrect income calculations. These incorrect calculations resulted in questioned costs of \$3,792.

Corrective action planned: See corrective action plan for finding 08-F7.

**East Carroll Parish Police Jury
Corrective Action Plan For Current Year Audit Findings and Questioned Costs
December 31, 2008**

Reference # and title: **08-F1** **Parish Transportation Act**

Entity-wide or program/department specific: This finding is specific to the Road and Maintenance Fund.

Condition found: The Parish Transportation Act (R.S. 48:751-762) requires the police jury to administer the parish road system efficiently and centrally as a whole. One of the key elements of the Act is that a capital improvement plan should be in place and that the plan is prioritized based upon parish-wide needs. In addition a weekly work schedule should be prepared and work orders are to be prepared for all work performed. Best practices indicate that the work orders should be sequentially numbered and there should be an issue date and a completion date on all work orders. Best practices also indicate that a log should be kept of all complaint calls and letters and should indicate the outcome of the complaint.

The capital improvement plan was simply a list of projects with no prioritization. A test of 25 work orders revealed that none of the work orders were numbered and 7 of the work orders did not indicate a completion date. Finally, there was no documentation of complaints made to the road department.

Corrective action planned: Managers will be given a copy and orientated on written procedures. Numbers will be assigned to work orders and complaints and outcomes will be documented in the complaint book.

Person responsible for corrective action:

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East Carroll Parish Police Jury
400 First Street
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Phone: (318) 559-2256
Fax: (318) 559-1502

Anticipated completion date: December 31, 2009.

Reference # and title: **08-F2** **Capital Asset Management**

Entity-wide or program/department specific: This finding is entity-wide.

Condition found: Good internal controls over capital asset acquisitions and record-keeping require that capital asset purchases be coded to the correct account for easy identification, that the items be tagged and that these tag numbers are entered into the asset management system.

In testing the capital asset accounts, we discovered that over \$120,000 of capital asset acquisitions were miscoded as supplies and maintenance. As part of capital asset testing a sample of items are chosen at a site and the tag numbers are taken down to trace back to the depreciation schedule. Five assets were chosen to trace back to the listing and one of the five assets could not be traced back to the listing or depreciation schedule.

Corrective action planned: The Police Jury will take a complete inventory of all assets and be certain that all property is tagged and that the correct tag numbers are recorded on the capital asset listing. Training will be provided if needed to ensure that all staff is aware of the need to report all additions and deletions to capital assets inventory and training will be provided to ensure proper recording of capital assets.

**East Carroll Parish Police Jury
Corrective Action Plan For Current Year Audit Findings and Questioned Costs
December 31, 2008**

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Anticipated completion date: December 31, 2009.

Reference # and title:

08-F3

Inadequate Record Keeping For Leave

Entity-wide or program/department specific: This finding is specific to the Road fund.

Condition found: In order to maintain good internal controls over leave taking, it is necessary that records are kept with all leave earned and all leave taken to ensure that the employee has earned the necessary leave hours prior to taking leave. It is also necessary for the correct leave type to be coded or corrected when errors are found.

It was noted that three employees had negative leave time for annual leave at year end. The negative time totaled 110 hours.

Corrective action planned: The central office of the Police Jury will record and maintain leave from the time card summary and provide a leave report to the supervisor after each payroll. This procedure will ensure that an employee has adequate leave prior to approval and an employee should not be allowed to take leave until the proper forms are submitted and approved.

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Anticipated completion date: Immediately.

Reference # and title:

08-F4

Bank Reconciliations

Entity-wide or program/department specific: This finding is entity-wide.

Condition found: Good controls over cash require proper bank reconciliations are performed for all bank accounts and that reconciling items are researched to determine the validity of the entry.

The bank reconciliation for the payroll bank account is not a true bank reconciliation. The reconciliation lists only the outstanding checks and does not include the bank balance or general ledger balance. A test of bank reconciliations for the general fund and road maintenance funds revealed outstanding deposits of \$509.75 and \$300.00 which were outstanding for months. These deposits were still shown as outstanding at December 31st. There were also several outstanding checks which were more than 60 days past the check date.

**East Carroll Parish Police Jury
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Corrective action planned: All stale deposits and checks will be researched to determine the reason for their continued appearance on the bank reconciliations.

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Anticipated completion date: December 31, 2009.

Reference # and title: **08-F5** **5% Budget Variances**

Entity-wide or program/department specific: This finding is specific to the Road Maintenance and Construction Fund.

Condition found: Louisiana Revised Statute 39:1311 requires that written notification be made to the proper authority when actual expenditures exceed proposed expenditures by 5% or more and that budget amendments be prepared to address the issue.

It was noted that budget amendments were made during the year to address increases in expenditures but that a final budget amendment did not address the increased spending at year end due to capital asset purchases. There was a 22% expenditure over budget variance.

Corrective action planned: A final review of budget to actual will be made to ensure there are no large variances at year end.

Person responsible for corrective action:

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Anticipated completion date: December 31, 2009.

Reference # and title: **08-F6** **Rent Reasonableness**

Federal program and specific federal award identification:

Section 8 Housing Choice Voucher Program CFDA#14.871

Condition found: HUD guidelines state that rent reasonableness determinations are required before entering into a HAP contract, before any increase in rent to the owner, if there is a 5% decrease in the published fair market rentals in effect 60 days prior to the contract anniversary date or if directed by HUD.

East Carroll Parish Police Jury
Corrective Action Plan For Current Year Audit Findings and Questioned Costs
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A test of five new leases was performed to determine if rent reasonableness checks were performed and if the rent reasonableness checks conformed with the Section 8 administrative plan. Rent reasonableness checks were performed for all leased units; however, one of the checks was dated 2/11/08 but the move-in date (contract) date was 1/29/08.

Corrective action planned: Staff will perform reasonableness checks prior to the signing of the lease.

Person responsible for corrective action:

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Anticipated completion date: December 31, 2009.

Reference # and title:

08-F7

Test of Resident Files

Federal program and specific federal award identification:

Section 8 Housing Choice Voucher Program

CFDA#14.871

Condition found: The Section 8 program must re-examine family income and composition at least once every 12 months and adjust the housing assistance payment (HAP) as necessary using the documentation from third party verifications (24 CFR section 982.516). As a condition of admission or continued occupancy, the resident and other family members must provide necessary information, documentation, and releases for the Section 8 to verify income eligibility (24 CFR sections 5.230, 5.609, and 982.516). The Section 8 program is required to submit Form 50058 electronically to HUD each time the Section 8 program completes an admission, annual reexamination, interim reexamination, portability move in, or other changes of unit for a family. Several line items on this form must agree to documentation in the file (24 CFR part 908 and 24 CFR section 982.158). For both family income examinations and reexaminations, the Section 8 program must obtain and document in the family file third party verification of reporting family income, the value of assets, expenses related to deductions from annual income, and other factors that affect the determination of adjusted income or income based rent. (24 CFR section 982.516). The Section 8 program must determine income eligibility and calculate the resident's rent payment using the documentation from third party verifications in accordance with 24 CFR part 5 subpart F (24 CFR section 5.601 and 24 CFR sections 982.201, 982.515 and 982.516).

A sample of 14 resident files was tested for certain attributes. Two files had documentation regarding birth dates or social security numbers which did not match the HUD 50058. One income calculation included an exclusion for \$2,400 in unreimbursed child care expenses but the resident no longer worked and had no child care expenses.

Corrective action planned: Quality reviews will be performed periodically to check vital data against the resident files.

**East Carroll Parish Police Jury
Corrective Action Plan For Current Year Audit Findings and Questioned Costs
December 31, 2008**

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Anticipated completion date: December 31, 2009.

Reference # and title:

08-F8

Review of Utility Allowance Schedule

Federal program and specific federal award identification:

Section 8 Housing Choice Voucher Program

CFDA#14.871

Condition found: Per the Housing Choice Voucher Guidebook, a PHA must review its utility allowance schedule annually and must revise its allowances at other times when there has been a change of ten percent or more in the utility rates or fuel costs since the last revision of the schedule.

The last comparison of utility rates was performed in 2007 and became effective December 15, 2007. There were no utility comparisons performed in the 2008 fiscal year.

Corrective action planned: Utility comparisons will be performed annually.

Person responsible for corrective action:

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Anticipated completion date: December 31, 2009.