

**NATCHITOCHE PARISH POLICE JURY
ANNUAL FINANCIAL REPORT**

DECEMBER 31, 2011

NATCHITOCHEES PARISH POLICE JURY
ANNUAL FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2011

T A B L E O F C O N T E N T S

	<u>Exhibit</u>	<u>Page</u>
Required Supplementary Information		
Management’s Discussion and Analysis	-	1-5
Independent Auditor’s Report	-	6-8
<u>Basic Financial Statements</u>		
Government-Wide Financial Statements		
Statement of Net Assets	A	11
Statement of Activities	B	12
Fund Financial Statements		
Governmental Funds:		
Balance Sheet-Governmental Funds	C	14
Reconciliation of Total Governmental Fund Balances to Net Assets of Governmental Activities	D	15
Statement of Revenues, Expenditures and Changes in Fund Balance-Governmental Funds	E	16
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	F	17
Notes to Financial Statements	---	19-38
<u>Other Required Supplemental Information</u>		
General Fund-		
Statement of Revenues, Expenditures and Changes In Fund Balance-Budget (GAAP Basis) and Actual	G-1	40

NATCHITOCHE PARISH POLICE JURY
ANNUAL FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2011

T A B L E O F C O N T E N T S

	<u>Exhibit</u>	<u>Page</u>
Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget (GAAP Basis) and Actual-		
Road Maintenance Fund	H-1	41
Sales Tax Fund	H-2	42
Parish Library Fund	H-3	43
Health Unit Fund	H-4	44
Head Start Fund	H-5	45
 <u>Other Supplemental Schedules</u>		
Non-Major Governmental Funds:		
Combining Balance Sheet	I-1	47-49
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	I-2	50-52
Schedule of Compensation Paid Jury Members	I-3	53
Supplementary Schedule of Expenditures of Federal Awards	I-4	54-55
Notes to the Schedule of Expenditures of Federal Awards	I-5	56
 <u>Other Reports</u>		
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	---	58-59
Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133	---	60-61
Schedule of Findings and Questioned Costs	J	62-66
Schedule of Prior Year Audit Findings	K	67

Natchitoches Parish Police Jury

Natchitoches, Louisiana

Management's Discussion and Analysis (MD&A)

Our discussion and analysis of the Natchitoches Parish Police Jury's financial performance provides an overview of the Police Jury's financial activities for the year ended December 31, 2011.

The Management's Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments issued June 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

Financial Highlights

- The Police Jury's assets exceeded its liabilities by \$16,272,264 (net assets) for the fiscal year reported. This compares to the previous year when assets exceeded liabilities by \$12,868,496.
- Total net assets are comprised of the following:
 1. Capital assets, net of related debt, of \$8,198,866 include property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets.
 2. Unrestricted net assets of \$8,073,398 represent the portion available to maintain the Police Jury's continuing obligations to citizens and creditors.
- The Police Jury's governmental funds report a total fund balance of \$8,228,413 this year. This compares to the prior year ending fund balance of \$6,439,069 showing an increase of \$1,789,344 during the current year.

Using This Annual Report

The Police Jury's annual report consists 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. 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 financial statements also report the Police Jury's operations in more detail than the government-wide statements by providing information about the Police Jury's most financially significant funds.

Reporting the Police Jury as a Whole

The Statement of Net Assets and The Statement of Activities

One of the most important questions asked about the Police Jury's finances is "Is the Police Jury as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information about the Police Jury as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. Accrual 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 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. You must consider other non-financial factors, such as the condition of roads and bridges to assess the overall health of the Police Jury.

The Statement of Net Assets and Statement of Activities report the following activity for the Police Jury:

Governmental Activities – All 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.

Reporting the Police Jury's Most Significant Funds

Fund Financial Statements

The Police Jury's fund financial statements 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 or to show that it is meeting legal responsibilities for using certain taxes, grants, and other monies (like grants the Police Jury receives for Head Start). The Police Jury's governmental funds use the following accounting approach:

Governmental Funds – All 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 into 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 a reconciliation after the fund financial statements.

The Police Jury as a Whole

The Police Jury's net assets were \$16.2 million on December 31, 2011. Of this amount \$8.1 million was unrestricted. Our analysis below focuses on the net assets (Table 1) and changes in net assets (Table 2) of the Police Jury's governmental activities:

Table 1
Net Assets
December 31, 2011

	Governmental Activities	
	<u>2011</u>	<u>2010</u>
Assets:		
Cash & Other Assets	\$10,695,185	\$ 8,442,609
Noncurrent Assets	<u>8,198,866</u>	<u>7,598,352</u>
Total Assets	<u>\$18,894,051</u>	<u>\$16,040,961</u>
Liabilities:		
Current and Other Liabilities	\$ 2,466,773	\$ 2,003,540
Long-term Liabilities	<u>155,014</u>	<u>1,168,925</u>
Total Liabilities	<u>\$ 2,621,787</u>	<u>\$ 3,172,465</u>
Net Assets:		
Invested in Capital Assets	\$ 8,198,866	\$ 7,598,352
Unrestricted	<u>8,073,398</u>	<u>5,270,144</u>
Total Net Assets	<u>\$16,272,264</u>	<u>\$12,868,496</u>

Table 2
Changes in Net Assets
Year Ended December 31, 2011

	<u>Primary Government</u>	
	<u>2011</u>	<u>2010</u>
Program Revenues:		
Charges for Services	\$ 227,060	\$ 366,150
Operating Grants & Contributions	6,218,927	5,768,968
Capital Grants & Contributions	1,442,412	1,875,979
General Revenues:		
Ad Valorem Taxes	4,451,262	3,816,703
Sales Taxes	4,275,759	2,318,300
Licenses & Permits	416,325	394,006
Interest	14,927	15,572
Gain (Loss) on Sale of Capital Assets	19,308	(30,573)
Miscellaneous	<u>84,881</u>	<u>219,936</u>
Total Revenues	<u>\$17,150,861</u>	<u>\$14,745,041</u>
Functional/Program Expenses:		
Governmental Activities-		
General Government	\$ 1,669,974	\$ 1,346,067
Public Safety	2,345,856	1,890,826
Public Works	4,782,909	5,544,307
Health & Welfare	4,408,272	4,288,147
Recreation & Culture	1,587,917	1,544,759
Economic Development	<u>28,720</u>	<u>52,983</u>
Total Expenses	<u>\$14,823,668</u>	<u>\$14,667,089</u>
Change in Net Assets	<u>\$ 2,327,193</u>	<u>\$ 77,952</u>

Economic Factors and Next Year's Budgets and Rates

The Police Jury is experiencing severe financial difficulties in the general fund. The Jury is continually amending the budget in an attempt to address this situation. We expect this situation to continue for 2012.

Contacting the Police Jury

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the Police Jury's finances and to show the Police Jury's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Debra Miley, Treasurer at 318-352-2714.

Johnson, Thomas & Cunningham

Certified Public Accountants

Eddie G. Johnson, CPA – A Professional Corporation (1927-1996)

Mark D. Thomas, CPA – A Professional Corporation
Roger M. Cunningham, CPA – A Professional Corporation
Jessica H. Broadway, CPA – A Professional Corporation
Ryan E. Todtenbier, CPA – A Professional Corporation

321 Bienville Street
Natchitoches, Louisiana 71457
(318) 352-3652
Fax (318) 352-4447

INDEPENDENT AUDITOR'S REPORT

To the Jury Members of the
Natchitoches Parish Police Jury

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Natchitoches Parish Police Jury (Jury) as of and for the year ended December 31, 2011, which collectively comprise the basic financial statements of the Jury's primary government as listed in the Table of Contents. These financial statements are the responsibility of the 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 and the *Louisiana Governmental Audit Guide*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

The financial statements do not include financial data for the Jury's legally separate component units. Accounting principles generally accepted in the United States of America require the financial data for those component units to be reported with the financial data of the Jury's primary government unless the Jury also issues financial statements for the financial reporting entity that include the financial data for its component units. The Jury has not issued such reporting entity financial statements. Because of this departure from accounting principles generally accepted in the United States of America. The amount of assets, liabilities, net assets, revenues and expenses of the aggregate discretely presented component units that would have been presented is unknown.

In addition, due to financial difficulties management has been unable to obtain an actuarial valuation of other post employment benefits, and accordingly has not recorded the expense of those benefits. Accounting principles generally accepted in the United States of America require that other post employment benefits be recorded, which would increase the liabilities and expenses of the governmental activities. The amount by which this departure would affect the assets, net assets and expenses of the governmental activities is not reasonably determinable.

In our opinion, because of the omission of the discretely presented component units and the other post employment benefits expenses, 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 Natchitoches Parish Police Jury, as of December 31, 2011, or the changes in financial position thereof for the year then ended.

In addition, in our opinion, except for the effects of omitting component units and other post employment benefit expenses as discussed above, the financial statements referred to above present fairly in all material respects, the financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Natchitoches Parish Police Jury, as of December 31, 2011, and the changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared assuming that the Jury will continue as a going concern. As discussed in Note 15 to the financial statements, the voters of Natchitoches Parish approved a change from the current form of government to a home rule charter with a president and council form of government which will be put into place in November and December of 2012. In addition, the Jury's general fund is in severe financial difficulty due to increased criminal court and prisoner maintenance costs as well as the Office of Community Services substantially overspending its' grant revenues. These conditions raise substantial doubt about the Police Jury's ability to continue as a going concern. Management's plans regarding those matters are also described in Note 15. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 18, 2012, on our consideration of the Jury's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 conjunction with this report in considering the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 1 through 5 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the management's discussion and analysis in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. However, the introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of the Natchitoches Parish Police Jury's primary government. The budgetary comparisons listed as other required supplemental information in the table of contents and the combining nonmajor fund financial statements, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements of the Jury. The budgetary comparison statements, combining nonmajor fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Johnson, Thomas & Cunningham

Johnson, Thomas & Cunningham, CPA's

June 18, 2012

Natchitoches, Louisiana

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE
FINANCIAL STATEMENTS

Natchitoches Parish Police Jury
Statement of Net Assets
December 31, 2011

	<u>Governmental Activities</u>
Assets-	
Current Assets-	
Cash & Cash Equivalents	\$ 5,757,881
Revenue Receivables	<u>4,937,304</u>
Total Current Assets	\$10,695,185
Noncurrent Assets-	
Capital Assets (net of accumulated depreciation)	<u>8,198,866</u>
Total Assets	<u>\$18,894,051</u>
Liabilities-	
Current Liabilities-	
Cash Overdraft	\$ 130,216
Accounts Payable	766,608
Accrued Payroll	369,968
Due to Other Governments	<u>1,199,981</u>
Total Current Liabilities	\$ <u>2,466,773</u>
Long-term Liabilities-	
Accrued Compensated Absences	\$ <u>155,014</u>
Total Liabilities	<u>\$ 2,621,787</u>
Net Assets-	
Invested in Capital Assets	\$ 8,198,866
Unrestricted	<u>8,073,398</u>
Total Net Assets	<u>\$16,272,264</u>

See notes to financial statements.

Natchitoches Parish Police Jury
Statement of Activities
Year Ended December 31, 2011

Activities	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets Governmental Activities
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary Government:					
Governmental Activities-					
General Government	\$ 1,669,994	\$ 66	\$ 701,563	\$ 0	\$ (968,365)
Public Safety	2,345,856	195,709	479,597	0	(1,670,550)
Public Works	4,782,909	14,567	1,214,850	1,442,412	(2,111,080)
Health & Welfare	4,408,272	0	3,818,513	0	(589,759)
Recreation & Culture	1,587,917	16,718	4,404	0	(1,566,795)
Economic Development	<u>28,720</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(28,720)</u>
Total Governmental Activities	<u>\$14,823,668</u>	<u>\$227,060</u>	<u>\$6,218,927</u>	<u>\$1,442,412</u>	<u>\$ (6,935,269)</u>
General Revenues:					
Taxes-					
Ad Valorem					\$ 4,451,262
Sales & Use					4,275,759
Licenses & Permits					416,325
Interest					14,927
Miscellaneous					84,881
Gain on sale of Surplus Assets					<u>19,308</u>
Total General Revenues					<u>\$ 9,262,462</u>
Change in Net Assets					\$ 2,327,193
Net Assets January 1, 2011					12,868,496
Prior Period Adjustment (see note 18)					<u>1,076,575</u>
Net Assets December 31, 2011					<u>\$16,272,264</u>

See notes to financial statements.

FUND FINANCIAL STATEMENTS

Natchitoches Parish Police Jury
Governmental Funds-Balance Sheet
December 31, 2011

	Major Funds						Nonmajor Funds	Total Governmental Funds
	Special Revenue Funds							
	General Fund	Road Maintenance Fund	Sales Tax Fund	Parish Library Fund	Health Unit Fund	Head Start Fund		
<u>Assets</u>								
Cash & Cash Equivalents	\$ 659,226	\$ 687,665	\$2,138,517	\$ 777,065	\$ 562,110	\$ 0	\$ 933,298	\$ 5,757,881
Revenue Receivables	851,291	1,071,521	288,973	1,214,465	494,355	119,610	897,089	4,937,304
Due from Other Funds	10,410	2,134	55,887	0	0	0	96,747	165,178
Total Assets	<u>\$1,520,927</u>	<u>\$1,761,320</u>	<u>\$2,483,377</u>	<u>\$1,991,530</u>	<u>\$1,056,465</u>	<u>\$119,610</u>	<u>\$1,927,134</u>	<u>\$10,860,363</u>
<u>Liabilities</u>								
Cash Overdraft	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 296	\$ 129,920	\$ 130,216
Accounts Payable	330,204	175,702	0	51,550	8,170	24,839	176,142	766,608
Accrued Payroll	26,744	36,942	0	72,823	10,277	120,837	102,345	369,968
Due to Other Government	0	0	0	0	0	0	1,199,981	1,199,981
Due to Other Funds	57,696	8,013	0	0	0	0	99,469	165,178
Total Liabilities	<u>\$ 414,644</u>	<u>\$ 220,657</u>	<u>\$ 0</u>	<u>\$ 124,373</u>	<u>\$ 18,447</u>	<u>\$145,972</u>	<u>\$1,707,857</u>	<u>\$ 2,631,950</u>
<u>Fund Balance</u>								
Fund Balances-								
Restricted	\$ 0	\$1,540,663	\$2,483,377	\$1,867,157	\$1,038,018	\$ 0	\$1,406,923	\$ 8,336,138
Assigned	0	0	0	0	0	0	0	0
Unassigned	1,106,283	0	0	0	0	(26,362)	(1,187,646)	(107,725)
Total Fund Balance	<u>\$1,106,283</u>	<u>\$1,540,663</u>	<u>\$2,483,377</u>	<u>\$1,867,157</u>	<u>\$1,038,018</u>	<u>\$ (26,362)</u>	<u>\$ 219,277</u>	<u>\$ 8,228,413</u>
Total Liabilities & Fund Balance	<u>\$1,520,927</u>	<u>\$1,761,320</u>	<u>\$2,483,377</u>	<u>\$1,991,530</u>	<u>\$1,056,465</u>	<u>\$119,610</u>	<u>\$1,927,134</u>	<u>\$10,860,363</u>

See notes to financial statements.

Natchitoches Parish Police Jury
Reconciliation of Total Governmental Fund Balances to
Net Assets of Governmental Activities
December 31, 2011

Total Governmental Fund Balances	\$ 8,228,413
Amounts reported for Governmental Activities in the Statement of Net Assets are different because:	
Capital Assets used in Governmental Activities are not financial resources and, therefore, are not reported in the funds-	
Capital Assets	31,159,147
Less, Accumulated Depreciation	(22,960,282)
Long-term Liabilities are not due and payable in the current period and are not reported in the funds-	
Accrued Compensated Absences	<u>(155,014)</u>
Total Net Assets of Governmental Activities at December 31, 2011	<u>\$ 16,272,264</u>

See notes to financial statements.

Natchitoches Parish Police Jury
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended December 31, 2011

	Major Funds						Total Governmental Funds	
	General Fund	Road Maintenance Fund	Sales Tax Fund	Parish Library Fund	Health Unit Fund	Head Start Fund		Nonmajor Funds
Revenues:								
Taxes-								
Ad Valorem	\$ 811,128	\$ 676,689	\$ 0	\$1,624,569	\$ 681,908	\$ 0	\$ 656,968	\$ 4,451,262
Sales & Use	0	0	4,275,759	0	0	0	0	4,275,759
License & Permits	256,162	0	0	0	0	0	160,163	416,325
Intergovernmental-								
Federal Grants	0	526,598	0	0	0	2,209,210	2,541,517	5,277,325
State Grants	730,044	1,014,567	0	0	0	0	291,313	2,035,924
Other Grants	0	0	0	4,404	0	0	343,686	348,090
Charges for Services	66	14,567	0	9,094	0	0	0	23,727
Fines & Forfeits	0	0	0	7,624	0	0	195,709	203,333
Interest & Miscellaneous	28,643	40,683	3,518	26,781	2,782	0	16,709	119,116
Total Revenues	\$ 1,826,043	\$ 2,273,104	\$ 4,279,277	\$1,672,472	\$ 684,690	\$2,209,210	\$ 4,206,065	\$17,150,861
Expenditures:								
Current-								
General Government	\$ 490,611	\$ 23,876	\$ 32,979	\$ 0	\$ 0	\$ 0	\$ 1,110,077	\$ 1,657,543
Public Safety	139,083	0	0	0	0	0	2,103,112	2,242,195
Public Works	0	4,337,218	0	0	0	0	837,983	5,175,201
Health & Welfare	4,356	0	0	0	469,579	2,181,299	1,739,182	4,394,416
Recreation & Culture	0	0	0	1,863,442	0	0	0	1,863,442
Economic Development	28,720	0	0	0	0	0	0	28,720
Total Expenditures	\$ 662,770	\$ 4,361,094	\$ 32,979	\$1,863,442	\$ 469,579	\$2,181,299	\$ 5,790,354	\$15,361,517
Excess (Deficiency) of Revenues over Expenditures	\$ 1,163,273	\$(2,087,990)	\$ 4,246,298	\$ (190,970)	\$ 215,111	\$ 27,911	\$(1,584,289)	\$ 1,789,344
Other Financing Sources (Uses):								
Operating Transfers In	\$ 300,000	\$ 2,065,709	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,038,970	\$ (3,404,679)
Operating Transfers Out	(1,000,000)	0	(2,064,900)	0	(300,000)	(38,970)	(809)	3,404,679
Total Other Financing	\$ (700,000)	\$ 2,065,709	\$(2,064,900)	\$ 0	\$ (300,000)	\$ (38,970)	\$ 1,038,161	\$ 0
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	\$ 463,273	\$ (22,281)	\$ 2,181,398	\$ (190,970)	\$ (84,889)	\$ (11,059)	\$ (546,128)	\$ 1,789,344
Fund Balances-Beginning of Year	131,789	1,562,944	301,979	2,058,127	1,122,907	(15,303)	1,276,626	6,439,069
Prior Period Adjustment (see note 18)	511,221	0	0	0	0	0	(511,221)	28,720
Fund Balances-End of Year	\$ 1,106,283	\$ 1,540,663	\$ 2,483,377	\$1,867,157	\$1,038,018	\$ (26,362)	\$ 219,277	\$ 8,228,413

See notes to financial statements.

Natchitoches Parish Police Jury
Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2011

Net Change in Fund Balances-Total Governmental Funds	\$1,789,344
---	-------------

Amounts reported for Governmental Activities
in the Statement of Activities are different because:

Governmental Funds report Capital Outlays as
expenditures. However, in the Statement of Activities,
the cost of these assets is allocated over their estimated
useful lives as depreciation expense. The current year
amounts for these items were-

Capital Expenditures	1,261,598
Depreciation Expense	(659,985)

Governmental Funds report the entire amount received from sales of assets as revenues, but the undepreciated cost of the asset reduces the gain from the sale in the Statement of Activities	(1,100)
---	---------

Increases in Long-term Debt are reflected
as an increase in expenses on the Statement of Activities,
but are not reported in the Governmental Funds

Accrued Compensated Absences	(62,664)
------------------------------	----------

Change in Net Assets of Governmental Activities	\$2,327,193
---	-------------

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

Natchitoches Parish Police Jury
Notes to Financial Statements
December 31, 2011

Introduction

The Natchitoches Parish Police Jury is the governing authority for Natchitoches Parish, and is a political subdivision of the State of Louisiana. The Jury, under the provisions of Louisiana Revised Statutes 33:1236-1244, enacts ordinances, sets policy and establishes programs in such fields as criminal and juvenile justice, highways and streets, sanitation, planning and zoning, public health, libraries, recreational facilities and general administrative services. The Jury is governed by eleven jurors representing the various districts of Natchitoches Parish.

1. Summary of Significant Accounting Policies

A. Reporting Entity

As the governing authority of the Parish, for reporting purposes, the Natchitoches Parish Police Jury is the financial reporting entity for Natchitoches 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 established criteria for determining which component units should be considered part of the Natchitoches Parish Police Jury for financial reporting purposes. The basic criteria 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's financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Natchitoches Parish Police Jury
Notes to Financial Statements
December 31, 2011

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

<u>Component Unit</u>	<u>Fiscal Year End</u>	<u>Criteria Used</u>
Fire District No. 1	12-31	1 and 3
Fire District No. 2	12-31	1 and 3
Fire District No. 3	12-31	1 and 3
Fire District No. 4	12-31	1 and 3
Fire District No. 5	12-31	1 and 3
Fire District No. 6	12-31	1 and 3
Fire District No. 7	12-31	1 and 3
Fire District No. 8	12-31	1 and 3
Fire District No. 9	6-30	1 and 3
Fire District No. 10	6-30	1 and 3
Parish Assessor's Office	12-31	2 and 3
Parish Clerk of Court	6-30	2 and 3
Tenth Judicial District Court Expense Fund	12-31	2 and 3
District Attorney	12-31	2 and 3
Tourist Commission	12-31	1 and 3
Communications District	12-31	1 and 3
Sheriff	6-30	2 and 3
Hospital Service District	6-30	1 and 3
Northwest LA Fish and Game Preserve	12-31	1 and 3

The Police Jury has chosen to issue financial statements of the primary government (police jury), which exclude the above listed component units. For information to obtain financial statements for any of the above component units, contact the administrator of the Police Jury at 318-352-2714.

These primary government (police jury) financial statements include all funds and organizations for which the Police Jury maintains the accounting records, and include the Parish Library, Tenth Judicial District Criminal Court Fund, Civil Defense Fund, and Natchitoches Parish Office of Community Services.

GASB Statement 14 provides for the issuance of primary government financial statements that are separate from those of the reporting entity. However, the primary government's (police jury) financial statements are not a substitute for the reporting entity's financial statements. The accompanying primary government financial statements have been prepared in conformity with generally accepted accounting principles as applied to governmental units.

Natchitoches Parish Police Jury
Notes to Financial Statements
December 31, 2011

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

B. Government-Wide and Fund Financial Statements

The Government-Wide Financial Statements (i.e., the Statement of Net Assets and the Statement of Activities) report information on all of the activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

Natchitoches Parish Police Jury
Notes to Financial Statements
December 31, 2011

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

The Police Jury reports the following major governmental funds:

General Fund-The General Fund is the Police Jury's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

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

The Jury's major special revenue funds are-

Road Maintenance Fund-Used to account for the Jury's road, bridge, and drainage projects.

Sales Tax Fund-Used to account for the collection of a 1% sales and use tax used to finance the Road Maintenance Fund, which includes waste disposal.

Parish Library Fund-Used to account for the operations of the parish library.

Health Unit Fund-Used to account for the Jury's portion of costs associated with parish health unit.

Head Start Fund-Used to account for the Jury's Head Start programs.

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

D. Deposits and Investments

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

Natchitoches Parish Police Jury
Notes to Financial Statements
December 31, 2011

E. Interfund Transactions

There are several types of transactions that are reported in the financial statements as interfund items. Interfund transactions, which constitute reimbursements of a fund for expenditures initially made from that fund, which are properly applicable to another fund, are recorded as expenditures in the reimbursing fund, and as reductions of the expenditure in the fund that is being reimbursed. Nonrecurring or nonroutine transfers of equity between funds are treated as residual transfers and are reported as additions to or deductions from fund balance. All other transfers are treated as operating transfers and are included in the results of operations of the funds.

The Criminal Court Fund includes revenues and expenditures of the Tenth Judicial District Court. The monies in the fund are not available for use by the Jury. However, state law requires that the Jury fund all deficits of the fund and entitles the Jury to one-half of any surplus of the fund. These transactions are accounted for as operating transfers of the Criminal Court Fund and the General Fund as applicable.

The following are summaries of interfund receivables and payables, and interfund operating transfers:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 10,410	\$ 57,696
Special Revenue Funds-		
Road Maintenance	2,134	8,013
Sales Tax	55,887	0
Kisatchie Search & Rescue	44,763	43,411
Title III – Kisatchie Search & Rescue	43,411	44,763
OCS-TTA/CDA	0	325
OCS-Emergency Food & Shelter	0	560
OCS-DOL-CSBG	560	0
Capital Projects Funds-		
LCDBG Fire Protection	<u>8,013</u>	<u>10,410</u>
Totals	<u>\$165,178</u>	<u>\$165,178</u>

Natchitoches Parish Police Jury
Notes to Financial Statements
December 31, 2011

	<u>Operating Transfers In</u>	<u>Operating Transfers Out</u>
General Fund	\$ 300,000	\$1,000,000
Special Revenue Funds-		
Road Maintenance Fund	2,065,709	0
Sales Tax Fund	0	2,064,900
Health Unit Fund	0	300,000
Criminal Court	225,000	0
Public Safety	775,000	0
Road State Grant	0	44
Road Maintenance 96/97	0	765
OCS-CACFP	38,970	0
OCS-Head Start	0	38,970
Totals	<u>\$3,404,679</u>	<u>\$3,404,679</u>

Transfers are primarily used to move funds:

- From Health Unit Maintenance Fund to the General Fund to help fund criminal court cost.
- From General Fund to Criminal Court and Public Safety Funds as mandated by Louisiana law to fund criminal court cost and prisoner maintenance.
- From Sales Tax Fund to Road Maintenance Fund to fund road repairs.
- Other miscellaneous transfers to move operation monies to and from various funds.

F. Capital Assets

Capital Assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Police Jury maintains a threshold level of \$1,000 or more for capitalizing capital assets.

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

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

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

Natchitoches Parish Police Jury
Notes to Financial Statements
December 31, 2011

<u>Description</u>	<u>Estimated Lives</u>
Roads, bridges, & infrastructure	50 years
Buildings & building improvements	40 years
Furniture & fixtures	5-7 years
Vehicles	5-7 years
Equipment	5-7 years

G. Inventories

Inventories are considered expenditures when purchased; therefore, physical inventories are not taken. Inventories on hand at December 31, 2011, are immaterial and are approximately the same as at December 31, 2010. Inventories consist of gravel, road building and general maintenance materials, and supplies.

H. Compensated Absences

Full-time Jury employees may earn from five to twenty days of annual leave and five to twelve days of sick leave per year depending on length of service. Upon resigning, employees may be paid for annual leave up to fifty days. Retiring employees are not paid for accrued annual leave in excess of fifty days, but are given credit toward retirement length of service. Similarly, employees are not paid for accrued sick leave upon resigning or retiring, but accrued sick leave may be applied against total employment years at retirement.

I. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net assets.

In the fund financial statements, governmental fund types recognize debt issued as other financing sources. Repayment of the principal and interest is shown as an expenditure.

J. Fund Equity

In the fund statements, governmental fund equity is classified as fund balance. Beginning with fiscal year 2011, the Jury implemented GASB Statement 54 "Fund Balance Reporting and Governmental Fund Type Definitions". This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- a. Nonspendable fund balance---amounts that are not in a spendable form (such as prepaid expenses) or are required to be maintained intact;

Natchitoches Parish Police Jury
Notes to Financial Statements
December 31, 2011

- b. Restricted fund balance---amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- c. Committed fund balance---amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;
- d. Assigned fund balance---amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- e. Unassigned fund balance---amounts that are available for any purpose. Only the General Fund would report positive amounts in unassigned fund balance.

K. Net Assets

In the government-wide statements, equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt---Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets---Consists of net assets with constraints placed on their use either by (1) external groups such as creditors, grantors, contributions, or laws or regulations of other governments; or (2) law through constitutional provision or enabling legislation.
- c. Unrestricted net assets---All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt”.

L. 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 statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

Natchitoches Parish Police Jury
Notes to Financial Statements
December 31, 2011

2. Budgets and Budgetary Accounting

The Jury utilizes the following procedures in establishing the budgetary data reflected in the financial statements:

- (1) Prior to December 1, the Treasurer submits to the Jury a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- (2) A public hearing is then conducted, after proper official journal notification, to obtain taxpayer comments.
- (3) Prior to December 31, the budget is legally enacted through passage of an ordinance.
- (4) The budget ordinance is structured such that revenues are budgeted by source and appropriations are budgeted by department and by principal object of expenditure. Revisions to the budget as enacted require Jury action. Several such revisions were made during the year ended December 31, 2011.
- (5) The Jury utilizes formal budgetary integration as a management control device for the General Fund and Special Revenue Funds.
- (6) The basis of accounting applied to budgetary data presented is substantially consistent with the appropriate basis of accounting for each fund type for which an annual budget is prepared. Appropriations that are not expended lapse at year-end.

3. Deficits in Individual Funds

At December 31, 2011, the following funds had a deficit balance in their fund balance:

<u>Fund</u>	<u>Amount</u>
Office of Community Services-	
Head Start	\$ 26,362
OHD LIHEAP	15,519
DOL – CSBG	20,365
RSVP	4,184
TTA/CDA	120
Senior Companion Program	13,182
Summer Feeding Program	3,017
Public Safety	<u>1,131,260</u>
Total	<u>\$1,214,009</u>

Natchitoches Parish Police Jury
Notes to Financial Statements
December 31, 2011

The deficits in the OCS funds will generally be funded by intrafund transfers at the end of each respective grant period. However, some programs have no future source of grants to use to fund the deficits. The deficits in OHD LIHEAP, DOL-CSBG and Senior Companion must be funded by the General Fund. The deficit in the Public Safety Fund will need to be funded by transfers from the General Fund in future years, if funding is available.

4. Cash and Cash Equivalents

At December 31, 2011, the police jury had cash and cash equivalents (book balances) totaling \$5,757,881 as follows-

Interest-bearing demand deposits	\$5,290,675
U.S. Government Securities	<u>467,206</u>
Total	<u>\$5,757,881</u>

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

At December 31, 2011, the Police Jury has \$5,987,970 in deposits (collected bank balances). These deposits are secured from risk by \$543,669 of federal deposit insurance and \$4,977,095 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3). The \$467,206 in securities is secured by the U.S. Government.

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.

5. Receivables

The following is a summary of receivables at December 31, 2011:

<u>Class of Receivable</u>	<u>General Fund</u>	<u>Special Revenue Funds</u>
Taxes-		
Ad Valorem	\$587,594	\$3,077,459
Other Taxes	215,448	0
Intergovernmental-		
Federal	0	827,843
State	25,000	49,969
Local	0	114,040
Other	<u>23,249</u>	<u>16,702</u>
Totals	<u>\$851,291</u>	<u>\$4,086,013</u>

Natchitoches Parish Police Jury
Notes to Financial Statements
December 31, 2011

Substantially all receivables are considered to be fully collectible, and no allowance for uncollectibles is used.

6. Capital Assets

Capital assets and depreciation activity as of and for the year ended December 31, 2011, is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
General Fund:				
Capital Assets-				
Land	\$ 423,873	\$ 0	\$ 0	\$ 423,873
Building	4,721,966	0	0	4,721,966
Office Equipment	239,890	3,485	0	243,375
Other Equipment	77,464	0	0	77,464
Vehicles	<u>230,923</u>	<u>0</u>	<u>0</u>	<u>230,923</u>
Total Assets	<u>\$ 5,694,116</u>	<u>\$ 3,485</u>	<u>\$ 0</u>	<u>\$ 5,697,601</u>
Accumulated Depreciation-				
Building	\$ 3,098,743	\$ 84,040	\$ 0	\$ 3,182,783
Office Equipment	237,746	2,348	0	240,094
Other Equipment	65,931	3,143	0	69,074
Vehicles	<u>219,313</u>	<u>6,193</u>	<u>0</u>	<u>225,506</u>
Total Acc. Deprec.	<u>\$ 3,621,733</u>	<u>\$ 95,724</u>	<u>\$ 0</u>	<u>\$ 3,717,457</u>
Civil Defense:				
Capital Assets-				
Office Equipment	\$ 38,504	\$ 0	\$ 0	\$ 38,504
Other Equipment	<u>18,265</u>	<u>0</u>	<u>0</u>	<u>18,265</u>
Total Assets	<u>\$ 56,769</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 56,769</u>
Accumulated Depreciation-				
Office Equipment	\$ 38,504	\$ 0	\$ 0	\$ 38,504
Other Equipment	<u>18,265</u>	<u>0</u>	<u>0</u>	<u>18,265</u>
Total Acc. Deprec.	<u>\$ 56,769</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 56,769</u>
Criminal Court/DA:				
Capital Assets-				
Office Equipment	\$ 50,880	\$ 0	\$ 0	\$ 50,880
Other Equipment	<u>39,733</u>	<u>0</u>	<u>0</u>	<u>39,733</u>
Total Assets	<u>\$ 90,613</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 90,613</u>

Natchitoches Parish Police Jury
Notes to Financial Statements
December 31, 2011

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Criminal Court/DA:				
Accumulated Depreciation-				
Office Equipment	\$ 50,210	\$ 670	\$ 0	\$ 50,880
Other Equipment	34,137	5,596	0	39,733
Total Acc. Deprec.	<u>\$ 84,347</u>	<u>\$ 6,266</u>	<u>\$ 0</u>	<u>\$ 90,613</u>
Health Unit:				
Capital Assets-				
Building	\$ 846,415	\$ 0	\$ 0	\$ 846,415
Office Equipment	46,261	11,490	0	57,751
Other Equipment	71,086	0	0	71,086
Vehicles	138,956	0	12,500	126,456
Total Assets	<u>\$ 1,102,718</u>	<u>\$ 11,490</u>	<u>\$ 12,500</u>	<u>\$ 1,101,708</u>
Accumulated Depreciation-				
Building	\$ 485,578	\$ 21,160	\$ 0	\$ 506,738
Office Equipment	42,132	3,739	0	45,871
Other Equipment	50,437	5,785	0	56,222
Vehicles	87,439	11,844	12,500	86,783
Total Acc. Deprec.	<u>\$ 665,586</u>	<u>\$ 42,528</u>	<u>\$ 12,500</u>	<u>\$ 695,614</u>
Government Building:				
Capital Assets-				
Other Equipment	\$ 19,026	\$ 0	\$ 0	\$ 19,026
Vehicles	11,693	1,300	0	12,993
Total Assets	<u>\$ 30,719</u>	<u>\$ 1,300</u>	<u>\$ 0</u>	<u>\$ 32,019</u>
Accumulated Depreciation-				
Other Equipment	\$ 12,217	\$ 1,638	\$ 0	\$ 13,855
Vehicles	11,693	260	0	11,953
Total Acc. Deprec.	<u>\$ 23,910</u>	<u>\$ 1,898</u>	<u>\$ 0</u>	<u>\$ 25,808</u>
Head Start:				
Capital Assets-				
Building	\$ 140,390	\$ 0	\$ 0	\$ 140,390
Office Equipment	179,795	0	0	179,795
Other Equipment	281,732	45,266	0	326,998
Vehicles	181,279	0	0	181,279
Total Assets	<u>\$ 783,196</u>	<u>\$ 45,266</u>	<u>\$ 0</u>	<u>\$ 828,462</u>

Natchitoches Parish Police Jury
Notes to Financial Statements
December 31, 2011

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Accumulated Depreciation-				
Building	\$ 104,106	\$ 5,653	\$ 0	\$ 109,759
Office Equipment	177,190	1,251	0	178,441
Other Equipment	204,452	19,459	0	223,911
Vehicles	181,278	0	0	181,278
Total Acc. Deprec.	<u>\$ 667,026</u>	<u>\$ 26,363</u>	<u>\$ 0</u>	<u>\$ 693,389</u>
LIHEAP:				
Capital Assets-				
Office Equipment	\$ 4,256	\$ 0	\$ 0	\$ 4,256
Total Assets	<u>\$ 4,256</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 4,256</u>
Accumulated Depreciation-				
Office Equipment	\$ 3,753	\$ 251	\$ 0	\$ 4,004
Total Acc. Deprec.	<u>\$ 3,753</u>	<u>\$ 251</u>	<u>\$ 0</u>	<u>\$ 4,004</u>
Rural Transit:				
Capital Assets-				
Vehicles	\$ 15,425	\$ 0	\$ 0	\$ 15,425
Total Assets	<u>\$ 15,425</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 15,425</u>
Accumulated Depreciation-				
Vehicles	\$ 15,425	\$ 0	\$ 0	\$ 15,425
Total Acc. Deprec.	<u>\$ 15,425</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 15,425</u>
Library:				
Capital Assets-				
Office Equipment	\$ 613,530	\$163,459	\$ 75,370	\$ 701,619
CIP	0	178,110	0	178,110
Books, Recordings, etc.	1,914,704	177,327	185,811	1,906,220
Total Assets	<u>\$ 2,528,234</u>	<u>\$518,896</u>	<u>\$ 261,181</u>	<u>\$ 2,785,949</u>
Accumulated Depreciation-				
Office Equipment	\$ 533,539	\$ 53,636	\$ 75,370	\$ 511,805
Books, Recordings, etc.	1,617,903	144,814	185,811	1,576,906
Total Acc. Deprec.	<u>\$ 2,151,442</u>	<u>\$198,450</u>	<u>\$ 261,181</u>	<u>\$ 2,088,711</u>

Natchitoches Parish Police Jury
Notes to Financial Statements
December 31, 2011

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Road Maintenance:				
Capital Assets-				
Land	\$ 48,112	\$ 0	\$ 0	\$ 48,112
Building	512,194	0	0	512,194
Office Equipment	16,251	0	0	16,251
Other Equipment	779,039	92,107	100,739	770,407
Vehicles	1,112,883	118,342	92,132	1,139,093
Bridges	7,395,928	450,000	0	7,845,928
Roads	<u>10,193,647</u>	<u>20,712</u>	<u>0</u>	<u>10,214,359</u>
Total Assets	<u>\$20,058,054</u>	<u>\$ 681,161</u>	<u>\$ 192,871</u>	<u>\$20,546,344</u>
Accumulated Depreciation-				
Building	\$ 288,418	\$ 15,905	\$ 0	\$ 304,323
Office Equipment	14,624	543	0	15,167
Other Equipment	574,126	61,241	100,738	534,629
Vehicles	753,442	68,142	91,033	730,551
Bridges	3,794,306	117,015	0	3,911,321
Roads	<u>10,050,841</u>	<u>25,659</u>	<u>0</u>	<u>10,076,500</u>
Total Acc. Deprec.	<u>\$15,475,757</u>	<u>\$ 288,505</u>	<u>\$ 191,771</u>	<u>\$15,572,491</u>
Total Capital Assets	\$30,364,100	\$1,261,598	\$(466,552)	\$31,159,147
Total Accumulated Depreciation	<u>22,765,748</u>	<u>659,985</u>	<u>(465,452)</u>	<u>22,960,281</u>
Total Capital Assets, Net	<u>\$ 7,598,352</u>	<u>\$ 601,613</u>	<u>\$ (1,100)</u>	<u>\$ 8,198,866</u>

Depreciation expense of \$659,985 for the year ended December 31, 2011, was charged to the following governmental funds:

General Government	\$ 1,898
Public Safety	101,990
Public Works	288,505
Health & Welfare	69,142
Recreation & Culture	<u>198,450</u>
Total	<u>\$659,985</u>

Natchitoches Parish Police Jury
Notes to Financial Statements
December 31, 2011

7. Accounts, Salaries and Other Payables

The payables of \$1,169,199 at December 31, 2011, are as follows:

<u>Class of Payable</u>	<u>General Fund</u>	<u>Special Revenue Funds</u>
Accounts Payable	\$330,204	\$436,403
Accrued Payroll	<u>26,744</u>	<u>343,224</u>
Totals	<u>\$356,948</u>	<u>\$779,627</u>

8. Long-Term Debt

The following is a summary of changes in long-term debt for the year ended December 31, 2011:

	<u>Balance 1-1-11</u>	<u>Additions</u>	<u>Balance Reduction</u>	<u>Balance 12-31-11</u>
Compensated Absences	<u>\$92,350</u>	<u>\$62,664</u>	<u>\$0</u>	<u>\$155,014</u>

9. Pension Plans

Substantially all employees of the Natchitoches Parish Police Jury are members of the Parochial Employee's Retirement System of Louisiana (System), a multiple-employer (cost-sharing), public employee retirement system (PERS), controlled and administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the police jury are members of Plan A.

All permanent employees working at least 28 hours per week who are paid wholly or in part from parish funds are eligible to participate in the System. As of January 1, 1997, elected officials, except coroners and justices of the peace, may no longer join the retirement system. Those elected officials enrolled as of January 1, 1997, will maintain membership as long as they hold office. Justices of the Peace have an option to join at any time within twelve months of taking the oath of office. Coroners may join at any time on a current basis and now have the option of purchasing prior service as coroners at actuarial cost. Under Plan A, employees who retire at age 65 with at least 7 years of creditable service, at or after age 60 with at least 10 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 3 percent of their final average salary for each year of creditable service. However, for those employees who were members of the supplemental plan only prior to 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 prior to January 1, 1980.

Natchitoches Parish Police Jury
Notes to Financial Statements
December 31, 2011

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 benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employees' Retirement System, P. O. Box 14619, Baton Rouge, LA 70898-4619, or by calling (225) 928-1361.

Funding Policy. Under Plan A, members are required by state statute to contribute 9.5 percent of their annual covered salary and the Natchitoches Parish Police Jury is required to contribute at an actuarially determined rate. The current rate is 15.75 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 Natchitoches Parish 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 Natchitoches Parish Police Jury's contributions to the System under Plan A for the years ending December 31, 2011, 2010 and 2009, were \$633,588, \$551,464, and \$462,850, respectively, equal to the required contributions for each year.

10. Risk Management/Contingencies/Pending Litigation

- Beginning January 1, 2000, the Jury ceased carrying liability insurance except for buildings and vehicles. For suits occurring on liability issues not related to vehicles and buildings, the Jury has adopted a policy of not defending or paying such suits. At December 31, 2011, there are no known outstanding judgments or suits against the Jury for issues not related to vehicles and buildings.
- The Jury is obligated by state statute to fund the prisoner maintenance program operated by the parish Sheriff. Over the years, these costs have escalated to the point that the Jury's general fund has difficulties in meeting these obligations. The Jury and Sheriff have met on various occasions to discuss a plan to manage these costs, but an agreement has not been reached. At December 31, 2011, the Sheriff has billed the Jury \$1,157,579 for prisoner maintenance which the Jury has not budgeted for nor paid. This obligation has been recorded as accounts payable for the purpose of these financial statements; however, the Jury has not approved the payment of this obligation.

Natchitoches Parish Police Jury
Notes to Financial Statements
December 31, 2011

- The Jury is involved in one lawsuit in which litigants seek damage for an alleged lease of property from the Jury that was deemed null and void by the court. The Jury's monetary exposure, if any, to this suit has not been determined.

11. Ad Valorem Taxes

The Jury levies taxes on real and business personal property located within the boundaries of Natchitoches Parish. Property taxes are levied by the Jury on property values assessed by the Natchitoches Parish Tax Assessor and approved by the State of Louisiana Tax Commission.

The Natchitoches Parish Sheriff's Office bills and collects property taxes for the Jury. Collections are remitted to the Jury monthly.

Property Tax Calendar

Assessment date	January 1
Levy date	June 30
Tax bills mailed	October 15
Total taxes are due	December 31
Penalties & interest added	January 31
Lien date	January 31
Tax sale	May 15

The Jury is permitted to levy taxes up to 10% of the assessed property valuation for each specified purpose, or, in the aggregate for all purposes 25% of the assessed valuation for the payment of principal and interest on long-term debt after the approval by the voters of the Parish. Property taxes are recorded as receivables and revenues in the year assessed.

Assessed values are established by the Natchitoches Parish Tax Assessor each year on a uniform basis at the following ratios to fair market value:

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 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 \$292,734,730 in 2011. 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 a total of \$50,880,086 of the assessed value in 2011.

Natchitoches Parish Police Jury
Notes to Financial Statements
December 31, 2011

The distribution of the Jury's levy (tax rate per \$1,000 assessed value) to its funds was as follows for 2011:

<u>Fund</u>	<u>Inside City of Natchitoches</u>	<u>Outside of Natchitoches</u>
General Fund	1.80	3.60
Road Maintenance	0	5.00
Courthouse Maintenance	3.00	3.00
Parish Library	7.37	7.37
Health Unit Fund	3.00	3.00

Total ad valorem tax revenues recognized by the Jury were \$4,451,262 for the year ended December 31, 2011.

The following are the principal taxpayers for the Parish:

<u>Taxpayer</u>	<u>Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
International Paper Co.	\$34,306,570	11.7%
Acadian Gas Pipeline System	13,542,980	4.6%
Crosstex LIG., LLC	10,342,170	3.5%
Martco Limited Partners	10,814,750	3.7%
Tennessee Gas Pipeline, Co.	7,007,740	2.4%
Alliance Compressors	6,827,470	2.3%
Weyerhaeuser Co.	4,097,250	1.4%
GulfSouth Pipeline	3,861,200	1.3%
Pilgrim's Pride Corp.	2,932,110	1.0%
AT&T Southeast	<u>2,543,820</u>	<u>.9%</u>
Total	<u>\$96,276,060</u>	<u>32.8%</u>

12. Lease Commitments

The Jury has commitments under several operating lease agreements for land use, voting precinct space, equipment, and miscellaneous. Generally, these lease agreements are cancelable by the Jury at any time. Jury management does feel, however, that such leases will generally be renewed or replaced each year. Total rental expense under operating leases was approximately \$10,000 during 2011.

Natchitoches Parish Police Jury
Notes to Financial Statements
December 31, 2011

13. Dedication of Proceeds and Flow of Funds-Sales & Use Tax

Proceeds of the 1% Sales and Use Tax levied by the Natchitoches Parish Police Jury (2011 collections \$4,275,759) are dedicated to the following purposes:

- A) To pay the normal operating expenses involved in collecting the tax;
- B) To fund the operations for waste disposal;
- C) To fund the operations of the Road Maintenance Fund with any remaining balances.

14. Criminal Court Fund

Louisiana Revised Statute 15:571.11 requires that one-half of any balance remaining in the Criminal Court Fund at year-end be transferred to the parish General Fund. Since the Jury's General Fund supports the Criminal Court Fund, no such transfer is made by the Natchitoches Parish Police Jury.

15. Going Concern

For the past several years the Police Jury has incurred financial difficulties due to rising costs specifically in the Criminal Court and Office of Community Services funds. The Police Jury is required to cover the cost of housing and feeding pre-trial inmates in the Natchitoches Parish Detention Center as well as other costs necessary for the operation of the Criminal Court. These costs have escalated to represent 70% of the entire General Fund budget. The remaining 30% of the General Fund budget is not sufficient to operate the General Fund. In addition, the Office of Community Services, a component unit of the Police Jury, has substantially overspent program revenues causing material cash overdrafts and fund deficits in several grant programs.

At December 31, 2011, the general fund had the following balances:

<u>Account</u>	<u>Amount</u>
Cash	\$ 659,226
Accounts Receivable	851,291
Due from Other Funds	10,410
Accrued Expenses	(356,948)
Due to Other Funds	(57,696)
Obligations of Public Safety Fund	(1,131,260)
Fund Deficit	<u>\$ (24,977)</u>

The Jury owes \$1,788,208 to vendors and the Sheriff at December 31, 2011 and does not have a revenue source available to cover those expenditures. While there are revenues in the amount of \$851,291 to be received over the sixty days following the Jury's year end, those revenues will be needed to pay for expenditures incurred for the remainder of the year.

Natchitoches Parish Police Jury
Notes to Financial Statements
December 31, 2011

The Police Jury has set forth the following plan in attempt to rectify this situation:

- 1) The Judges and District Attorney's office will pay some of their operating expenses, except salaries, throughout 2012.
- 2) Police Jurors and the District Attorney's office will pay their medical insurance expense throughout 2012.

On October 22, 2011, the voters approved a change in the form of parish government from police jury to home rule charter president-council which will change the current eleven member police jury system to a five council member and a parish-wide elected president system. The election for president and council members will be held on November 6, 2012. If there is no runoff, the new government will be effective 9 days later. If there is a runoff election, it will be held on December 8, 2012, and the new government will be effective 9 days later.

16. Subsequent Events

Management has evaluated events through June 18, 2012, the date which the financial statements were available for issue. There were no additional items to be reported.

17. Budgetary Comparison

At December 31, 2011, the following major funds had an excess of expenditures over their budgeted amounts:

<u>Fund</u>	<u>Amount</u>
Library	<u>\$152,910</u>

18. Prior Period Adjustment

Fund Balance

In the prior financial year, the Jury created a new fund, Public Safety, to account for prisoner maintenance expenses. In previous years, the prisoner maintenance expense was accounted for in the General Fund. A prior period adjustment to fund balance was made to move the amount of prisoner maintenance expense payable to the Sheriff in the amount of \$1,157,579 from the General Fund to the Public Safety Fund.

Net Assets

Due to financial difficulties (see note 15), the Police Jury was unable to meet the reporting requirements of Governmental Accounting Standard No. 45 which requires an actuarial valuation. In previous years, the amount has been estimated in the financial statements. A prior period adjustment has been made to net assets in the amount of \$1,076,575 to reverse the estimated accrual of Other Post Employment Benefits.

OTHER REQUIRED SUPPLEMENTAL INFORMATION

Natchitoches Parish Police Jury
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance-
Budget (GAAP Basis) and Actual
Year Ended December 31, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
Revenues:				
Taxes	\$ 607,787	\$ 719,131	\$ 811,128	\$ 91,997
Licenses & Permits	185,000	297,200	256,162	(41,038)
Intergovernmental- State Grants	531,786	738,446	730,044	(8,402)
Charges for Services	10	66	66	0
Interest & Miscellaneous	<u>73,846</u>	<u>34,909</u>	<u>28,643</u>	<u>(6,266)</u>
Total Revenues	<u>\$1,398,429</u>	<u>\$ 1,789,752</u>	<u>\$ 1,826,043</u>	<u>\$ 36,291</u>
Expenditures:				
General Government- Legislative	\$ 191,197	\$ 163,109	\$ 146,980	\$ 16,129
Elections	137,650	72,383	69,494	2,889
Finance & Administration	322,800	253,282	250,886	2,396
Other	15,784	20,000	23,251	(3,251)
Public Safety	126,000	139,083	139,083	0
Health & Welfare	3,800	4,100	4,356	(256)
Economic Development	<u>30,650</u>	<u>5,963</u>	<u>28,720</u>	<u>(22,757)</u>
Total Expenditures	<u>\$ 827,881</u>	<u>\$ 657,920</u>	<u>\$ 662,770</u>	<u>\$ (4,850)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ 570,548</u>	<u>\$ 1,131,832</u>	<u>\$ 1,163,273</u>	<u>\$ 31,441</u>
Other Financing Sources (Uses):				
Operating Transfers In	\$ 300,000	\$ 300,000	\$ 300,000	\$ 0
Operating Transfers Out	<u>(915,000)</u>	<u>(1,075,000)</u>	<u>(1,000,000)</u>	<u>75,000</u>
Total Other Financing	<u>\$ (615,000)</u>	<u>\$ (775,000)</u>	<u>\$ (700,000)</u>	<u>\$ 75,000</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>\$ (44,452)</u>	<u>\$ 356,832</u>	<u>\$ 463,273</u>	<u>\$106,441</u>
Fund Balance-Beginning of Year	131,789	131,789	131,789	0
Prior Period Adjustment (see note 18)	<u>0</u>	<u>0</u>	<u>511,221</u>	<u>511,221</u>
Fund Balance-End of Year	<u>\$ 87,337</u>	<u>\$ 488,621</u>	<u>\$ 1,106,283</u>	<u>\$617,662</u>

See notes to financial statements.

Natchitoches Parish Police Jury
Road Maintenance Fund
Statement of Revenues, Expenditures and Changes in Fund Balance-
Budget (GAAP Basis) and Actual
Year Ended December 31, 2011

	Original Budget	Final Budget	Actual	Variance- Favorable (Unfavorable)
Revenues:				
Taxes-				
Ad Valorem Taxes	\$ 638,000	\$ 668,000	\$ 676,689	\$ 8,689
Intergovernmental-				
Federal Grants	1,472,846	1,208,055	526,598	(681,457)
State Grants	528,894	523,060	1,014,567	491,507
Charges for Services	23,000	15,000	14,567	(433)
Miscellaneous-				
Interest	1,500	1,000	952	(48)
Miscellaneous	8,508	18,500	39,731	21,231
Total Revenues	<u>\$ 2,672,748</u>	<u>\$ 2,433,615</u>	<u>\$ 2,273,104</u>	<u>\$(160,511)</u>
Expenditures:				
General Government-				
Finance & Administration-				
Office & Supplies	\$ 8,600	\$ 6,932	\$ 7,249	\$ (317)
Telephone & Utilities	10,400	13,650	14,656	(1,006)
Travel	3,000	2,000	1,971	29
Public Works-				
Personnel Cost	1,054,898	1,009,024	1,000,645	8,379
Equipment Maintenance	100,000	70,000	80,343	(10,343)
Insurance	62,000	51,041	90,436	(39,395)
Fuel & Oil	235,000	243,800	236,310	7,490
Road & Bridge Materials	1,000,000	882,666	1,114,354	(231,688)
Other Supplies	138,525	138,600	175,863	(37,263)
Miscellaneous	110,198	69,994	54,997	14,997
Equipment Rental	159,500	157,388	166,565	(9,177)
Solid Waste Operations	1,216,000	1,420,727	1,207,256	213,471
Capital Expenditures	360,000	213,200	210,449	2,751
Total Expenditures	<u>\$ 4,458,121</u>	<u>\$ 4,279,022</u>	<u>\$ 4,361,094</u>	<u>\$ (82,072)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$(1,785,373)</u>	<u>\$(1,845,407)</u>	<u>\$(2,087,990)</u>	<u>\$(242,583)</u>
Other Financing Sources (Uses):				
Operating Transfer from Sales Tax	\$ 2,100,000	\$ 2,064,900	\$ 2,064,900	\$ 809
Operating Transfers from Road Grant	0	0	44	0
Operating Transfers from Road Maint. 96/97	0	0	765	0
Total Other Financing Sources (Uses)	<u>\$ 2,100,000</u>	<u>\$ 2,064,900</u>	<u>\$ 2,065,709</u>	<u>\$ 809</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	\$ 314,627	\$ 219,493	\$ (22,281)	\$(241,774)
Fund Balance-Beginning of Year	<u>1,562,944</u>	<u>1,562,944</u>	<u>1,562,944</u>	<u>0</u>
Fund Balance-End of Year	<u>\$ 1,877,571</u>	<u>\$ 1,782,437</u>	<u>\$ 1,540,663</u>	<u>\$(241,774)</u>

See notes to financial statements.

Natchitoches Parish Police Jury
Sales Tax Fund
Statement of Revenues, Expenditures and Changes in Fund Balance-
Budget (GAAP Basis) and Actual
Year Ended December 31, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
Revenues:				
Taxes-				
Sales & Use Tax	\$ 1,850,000	\$ 4,100,000	\$ 4,275,759	\$175,759
Miscellaneous-				
Interest	<u>2,000</u>	<u>3,000</u>	<u>3,518</u>	<u>518</u>
Total Revenues	<u>\$ 1,852,000</u>	<u>\$ 4,103,000</u>	<u>\$ 4,279,277</u>	<u>\$176,277</u>
Expenditures:				
General Government-				
Finance & Administration	<u>\$ 45,000</u>	<u>\$ 28,000</u>	<u>\$ 32,979</u>	<u>\$ (4,979)</u>
Excess of Revenues over Expenditures	\$ 1,807,000	\$ 4,075,000	\$ 4,246,298	\$171,298
Other Financing Uses:				
Operating Transfers To-				
Road Maintenance	<u>(1,800,000)</u>	<u>(2,064,900)</u>	<u>(2,064,900)</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	\$ 7,000	\$ 2,010,000	\$ 2,181,398	\$171,298
Fund Balance-Beginning of Year	<u>301,979</u>	<u>301,979</u>	<u>301,979</u>	<u>0</u>
Fund Balance-End of Year	<u>\$ 308,979</u>	<u>\$ 2,311,979</u>	<u>\$ 2,483,377</u>	<u>\$171,298</u>

See notes to financial statements.

Natchitoches Parish Police Jury
Parish Library Fund
Statement of Revenues, Expenditures and Changes in Fund Balance-
Budget (GAAP Basis) and Actual
Year Ended December 31, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
Revenues:				
Taxes-				
Ad Valorem	\$1,427,000	\$1,527,000	\$1,624,569	\$ 97,569
Intergovernmental-				
State Grants	19,000	14,000	0	(14,000)
Local Grants	3,740	4,697	4,404	(293)
Charges for Services	6,000	6,000	9,094	3,094
Fines & Forfeits	9,500	9,500	7,624	(1,876)
Miscellaneous-				
Interest & Dividends	5,000	3,500	3,820	320
Gifts & Memorials	500	6,500	3,858	(2,642)
Other	750	19,900	19,103	(797)
Total Revenues	<u>\$1,471,490</u>	<u>\$1,591,097</u>	<u>\$1,672,472</u>	<u>\$ 81,375</u>
Expenditures:				
Recreation & Culture-				
Personnel Cost	\$1,024,000	\$1,010,000	\$1,002,924	\$ 7,076
Travel	13,000	13,000	11,817	1,183
Utilities & Telephone	95,000	89,000	78,447	10,553
Building & Equip. Maint.	55,000	50,000	31,408	18,592
Books, Magazines, etc.	185,086	183,586	177,327	6,259
Insurance	13,000	11,658	18,638	(6,980)
Supplies	87,000	79,000	95,045	(16,045)
Professional Services	38,000	35,500	31,570	3,930
Processing	25,000	35,000	35,130	(130)
Equipment Rental	7,000	6,500	9,394	(2,894)
Miscellaneous	18,090	29,488	30,173	(685)
Capital Expenditures	10,000	167,800	341,569	(173,769)
Total Expenditures	<u>\$1,570,176</u>	<u>\$1,710,532</u>	<u>\$1,863,442</u>	<u>\$(152,910)</u>
Excess (Deficiency) of Revenues over Expenditures	\$ (98,686)	\$ (119,435)	\$ (190,970)	\$ (71,535)
Fund Balance-Beginning of Year	<u>2,058,127</u>	<u>2,058,127</u>	<u>2,058,127</u>	<u>0</u>
Fund Balance-End of Year	<u>\$1,959,441</u>	<u>\$1,938,692</u>	<u>\$1,867,157</u>	<u>\$ (71,535)</u>

See notes to financial statements.

Natchitoches Parish Police Jury
Health Unit Maintenance
Statement of Revenues, Expenditures and Changes in Fund Balance-
Budget (GAAP Basis) and Actual
Year Ended December 31, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
Revenues:				
Taxes-				
Ad Valorem	\$ 648,271	\$ 662,527	\$ 681,908	\$19,381
Miscellaneous-				
Interest	<u>3,600</u>	<u>3,600</u>	<u>2,782</u>	<u>(818)</u>
Total Revenues	<u>\$ 651,871</u>	<u>\$ 666,127</u>	<u>\$ 684,690</u>	<u>\$18,563</u>
Expenditures:				
Health & Welfare-				
Personnel Cost	\$ 216,922	\$ 262,082	\$ 262,200	\$ (118)
Travel	3,500	500	407	93
Utilities & Telephone	32,000	28,929	27,455	1,474
Repairs & Maintenance	61,000	22,500	22,441	59
Dept. of Health & Human Resources	109,000	100,000	95,552	4,448
Insurance	14,000	7,254	13,406	(6,152)
Supplies	6,000	1,000	996	4
Equipment Rental	15,000	17,000	17,068	(68)
Miscellaneous	18,600	17,594	18,564	(970)
Animal Shelter	0	0	0	0
Capital Expenditures	<u>50,000</u>	<u>11,600</u>	<u>11,490</u>	<u>110</u>
Total Expenditures	<u>\$ 526,022</u>	<u>\$ 468,459</u>	<u>\$ 469,579</u>	<u>\$ (1,120)</u>
Excess of Revenues over Expenditures	\$ 125,849	\$ 197,668	\$ 215,111	\$17,443
Other Financing Uses:				
Operating Transfers To- General Fund	<u>(300,000)</u>	<u>(300,000)</u>	<u>(300,000)</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	\$ (174,151)	\$ (102,332)	\$ (84,889)	\$17,443
Fund Balance-Beginning of Year	<u>1,122,907</u>	<u>1,122,907</u>	<u>1,122,907</u>	<u>0</u>
Fund Balance-End of Year	<u>\$ 948,756</u>	<u>\$1,020,575</u>	<u>\$1,038,018</u>	<u>\$17,443</u>

See notes to financial statements.

Natchitoches Parish Police Jury
Office of Community Services-Head Start Fund
Statement of Revenues, Expenditures and Changes in Fund Balance-
Budget (GAAP Basis) and Actual
Year Ended December 31, 2011

	Completed Grant 3-1-10 to 2-28-11				
	Budget Program Year <u>2010-11</u>	Prior Year <u>Actual</u>	Remaining <u>Budget</u>	Current Year <u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Revenues:					
Intergovernmental-					
Federal Grant – DHHS	\$2,225,152	\$1,701,797	\$523,355	\$491,426	\$ 31,929
Expenditures:					
Program Administration-					
Salaries	\$ 152,703	\$ 125,175	\$ 27,528	\$ 24,740	\$ 2,788
Fringe	59,210	20,565	38,645	6,929	31,716
Travel	100	648	(548)	77	(625)
Operating Services	32,678	28,395	4,283	1,166	3,117
Operating Supplies	5,002	522	4,480	5,469	(989)
Program Services-					
Salaries	1,103,225	928,870	174,355	182,057	(7,702)
Fringe	559,070	405,787	153,283	75,036	78,247
Travel	1,900	5,732	(3,832)	612	(4,444)
Operating Services-					
Utilities	50,253	55,693	(5,440)	19,528	(24,968)
Telephone	16,809	10,258	6,551	2,952	3,599
Maintenance & Repairs	6,425	32,320	(25,895)	6,855	(32,750)
Contract Payments	0	14,398	(14,398)	15,529	(29,927)
Other	142,061	28,819	113,242	16,663	96,579
Operating Supplies-					
Program Supplies	39,000	44,135	(5,135)	31,431	(36,566)
Office Supplies	2,000	693	1,307	20,207	(18,900)
Food	44,716	4,322	40,394	0	40,394
Capital Expenditures	10,000	25,975	(15,975)	44,066	(60,041)
Total Expenditures	<u>\$2,225,152</u>	<u>\$1,732,307</u>	<u>\$492,845</u>	<u>\$453,317</u>	<u>\$ 39,528</u>
Excess of Revenues over Expenditures	\$ 0	\$ (30,510)	\$ 30,510	\$ 38,109	\$ (7,599)
Other Financing Sources:					
Transfer (To)/From-					
Child Care Food Program	\$ 0	\$ 0	\$ 0	\$ (21,903)	\$ 21,903
Head Start	0	1,163	(1,163)	0	(1,163)
General Fund	0	0	0	0	0
Total Other Financing	<u>\$ 0</u>	<u>\$ 1,163</u>	<u>\$ (1,163)</u>	<u>\$ (21,903)</u>	<u>\$ 20,740</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	\$ 0	\$ (29,347)	\$ 29,347	\$ 16,206	\$ 13,141
Fund Balance-Beginning of Year	0	13,141	0	(16,206)	0
Fund Balance-End of Year	<u>\$ 0</u>	<u>\$ (16,206)</u>	<u>\$ 29,347</u>	<u>\$ 0</u>	<u>\$ 13,141</u>

See notes to financial statements.

<u>Grant in Progress 3-1-11 to 2-28-12</u>			
<u>Budget</u> Program Year <u>2011-12</u>	<u>Current</u> Year <u>Actual</u>	<u>Remaining</u> <u>Budget</u>	<u>Total</u> <u>Actual</u> <u>All Grants</u>
\$2,174,149	\$1,717,784	\$456,365	\$2,209,210
\$ 150,489	\$ 124,011	\$ 26,478	\$ 148,751
58,126	35,342	22,784	42,271
100	192	(92)	269
32,678	26,041	6,637	27,207
6,651	1,879	4,772	7,348
1,082,933	918,601	164,332	1,100,658
546,948	381,353	165,595	456,389
3,400	0	3,400	612
50,253	62,813	(12,560)	82,341
16,809	11,928	4,881	14,880
10,525	37,791	(27,266)	44,646
0	17,451	(17,451)	32,980
129,522	41,383	88,139	58,046
33,000	65,967	(32,967)	97,398
8,000	77	7,923	20,284
44,715	1,952	42,763	1,952
0	1,200	(1,200)	45,266
<u>\$2,174,149</u>	<u>\$1,727,981</u>	<u>\$446,168</u>	<u>\$2,181,298</u>
\$ 0	\$ (10,197)	\$ 10,197	\$ 27,912
\$ 0	\$ (17,068)	\$ 17,068	\$ (38,971)
0	0	0	0
0	0	0	0
<u>\$ 0</u>	<u>\$ (17,068)</u>	<u>\$ 17,068</u>	<u>\$ (38,971)</u>
\$ 0	\$ (27,265)	\$ 27,265	\$ (11,059)
0	903	0	(15,303)
<u>\$ 0</u>	<u>\$ (26,362)</u>	<u>\$ 27,265</u>	<u>\$ (26,362)</u>

OTHER SUPPLEMENTAL SCHEDULES

Natchitoches Parish Police Jury
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2011

	Special Revenue Funds				
	Road Maintenance <u>1996/97</u>	Criminal Court <u>Fund</u>	Civil Defense <u>Fund</u>	Government Building <u>Fund</u>	State Road <u>Grant</u>
<u>Assets</u>					
Cash	\$0	\$17,354	\$15,144	\$408,457	\$0
Revenue Receivables	0	43,860	26,000	494,682	0
Due from Other Funds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Assets	<u>\$0</u>	<u>\$61,214</u>	<u>\$41,144</u>	<u>\$903,139</u>	<u>\$0</u>
<u>Liabilities & Fund Equity</u>					
<u>Liabilities-</u>					
Cash Overdraft	\$0	\$ 0	\$ 0	\$ 0	\$0
Accounts Payable	0	0	0	27,323	0
Accrued Payroll	0	32,277	2,954	7,734	0
Due to Other Governments	0	0	0	42,402	0
Due to Other Funds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>\$0</u>	<u>\$32,277</u>	<u>\$ 2,954</u>	<u>\$ 77,459</u>	<u>\$0</u>
<u>Fund Equity-</u>					
Restricted	\$0	\$28,937	\$38,190	\$825,680	\$0
Assigned	0	0	0	0	0
Unassigned	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Fund Equity	<u>\$0</u>	<u>\$28,937</u>	<u>\$38,190</u>	<u>\$825,680</u>	<u>\$0</u>
Total Liabilities & Fund Equity	<u>\$0</u>	<u>\$61,214</u>	<u>\$41,144</u>	<u>\$903,139</u>	<u>\$0</u>

See notes to financial statements.

Special Revenue Funds					
Natchitoches Parish Litter Court	Kisatchie Search & Rescue	Recreation & Fitness	Planning	La. State Uniform Construction Code	Title III Kisatchie Search & Rescue
\$461	\$216,116	\$772	\$49,724	\$6,415	\$ 44,763
0	0	0	6,582	0	72,498
0	44,763	0	0	0	43,411
<u>\$461</u>	<u>\$260,879</u>	<u>\$772</u>	<u>\$56,306</u>	<u>\$6,415</u>	<u>\$160,672</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	1,036	0	2,167	0	0
0	0	0	11,381	0	0
0	0	0	0	0	0
0	43,411	0	0	0	44,763
<u>\$ 0</u>	<u>\$ 44,447</u>	<u>\$ 0</u>	<u>\$13,548</u>	<u>\$ 0</u>	<u>\$ 44,763</u>
\$461	\$216,432	\$772	\$42,758	\$6,415	\$115,909
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$461</u>	<u>\$216,432</u>	<u>\$772</u>	<u>\$42,758</u>	<u>\$6,415</u>	<u>\$115,909</u>
<u>\$461</u>	<u>\$260,879</u>	<u>\$772</u>	<u>\$56,306</u>	<u>\$6,415</u>	<u>\$160,672</u>

Natchitoches Parish Police Jury
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2011

	Special Revenue Funds				
<u>Assets</u>	<u>Public Safety</u>	<u>Criminal Jury/ Criminal Law/ Juror Fees</u>	<u>OCS Operating</u>	<u>OCS Family Daycare</u>	<u>OHD LIHEAP</u>
Cash	\$ 40,938	\$ 9,654	\$ 357	\$55	\$ 3,213
Revenue Receivables	75,000	3,183	801	0	14,153
Due from Other Funds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Assets	<u>\$ 115,938</u>	<u>\$12,837</u>	<u>\$1,158</u>	<u>\$55</u>	<u>\$ 17,366</u>
<u>Liabilities & Fund Equity</u>					
Liabilities-					
Cash Overdraft	\$ 0	\$ 0	\$ 0	\$ 0	\$ 10,197
Accounts Payable	67,844	2,048	0	0	16,426
Accrued Payroll	21,774	0	0	0	6,262
Due to Other Governments	1,157,579	0	0	0	0
Due to Other Funds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>\$ 1,247,197</u>	<u>\$ 2,048</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 32,885</u>
Fund Equity-					
Restricted	\$ 0	\$10,789	\$1,158	\$55	\$ 0
Assigned	0	0	0	0	0
Unassigned	(1,131,259)	0	0	0	(15,519)
Total Fund Equity	<u>\$(1,131,259)</u>	<u>\$10,789</u>	<u>\$1,158</u>	<u>\$55</u>	<u>\$(15,519)</u>
Total Liabilities & Fund Equity	<u>\$ 115,938</u>	<u>\$12,837</u>	<u>\$1,158</u>	<u>\$55</u>	<u>\$ 17,366</u>

See notes to financial statements.

Special Revenue Funds

<u>DOL CSBG</u>	<u>OCS RSVP</u>	<u>CCIP CACFP</u>	<u>CHC Head Start Handicap</u>	<u>TTA/ CDA</u>	<u>OCS Food Bank</u>	<u>Elderly Entertainment</u>
\$ 0	\$ 0	\$ 60,995	\$ 0	\$ 205	\$786	\$501
25,598	4,158	41,546	2,778	0	0	0
560	0	0	0	0	0	0
<u>\$ 26,158</u>	<u>\$ 4,158</u>	<u>\$102,541</u>	<u>\$2,778</u>	<u>\$ 205</u>	<u>\$786</u>	<u>\$501</u>
\$ 42,840	\$ 6,541	\$ 21,679	\$ 0	\$ 0	\$ 0	\$ 0
0	24	11,144	0	0	0	0
3,684	1,777	6,023	2,778	0	0	0
0	0	0	0	0	0	0
0	0	0	0	325	0	0
<u>\$ 46,523</u>	<u>\$ 8,342</u>	<u>\$ 38,846</u>	<u>\$2,778</u>	<u>\$ 325</u>	<u>\$ 0</u>	<u>\$ 0</u>
\$ 0	\$ 0	\$ 63,695	\$ 0	\$ 0	\$786	\$501
0	0	0	0	0	0	0
(20,365)	(4,184)	0	0	(120)	0	0
<u>\$(20,365)</u>	<u>\$(4,184)</u>	<u>\$ 63,695</u>	<u>\$ 0</u>	<u>\$(120)</u>	<u>\$786</u>	<u>\$501</u>
<u>\$ 26,158</u>	<u>\$ 4,158</u>	<u>\$102,541</u>	<u>\$2,778</u>	<u>\$ 205</u>	<u>\$786</u>	<u>\$501</u>

Continued next page.

Natchitoches Parish Police Jury
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2011

		Special Revenue Funds				
		Senior Companion Program	Emergency Food & Shelter	Summer Feeding Program	Wal-Mart VAP Fund	CSBG Summer Youth Program
<u>Assets</u>						
Cash	\$ 0	\$1,650	\$ 0	\$687	\$0	
Revenue Receivables	49,091	0	0	0	0	
Due from Other Funds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	
Total Assets	<u>\$ 49,091</u>	<u>\$1,650</u>	<u>\$ 0</u>	<u>\$687</u>	<u>\$0</u>	
<u>Liabilities & Fund Equity</u>						
<u>Liabilities-</u>						
Cash Overdraft	\$ 45,600	\$ 0	\$ 3,017	\$ 0	\$0	
Accounts Payable	10,972	0	0	0	0	
Accrued Payroll	5,701	0	0	0	0	
Due to Other Governments	0	0	0	0	0	
Due to Other Funds	<u>0</u>	<u>560</u>	<u>0</u>	<u>0</u>	<u>0</u>	
Total Liabilities	<u>\$ 62,273</u>	<u>\$ 560</u>	<u>\$ 3,017</u>	<u>\$ 0</u>	<u>\$0</u>	
<u>Fund Equity-</u>						
Restricted	\$ 0	\$1,090	\$ 0	\$687	\$0	
Assigned	0	0	0	0	0	
Unassigned	<u>(13,182)</u>	<u>0</u>	<u>(3,017)</u>	<u>0</u>	<u>0</u>	
Total Fund Equity	<u>\$(13,182)</u>	<u>\$1,090</u>	<u>\$(3,017)</u>	<u>\$687</u>	<u>\$0</u>	
Total Liabilities & Fund Equity	<u>\$ 49,091</u>	<u>\$1,650</u>	<u>\$ 0</u>	<u>\$687</u>	<u>\$0</u>	

See notes to financial statements.

Capital Projects Funds						
LCDBG Fire Grant	LCDBG LA STEP Grant	LCDBG Grant	LCDBG Martco Grant	DOTD Drainage Grant	LA 480 State Grant Fund	Total Nonmajor Governmental Funds
\$ 9,466	\$ 1	\$1	\$1	\$20,582	\$25,000	\$ 933,298
0	37,159	0	0	0	0	897,089
<u>8,013</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>96,747</u>
<u>\$17,479</u>	<u>\$37,160</u>	<u>\$1</u>	<u>\$1</u>	<u>\$20,582</u>	<u>\$25,000</u>	<u>\$ 1,927,134</u>
\$ 46	\$ 0	\$0	\$0	\$ 0	\$ 0	\$ 129,920
0	37,159	0	0	0	0	176,142
0	0	0	0	0	0	102,345
0	0	0	0	0	0	1,199,981
<u>10,410</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>99,469</u>
<u>\$10,456</u>	<u>\$37,159</u>	<u>\$0</u>	<u>\$0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,707,857</u>
\$ 7,023	\$ 1	\$1	\$1	\$20,582	\$25,000	\$ 1,406,923
0	0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(1,187,646)</u>
<u>\$ 7,023</u>	<u>\$ 1</u>	<u>\$1</u>	<u>\$1</u>	<u>\$20,582</u>	<u>\$25,000</u>	<u>\$ 219,277</u>
<u>\$17,479</u>	<u>\$37,160</u>	<u>\$1</u>	<u>\$1</u>	<u>\$20,582</u>	<u>\$25,000</u>	<u>\$ 1,927,134</u>

See notes to financial statements.

Natchitoches Parish Police Jury
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
Year Ended December 31, 2011

	Special Revenue Funds				
	Road Maintenance <u>1996/97</u>	Criminal Court <u>Fund</u>	Civil Defense <u>Fund</u>	Government Building <u>Fund</u>	State Road <u>Grant</u>
Revenues:					
Taxes-					
Ad Valorem	\$ 0	\$ 0	\$ 0	\$656,968	\$ 0
Licenses & Permits	0	0	0	0	0
Intergovernmental-					
Federal Grants	0	0	58,500	0	0
State Grants	0	6,352	21,059	213,902	0
Other Grants	0	268,686	0	0	0
Charges for Services	0	0	0	0	0
Fines & Forfeits	0	136,363	0	0	0
Interest & Miscellaneous	<u>0</u>	<u>31</u>	<u>0</u>	<u>1,734</u>	<u>0</u>
Total Revenues	<u>\$ 0</u>	<u>\$ 411,432</u>	<u>\$79,559</u>	<u>\$872,604</u>	<u>\$ 0</u>
Expenditures:					
Current-					
General Government	\$ 0	\$ 0	\$ 0	\$876,791	\$ 0
Public Safety	0	503,765	54,881	0	0
Public Works	0	0	0	0	0
Health & Welfare	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>\$ 0</u>	<u>\$ 503,765</u>	<u>\$54,881</u>	<u>\$876,791</u>	<u>\$ 0</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ 0</u>	<u>\$ (92,333)</u>	<u>\$24,678</u>	<u>\$ (4,187)</u>	<u>\$ 0</u>
Other Financing Sources (Uses):					
Operating Transfers In	\$ 0	\$ 225,000	\$ 0	\$ 0	\$ 0
Operating Transfers Out	(765)	<u>0</u>	<u>0</u>	<u>0</u>	(44)
Total Other Financing	<u>\$(765)</u>	<u>\$ 225,000</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$(44)</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>\$(765)</u>	<u>\$ 132,667</u>	<u>\$24,678</u>	<u>\$ (4,187)</u>	<u>\$(44)</u>
Fund Balances (Deficit)- Beginning of Year	765	(103,730)	13,512	829,867	44
Prior Period Adjustment	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances (Deficit)- End of Year	<u>\$ 0</u>	<u>\$ 28,937</u>	<u>\$38,190</u>	<u>\$825,680</u>	<u>\$ 0</u>

See notes to financial statements.

Special Revenue Funds					
Natchitoches Parish <u>Litter Court</u>	Kisatchie Search & Rescue	Recreation & <u>Fitness</u>	<u>Planning</u>	La. State Uniform Construction <u>Code</u>	Title III Kisatchie Search & Rescue
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	160,163	0	0
0	22,706	0	0	0	72,498
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	117	6,415	0
<u>\$ 0</u>	<u>\$ 22,706</u>	<u>\$ 0</u>	<u>\$160,280</u>	<u>\$6,415</u>	<u>\$ 72,498</u>
\$ 0	\$ 0	\$ 0	\$151,162	\$ 0	\$ 0
0	0	0	0	0	0
0	59,428	0	0	0	0
0	0	0	0	0	0
<u>\$ 0</u>	<u>\$ 59,428</u>	<u>\$ 0</u>	<u>\$151,162</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>\$ 0</u>	<u>\$ (36,722)</u>	<u>\$ 0</u>	<u>\$ 9,118</u>	<u>\$6,415</u>	<u>\$ 72,498</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
\$ 0	\$ (36,722)	\$ 0	\$ 9,118	\$6,415	\$ 72,498
461	253,154	772	33,640	0	43,411
0	0	0	0	0	0
<u>\$461</u>	<u>\$216,432</u>	<u>\$772</u>	<u>\$ 42,758</u>	<u>\$6,415</u>	<u>\$115,909</u>

Continued next page.

Natchitoches Parish Police Jury
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
Year Ended December 31, 2011

	Special Revenue Funds				
	Public Safety	Criminal Jury/ Criminal Law/ Juror Fees	OCS Operating	OCS Family Daycare	OHD LIHEAP
Revenues:					
Taxes-					
Ad Valorem	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Licenses & Permits	0	0	0	0	0
Intergovernmental-					
Federal Grants	0	0	0	0	829,614
State Grants	50,000	0	0	0	0
Other Grants	75,000	0	0	0	0
Charges for Services	0	0	0	0	0
Fines & Forfeits	0	59,346	0	0	0
Interest & Miscellaneous	6,000	0	1,054	0	0
Total Revenues	<u>\$ 131,000</u>	<u>\$ 59,346</u>	<u>\$ 1,054</u>	<u>\$ 0</u>	<u>\$ 829,614</u>
Expenditures:					
Current-					
General Government	\$ 80,791	\$ 0	\$ 1,334	\$ 0	\$ 0
Public Safety	1,473,031	71,436	0	0	0
Public Works	0	0	0	0	0
Health & Welfare	101,169	0	0	0	843,879
Total Expenditures	<u>\$ 1,654,991</u>	<u>\$ 71,436</u>	<u>\$ 1,334</u>	<u>\$ 0</u>	<u>\$ 843,879</u>
Excess (Deficiency) of Revenues over Expenditures	\$(1,523,991)	\$(12,090)	\$ (280)	\$ 0	\$ (14,265)
Other Financing Sources (Uses):					
Operating Transfers In	\$ 775,000	\$ 0	\$ 0	\$ 0	\$ 0
Operating Transfers Out	0	0	0	0	0
Total Other Financing	<u>\$ 775,000</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	\$ (748,991)	\$(12,090)	\$ (280)	\$ 0	\$ (14,265)
Fund Balances (Deficit)- Beginning of Year	128,953	22,879	1,438	55	(1,254)
Prior Period Adjustment	(511,221)	0	0	0	0
Fund Balances (Deficit)- End of Year	<u>\$(1,131,259)</u>	<u>\$ 10,789</u>	<u>\$ 1,158</u>	<u>\$ 55</u>	<u>\$ (15,519)</u>

See notes to financial statements.

Special Revenue Funds

<u>DOL CSBG</u>	<u>OCS RSVP</u>	<u>CCIP CACFP</u>	<u>CHC Head Start Handicap</u>	<u>TTA/ CDA</u>	<u>OCS Food Bank</u>	<u>Elderly Entertainment</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0	0
156,022	38,780	219,180	33,457	44,394	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	233	0	0	0	87
<u>\$156,022</u>	<u>\$38,780</u>	<u>\$219,413</u>	<u>\$33,457</u>	<u>\$44,394</u>	<u>\$ 0</u>	<u>\$ 87</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
142,425	41,866	230,908	33,448	44,189	62	12
<u>\$142,425</u>	<u>\$41,866</u>	<u>\$230,908</u>	<u>\$33,448</u>	<u>\$44,189</u>	<u>\$ 62</u>	<u>\$ 12</u>
\$ 13,597	\$ (3,086)	\$ (11,495)	\$ 9	\$ 205	\$ (62)	\$ 75
\$ 0	\$ 0	\$ 38,970	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0	0
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 38,970</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
\$ 13,597	\$ (3,086)	\$ 27,475	\$ 9	\$ 205	\$ (62)	\$ 75
(33,962)	(1,098)	36,220	(9)	(325)	848	426
0	0	0	0	0	0	0
<u>\$ (20,365)</u>	<u>\$ (4,184)</u>	<u>\$ 63,695</u>	<u>\$ 0</u>	<u>\$ (120)</u>	<u>\$786</u>	<u>\$501</u>

Continued next page.

Natchitoches Parish Police Jury
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
Year Ended December 31, 2011

	Special Revenue Funds				
	Senior Companion Program	Emergency Food & Shelter	Summer Feeding Program	Wal-Mart VAP Fund	CSBG Summer Youth Program
Revenues:					
Taxes-					
Ad Valorem	\$ 0	\$ 0	\$ 0	\$ 0	\$0
Licenses & Permits	0	0	0	0	0
Intergovernmental-					
Federal Grants	187,993	4,000	95,863	0	0
State Grants	0	0	0	0	0
Other Grants	0	0	0	0	0
Charges for Services	0	0	0	0	0
Fines & Forfeits	0	0	0	0	0
Interest & Miscellaneous	0	0	0	1,038	0
Total Revenues	<u>\$187,993</u>	<u>\$4,000</u>	<u>\$95,863</u>	<u>\$1,038</u>	<u>\$0</u>
Expenditures:					
Current-					
General Government	\$ 0	\$ 0	\$ 0	\$ 0	\$0
Public Safety	0	0	0	0	0
Public Works	0	0	0	0	0
Health & Welfare	199,498	2,686	98,191	845	0
Total Expenditures	<u>\$199,498</u>	<u>\$2,686</u>	<u>\$98,191</u>	<u>\$ 845</u>	<u>\$0</u>
Excess (Deficiency) of Revenues over Expenditures	\$ (11,505)	\$1,314	\$ (2,328)	\$ 193	\$0
Other Financing Sources (Uses):					
Operating Transfers In	\$ 0	\$ 0	\$ 0	\$ 0	\$0
Operating Transfers Out	0	0	0	0	0
Total Other Financing	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$0</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	\$ (11,505)	\$1,314	\$ (2,328)	\$ 193	\$0
Fund Balances (Deficit)- Beginning of Year	(1,677)	(224)	(689)	494	0
Prior Period Adjustment	0	0	0	0	0
Fund Balances (Deficit)- End of Year	<u>\$ (13,182)</u>	<u>\$1,090</u>	<u>\$ (3,017)</u>	<u>\$ 687</u>	<u>\$0</u>

See notes to financial statements.

Capital Projects Funds						
LCDBG Fire Grant	LCDBG LA STEP Grant	LCDBG Grant	LCDBG Martco Grant	DOTD Drainage Grant	LA 480 State Grant Fund	Total Nonmajor Governmental Funds
\$ 0	\$ 0	\$0	\$ 0	\$ 0	\$ 0	\$ 656,968
0	0	0	0	0	0	160,163
0	404,455	0	374,055	0	0	2,541,517
0	0	0	0	0	0	291,313
0	0	0	0	0	0	343,686
0	0	0	0	0	0	0
0	0	0	0	0	0	195,709
0	0	0	0	0	0	16,709
<u>\$ 0</u>	<u>\$404,455</u>	<u>\$0</u>	<u>\$374,055</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 4,206,065</u>
\$ 0	\$ 0	\$0	\$ 0	\$ 0	\$ 0	\$ 1,110,078
0	0	0	0	0	0	2,103,113
46	404,455	0	374,055	0	0	837,984
0	0	0	0	0	0	1,739,179
<u>\$ 46</u>	<u>\$404,455</u>	<u>\$0</u>	<u>\$374,055</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 5,790,354</u>
\$ (46)	\$ 0	\$0	\$ 0	\$ 0	\$ 0	\$(1,584,289)
\$ 0	\$ 0	\$0	\$ 0	\$ 0	\$ 0	\$ 1,038,970
0	0	0	0	0	0	(809)
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,038,161</u>
\$ (46)	\$ 0	\$0	\$ 0	\$ 0	\$ 0	\$ (546,128)
7,069	1	1	1	20,582	25,000	1,276,626
0	0	0	0	0	0	(511,221)
<u>\$7,023</u>	<u>\$ 1</u>	<u>\$1</u>	<u>\$ 1</u>	<u>\$20,582</u>	<u>\$25,000</u>	<u>\$ 219,277</u>

Natchitoches Parish Police Jury
Schedule of Compensation Paid to Jury Members
Year Ended December 31, 2011

<u>Jury Member</u>	<u>Amount</u>
Chris Paige	\$ 9,600
Charles Huggins	6,632
J. D. Garrett	9,600
William Hymes	9,600
Tom Collier	9,600
Jessie Hoffpauir	9,600
Fred Jacobs	9,600
Margaret Stoker	9,600
Earnest Martin	2,000
David Dollar	9,600
Gerald Longlois	10,800
Johnny Martin	7,371
Jack Pace	<u>2,735</u>
Total	<u>\$106,338</u>

See notes to financial statements.

Natchitoches Parish Police Jury
Supplementary Schedule of Expenditures of Federal Awards
Year Ended December 31, 2011

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Federal Assistance ID Number</u>	<u>Total Current Year Expenditures</u>
DIRECT PROGRAMS:			
U. S. Department of Agriculture-			
Kisatchie National Forest	10.666	N/A	\$ 506,508
Federal Emergency Management Agency-			
Civil Defense	97.039		26,000
Department of Health & Human Services-			
Retired Seniors Volunteer Program			
Program Year 7-1-11 - 6-30-12	94.002	10SRWLA006	14,783
Program Year 7-1-10 - 6-30-11	94.002	10SRWLA006	23,997
Head Start Program			
Program Year 3-1-11 - 2-28-12	93.600	06CH0386/22	1,717,784
Program Year 3-1-10 - 2-28-11	93.600	06CH0386/21	491,426
Head Start-Handicap Program			
Program Year 3-1-11 - 2-28-12	93.600	06CH0386/22	27,861
Program Year 3-1-10 - 2-28-11	93.600	06CH0386/21	5,587
Head Start TTA/CDA			
Program Year 3-1-11 - 2-28-12	93.600	06CH0386/22	21,173
Program Year 3-1-10 - 2-28-11	93.600	06CH0386/21	23,015
Senior Companion Program			
Program Year 9-1-11 - 8-31-12	94.016	11SXWLA004	70,069
Program Year 9-1-10 - 8-31-11	94.016	08SCWLA004	121,654

Continued next page.

Natchitoches Parish Police Jury
Supplementary Schedule of Expenditures of Federal Awards-continued
Year Ended December 31, 2011

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Federal Assistance ID Number	Total Current Year Expenditures
PASS-THROUGH PROGRAMS:			
Louisiana Department of Labor- Community Services Block Grant			
Program Year 10-1-11 - 9-30-12	93.569		125,388
Program Year 10-1-10 - 9-30-11	93.569		19,115
Louisiana Department of Social Services-			
Louisiana Housing Finance Agency			
Program Year 10-1-11 - 9-30-12	93.568		5,755
Program Year 10-1-10 - 9-30-11	93.568		823,860
U. S. Department of Agriculture-			
Louisiana Department of Education-			
Child Care Food Program-			
Program Year 10-1-11 - 9-30-12	10.558		150,103
Program Year 10-1-10 - 9-30-11	10.558		69,078
Summer Food Service Program	10.559		95,863
Housing & Urban Development-			
Louisiana Department of Administration-			
LCDBG Martco Grant	14.228		778,510
U. S. Department of Transportation-			
Louisiana Department of Transportation	20.607/20.608		<u>45,059</u>
Totals			<u>\$5,162,588</u>

Natchitoches Parish Police Jury
Notes to the Schedule of Expenditures of Federal Awards
Year Ended December 31, 2011

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the police jury and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the primary government financial statements.

OTHER REPORTS

Johnson, Thomas & Cunningham

Certified Public Accountants

Eddie G. Johnson, CPA – A Professional Corporation (1927-1996)

Mark D. Thomas, CPA – A Professional Corporation
Roger M. Cunningham, CPA – A Professional Corporation
Jessica H. Broadway, CPA – A Professional Corporation
Ryan E. Todtenbier, CPA – A Professional Corporation

321 Bienville Street
Natchitoches, Louisiana 71457
(318) 352-3652
Fax (318) 352-4447

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*

To the Jury Members of the
Natchitoches Parish Police Jury

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Natchitoches Parish Police Jury (Jury), as of and for the year ended December 31, 2011, which collectively comprise the Jury's basic financial statements and have issued our report thereon dated June 18, 2012. 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, and the *Louisiana Governmental Audit Guide*.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the 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 Jury's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the 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 was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies, or material weaknesses, and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses.

A *deficiency in internal control* 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 and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination

of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be material weaknesses (11-01, 11-02, 11-03).

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 one instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as 11-04.

The Natchitoches Parish Police Jury's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the Jury's responses, and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the Natchitoches Parish Police Jury's management, the Louisiana Legislative Auditor, and interested state and federal agencies and is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Johnson, Thomas & Cunningham

Johnson, Thomas & Cunningham, CPA's

June 18, 2012
Natchitoches, Louisiana

Johnson, Thomas & Cunningham

Certified Public Accountants

Eddie G. Johnson, CPA – A Professional Corporation (1927-1996)

Mark D. Thomas, CPA – A Professional Corporation
Roger M. Cunningham, CPA – A Professional Corporation
Jessica H. Broadway, CPA – A Professional Corporation
Ryan E. Todtenbier, CPA – A Professional Corporation

321 Bienville Street
Natchitoches, Louisiana 71457
(318) 352-3652
Fax (318) 352-4447

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

To the Jury Members of the
Natchitoches Parish Police Jury

Compliance

We have audited the compliance of the Natchitoches 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 could have a direct and material effect on each of the Natchitoches Parish Police Jury's major federal programs for the year ended December 31, 2011. The Natchitoches Parish Police Jury's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Natchitoches Parish Police Jury's management. Our responsibility is to express an opinion on the Natchitoches Parish 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 Natchitoches Parish Police Jury's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Natchitoches Parish Police Jury's compliance with those requirements.

In our opinion, the Natchitoches Parish Police Jury complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2011.

Internal Control over Compliance

The management of the Natchitoches Parish 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 Natchitoches Parish Police Jury's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 Natchitoches Parish Police Jury's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be deficiencies, significant deficiencies or material weaknesses. We consider the deficiency described in the accompanying schedule of findings and questioned costs to be a material weakness (11-01).

This report is intended solely for the information and use of management, others within the organization, Police Jury members, 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. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Johnson, Thomas & Cunningham

Johnson, Thomas & Cunningham, CPA's

June 18, 2012
Natchitoches, Louisiana

Natchitoches Parish Police Jury
Schedule of Findings and Questioned Costs
Year Ended December 31, 2011

I. SUMMARY OF AUDIT RESULTS

The following summarize the audit results in accordance with OMB Circular A-133:

1. Since the Jury did not present all of its component units and did not report on governmental auditing standards no. 54, an adverse opinion was issued for the Natchitoches Parish Police Jury as a reporting entity; however, an unqualified opinion was issued on the primary government financial statements of the Natchitoches Parish Police Jury as of and for the year ended December 31, 2011.
2. The audit disclosed three material weaknesses in internal control (11-01, 11-02, 11-03).
3. The audit disclosed one instance of noncompliance that is required to be reported under *Government Auditing Standards* (11-04).
4. The audit disclosed one instance of significant deficiencies in internal control over a major program (11-01) for Low Income Housing and Energy Assistance Program (CFDA # 93.568).
5. An unqualified opinion was issued on compliance for major programs.
6. The audit disclosed one finding related to federal awards that is required to be reported under OMB Circular A-133 (11-01).
7. The following programs were major for the year ended December 31, 2011:
 - Health and Human Services (CFDA #93.600, 93.568)
 - Housing and Urban Development (CFDA # 14.228)
8. \$300,000 was the threshold used to distinguish Type A from Type B programs.
9. The Natchitoches Parish Police Jury does not qualify as a low risk auditee.

Natchitoches Parish Police Jury
Schedule of Findings and Questioned Costs-continued
Year Ended December 31, 2011

II. FINDINGS IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The following findings relate to the financial statements and are required to be reported in accordance with *Government Auditing Standards*.

Internal Control-

11-01 Internal Controls over Program Revenues and Expenditures

Criteria – The Office of Community Services (hereinafter OCS), a component unit of the Police Jury, administers several Federal and State grant programs which are generally expenditure driven. Most programs have a different year end and they do not agree with the Jury’s year end of December 31. In order to accurately report the financial status of each program, a general ledger is provided for each grant year. For example, DOL-Community Service Block Grant’s (hereinafter CSBG) program year is from October 1 to September 30. Thus, a general ledger is provided for transactions occurring in the old grant year from January 1 to September 30 and another for transactions occurring in the new grant year from October 1 to December 31. There is a third general ledger that has no activity as it will be used for a future grant year.

Most OCS programs expend funds and then send reports to the various grantor agencies requesting reimbursements. These Federal and State reimbursement requests and the subsequent cash receipts should be closely monitored by the management of OCS and should be reconciled to the general ledger on a monthly basis to ensure that the funds expended are requested from the grantor agency in a timely manner.

Condition – OCS personnel are not reconciling requests for funds to the general ledgers. As a result, the following OCS funds had deficit balances at December 31, 2011:

CSBG	\$20,365
LIHEAP	15,519
Senior Companion	13,182
RSVP	4,184
Summer Feeding	<u>3,017</u>
Total	<u>\$56,267</u>

Effect – OCS personnel are not including some expenditures in requests for funds nor are they included in the reports to the grantor agency. These programs may have overspent their program revenues which would result in the Natchitoches Parish Police Jury having no choice but to transfer cash from the Jury’s general fund to cover them.

Natchitoches Parish Police Jury
Schedule of Findings and Questioned Costs-continued
Year Ended December 31, 2011

11-01 Internal Controls over Program Revenues and Expenditures (continued)

Cause – OCS management does not have a sufficient system in place to reconcile requests for funds to the general ledgers nor to monitor program transactions to ensure they are recorded in the proper current general ledger.

Recommendation – The management of the Office of Community Services should take steps to closely monitor the reimbursement requests and the subsequent cash receipts and to ensure that the requests and cash receipts are reconciled to the general ledger on a monthly basis.

Response – The following corrective action will be taken to improve audit-finding 11-01. The Governing Body will have each program supervisor or director to closely monitor their program's reimbursement request and cash receipts, also closely working with the Office of Community Service's Accountant and Natchitoches Parish Police Jury's (NPPJ) financial personnel. Management will develop and implement a system to reconcile request for funds to the general ledger and monitor transactions of all OCS programs.

The corrective action steps for reconciliation are as follows:

- The general ledger reconciliation process will begin with the OCS Accountant collecting all source documents (cash-in distribution forms, invoices, purchase requisitions, in-kind documentation and any other source of cash flows) for each general ledger fund as the data is generated and placing it in a folder marked "unreconciled." Maintaining one folder for each fund. These source documents at month end are used to validate entries to the general ledger.
- OCS Accountant will review the prior month's general ledger reconciliation, checking any items outstanding from the prior month. Review the "unreconciled" item folder and compare each item's posting date, amount and description to the ledger, noting on the ledger that the entry is accurate. Sign or initial each source document and include its posting date to indicate it is correctly reflected on the general ledger. Once each source document has been matched to the ledger, place it in a folder marked "reconciled" for that general ledger account.
- If a source document does not match a general ledger entry, the OCS Accountant will make a note on the item and the ledger and contact the Parish Treasurer for review. Errors may occur when items are posted to the wrong general ledger account or when amounts, dates or descriptions are entered incorrectly. Discrepancies may also arise if a source document arrived too late to be posted to this month's general ledger, or if withdrawals recorded in the general ledger have not been presented for payment. The OCS Accountant will check for entries that may have been recorded twice or for unusual entries or fluctuations in account balances, confirm that duplicate entries are incorrect and request that a correcting entry be prepared, notify the Parish Treasurer and Executive Director of any unusual entries or fluctuations, and collect unreconciled items and place them in next month's "unreconciled" folder.

Natchitoches Parish Police Jury
Schedule of Findings and Questioned Costs-continued
Year Ended December 31, 2011

11-01 Internal Controls Over Program Revenues and Expenditures (continued)

- The Executive Director, OCS Accountant, NPPJ financial personnel and all OCS programs' supervisor and directors will meet monthly to ensure all general ledger entries are accurately reconciled.
- The OCS Accountant will prepare request for reimbursement from the grantor agency per reconciled general ledger and send a copy to the Parish Treasurer.
- The OCS Accountant and Parish Treasurer will begin to analyze all OCS programs sixty to ninety days prior to grants ending to make adjustments needed to current grants ending and new grants beginning.

11-02 Control over Payroll Reconciliations

Criteria – Reconciliations between the general ledger, payroll system and payroll reports should be performed to ensure correct reporting of wages and payroll taxes.

Finding – Police Jury personnel are not performing reconciliations of payroll functions to the general ledger or to the payroll reports. As part of our auditing procedures, we were unable to reconcile retirement expense reports to the general ledger. Our auditing procedures were not sufficient to determine if the Police Jury overpaid retirement expense, therefore, the amount of this possible overpayment has not been determined.

The Police Jury's payroll system is designed to have a separate fund within the general ledger system to record the liabilities and subsequent payment of payroll related expenditures. This fund is not being reconciled back to the various Police Jury funds which have payroll expenditures, and as a result, the correct payroll, payroll tax and retirement expenses are not being allocated to the proper funds on a timely basis.

Effect – Without the performance of these reconciliations of the payroll system, the potential exists for the Policy Jury to overpay/underpay payroll taxes, hospitalization insurance, and retirement expenses when preparing monthly and quarterly reports, and for the Policy Jury's financial statements to have misstatements in payroll related expenditures.

Recommendation – We recommend that the Police Jury take steps to ensure that monthly, quarterly and annual payroll reports be reconciled to the general ledger, and that the payroll fund within the Police Jury's general ledger (Fund 004), be reconciled to the related Jury funds each time that payroll is paid.

Response – The Natchitoches Parish Police Jury Treasurer is currently developing internal controls to ensure that reconciliation's are performed between the payroll system and general ledger on a timely basis.

Natchitoches Parish Police Jury
Schedule of Findings and Questioned Costs-continued
Year Ended December 31, 2011

11-03 Control over Permit Collections

Criteria – Deposits should be traceable from the point of receipt to posting to the general ledger. Good cash management requires that cash receipts be deposited in a timely manner.

Finding – Police Jury personnel are not making regular, timely deposits of permit collections nor are they performing reconciliations of permit collections to the general ledger on a timely basis. As a result, we noted a deposit that was recorded in the general ledger months after being received.

Effect – By not making deposits on a timely basis and not performing reconciliations of the permit system to the general ledger, the potential exists for the Police Jury's financial statements to have misstatements in permit revenues.

Recommendation – We recommend that the Police Jury take steps to ensure that monthly reconciliations are performed between the general ledger and the permit system.

Response – The Natchitoches Parish Police Jury Treasurer has implemented new internal controls to ensure that deposits and reconciliation's are being made in a timely manner.

Compliance-

11-04 Compliance with Local Government Budget Act

Criteria – Louisiana Revised Statutes require that the operating budget be amended if actual revenues are less than budgeted revenues by 5% or more and/or actual expenditures exceed budgeted expenditures by 5% or more.

Condition – For the year ended December 31, 2011 actual expenses were more than budgeted expenses by more than 5% for the Library, and the budget was not amended accordingly.

Effect – The budget cannot be used as an effective management tool to control expenditures.

Cause – The Library was over-budget due to failure to budget for parking lot renovation which was in excess of original budget.

Recommendation – We recommend that procedures be implemented to ensure that the budget is amended to comply with the Local Government Budget Act, bearing in mind that the General Fund issue was caused by an auditor adjustment.

Response – Natchitoches Parish Police Jury Treasurer will monitor more closely the amending of budgets to stay within the 5% guidelines.

Natchitoches Parish Police Jury
Schedule of Prior Year Audit Findings
Year Ended December 31, 2011

Internal Control Finding from Prior Year-

10-01 Internal Controls over Program Revenues and Expenditures

Finding – During the year ended December 31, 2011, the OHD LIHEAP fund received \$32,582 in State grant funds which were not requested or expected. The general ledger for the OHD LIHEAP fund had not been reconciled to the requests or receipts for funds, and management was not aware that this error had occurred. At December 31, 2011, these funds were still being held in the OHD LIHEAP fund. The grantor agency has now been contacted, and the subsequent disposition of these funds has not been determined as of the financial statement date.

Current Status – At December 31, 2011, similar conditions still exist. See Finding 11-01.

Compliance Finding from Prior Year-

10-02 Compliance with Local Government Budget Act

Finding – Louisiana Revised Statutes require that the operating budget be amended if actual revenues are less than budgeted revenues by 5% or more and/or actual expenditures exceed budgeted expenditures by 5% or more.

Current Status – At December 31, 2011, similar conditions still exist. See Finding 11-03.