

RECEIVED
LEGISLATIVE AUDITOR
06 AUG -1 AM 10:40

ST. HELENA PARISH POLICE JURY

Greensburg, Louisiana

ANNUAL FINANCIAL STATEMENTS

As of and for the Year Ended
December 31, 2005

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

Release Date 8-30-06

BRUCE HARRELL & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

A Professional Accounting Corporation

ST. HELENA PARISH POLICE JURY

Greensburg, Louisiana

ANNUAL FINANCIAL STATEMENTS

As of and for the Year Ended
December 31, 2005

St. Helena Parish Police Jury
Greensburg, Louisiana

FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005
WITH SUPPLEMENTARY INFORMATION

Table of Contents

	<u>Statement/ Schedule</u>	<u>Page Number</u>
Required Supplemental Information (Part I) Management's Discussion and Analysis		1-9
Independent Auditor's Report		10
Basic Financial Statements		
Government-Wide Financial Statements:		
Statement of Net Assets	A	14
Statement of Activities	B	15
Fund Financial Statements:		
Governmental Funds:		
Balance Sheet	C	17
Reconciliation of the Governmental Funds Balance sheets to the Governmental-Wide Financial Statement of Net Assets	D	18
Statement of Revenues, Expenditures, and Changes in Fund Balances	E	19
Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	F	20

St. Helena Parish Police Jury
Greensburg, Louisiana

FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005
WITH SUPPLEMENTARY INFORMATION

Table of Contents

	<u>Statement/ Schedule</u>	<u>Page Number</u>
Fiduciary Funds:		
Statement of Fiduciary Net Assets	J	22
Statement of Changes in Fiduciary Net Assets	K	23
Notes to the Financial Statements		25-50
Required Supplemental Information (Part II):		
Budget Comparison Schedules	1 through 4	52-56
Notes to Budget Comparison Schedules		57-59
Other Supplemental Schedules		
Non-Major Governmental Funds:		
Combining Balance Sheet	5	61
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	6	62
Combining Balance Sheet-Nonmajor Special Revenue Funds	7	63-65
Combining Statement of Revenues, Expenditures and Changes in Fund Balance-Nonmajor Special Revenue Funds	8	66
Combining Balance Sheet-Nonmajor Capital Project Funds	9	67-69

St. Helena Parish Police Jury
Greensburg, Louisiana

FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005
WITH SUPPLEMENTARY INFORMATION

Table of Contents

	<u>Statement/ Schedule</u>	<u>Page Number</u>
Combining Statement of Revenues, Expenditures and Changes in Fund Balance-Nonmajor Capital Project Funds	10	70
Combining Balance Sheet-Nonmajor Debt Service Funds	11	71-72
Combining Statement of Revenues, Expenditures and Changes in Fund Balance-Nonmajor Debt Service Funds	12	73
Other Supplemental Schedule:		
Schedule of Compensation Paid Board Members	13	75
Schedule of Expenditures of Federal Awards and Audit Findings Resolution:		
Schedule of Expenditures of Federal Awards	14	78
Summary Schedule of Prior Year Audit Findings	15	79
Corrective Action Plan for Current Year Audit Findings	16	96
Schedule of Findings and Questioned Costs	17	100
Other Independent Auditor's Reports:		
Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Audit Standards		102
Report on Compliance with Requirements Applicable to Each Major Federal Program and Internal Control Over Compliance In Accordance With OMB Circular A-133.		105

**Required Supplemental Information
(Part I) -
Management Discussion and Analysis**

St. Helena Parish Police Jury
Greensburg, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the St. Helena Parish Police Jury, Greensburg, Louisiana, we offer readers of the Police Jury's financial statements this narrative overview and analysis of the financial activities of the Police Jury for the fiscal year ended December 31, 2005. This management discussion and analysis ("MD&A") is designed to provide an objective and easy to read analysis of the St. Helena Parish Police Jury's financial activities based on currently known facts, decisions, or conditions. It is intended to provide readers with a broad overview of the Police Jury's finances. It is also intended to provide readers with an analysis of the Police Jury's short-term and long-term activities based on information presented in the financial report and fiscal policies that have been adopted by the Police Jury. Specifically, this section is designed to assist the reader in focusing on significant financial issues, provide an overview of the St. Helena Parish Police Jury's financial position (its ability to address the next and subsequent year challenges), identify any material deviations from the financial plan (the approved budget), and identify individual fund issues or concerns.

As with other sections of this financial report, the information contained within this MD&A should be considered only a part of a greater whole. The readers of this statement should take time to read and evaluate all sections of this report, including the footnotes and the other Required Supplemental Information ("RSI") that is provided in addition to this MD&A.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the St. Helena Parish Police Jury's financial statements. The St. Helena Parish Police Jury's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The *government-wide* financial statements are designed to provide readers with a broad overview of the St. Helena Parish Police Jury's finances, in a manner similar to a private-sector business.

The *statement of net assets* presents information on all of the St. Helena Parish Police Jury's assets and liabilities using the accrual basis of accounting, the difference between the assets and liabilities is reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the St. Helena Parish Police Jury is improving or deteriorating.

The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

Both of the government-wide financial statements distinguish functions of the St. Helena Parish Police Jury that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the St. Helena Police Jury

St. Helena Parish Police Jury
Greensburg, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS

include general government, public safety, public works, cultural and recreation, health and welfare, and economic development. The St. Helena Parish Police Jury does not at this time have any business-type activities.

The government-wide financial statements include not only the St. Helena Parish Police Jury itself (known as the primary government), but also a legally separate fire district, hospital district, a water works district, two recreation and park districts, and a tourism district, for which the Police Jury is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 14-15 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The St. Helena Police Jury, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Police Jury can be divided into two categories: governmental funds, and fiduciary funds.

Governmental Funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, government fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term effects of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The St. Helena Police Jury maintains 32 individual governmental funds. Information is presented separately in the governmental fund statements of revenues, expenditures, and changes in fund balances for the General, Road Maintenance, Road District Mtc. #3, Solid Waste, and Rohner-Muse funds, each of which are considered to be major funds. Data from the other 27 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The St. Helena Parish Police Jury adopts an annual appropriated budget for its general and special revenue funds. Budgetary comparison statements for the major funds have been provided herein to demonstrate compliance with those budgets.

The basic governmental fund financial statements can be found on pages 17 and 19 of this report.

St. Helena Parish Police Jury
Greensburg, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are reflected in the government-wide financial statements because the resources of those funds are *not* available to support the St. Helena Parish Police Jury's own programs.

The basic fiduciary fund financial statements can be found on pages 22-23 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 26-50 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information. This includes the combining and individual fund statements and schedules which can be found on pages 61-70 of this report.

Government-Wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. The St. Helena Parish Police Jury's assets exceeded its liabilities by \$8,463,536 at the close of the most recent fiscal year.

One of the largest portions of the St. Helena Parish Police Jury's net assets (46.74 percent) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment, and infrastructure), less any related debt used to acquire those assets that are still outstanding. The St. Helena parish Police Jury uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the St. Helena Parish Police Jury's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

At the end of the current fiscal year, the St. Helena Parish Police Jury is able to report positive balances in both categories of net assets, government as a whole and separate governmental activities. The same situation held true for the prior fiscal year.

St. Helena Parish Police Jury's Net Assets

	<u>Total Governmental Activities</u>	
	<u>2005</u>	<u>2004-Restated</u>
Current and other assets	\$4,901,326	\$3,820,098
Capital assets, Net	<u>5,093,301</u>	<u>3,856,011</u>
Total assets	\$9,994,627	\$7,676,109
Long-term liabilities outstanding	1,226,559	896,937
Other liabilities	<u>304,532</u>	<u>388,980</u>
Total liabilities	1,531,091	1,285,917

St. Helena Parish Police Jury
Greensburg, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS

Net Assets Invested in capital assets,		
Net of related debt	3,955,762	2,954,275
Restricted	435,926	27,907
Unrestricted	<u>4,071,848</u>	<u>3,408,010</u>
Total net assets	<u>\$8,463,536</u>	<u>\$6,390,192</u>

An additional portion of the St. Helena Parish Police Jury's net assets (5.15 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net assets* (48.11 percent or \$4,071,848) may be used to meet the government's ongoing obligations to citizens and creditors.

The government's net assets increased by \$2,073,344 during the current fiscal year. This growth largely is from the federal and state grants received during the fiscal year ending December 31, 2005 to construct various infrastructures, as well as purchase equipment.

St. Helena Parish Police Jury's Changes in Net Assets

	Governmental Activities	
	<u>2005</u>	<u>2004-Restated</u>
Revenue		
Program revenue:		
Charges for services	\$ 245,808	\$ 217,977
Operating grants and contributions	181,143	170,329
Capital Grants and contributions	1,419,143	856,191
General revenue:		
Property taxes	1,135,524	932,313
Sales Taxes	1,035,450	925,078
Gaming Revenues	867,850	687,230
Severance Taxes	573,194	543,985
Other	<u>174,549</u>	<u>176,411</u>
Total revenue	<u>\$5,632,661</u>	<u>\$4,509,514</u>
Expenses		
General government	933,018	968,403
Public safety	469,320	317,885
Public Works	1,831,117	1,785,083
Cultural and recreation	11,837	14,142
Health and welfare	194,706	184,882
Economic development	18,901	23,691
Payment to other governments	46,931	-0-
Payments to component units	18,128	24,810
Interest on debt	<u>35,359</u>	<u>44,139</u>
Total Expenses	<u>3,559,317</u>	<u>3,363,035</u>
Increase in net assets	2,073,344	1,146,479

St. Helena Parish Police Jury
Greensburg, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS

Net assets-beginning of year	<u>6,390,192</u>	<u>5,243,713</u>
Net assets-end of year	\$8,463,536	\$6,390,192

Governmental activities increased the St. Helena Parish Police Jury's net assets by \$2,073,344. Key elements of this increase are as follows:

Property Taxes revenues increased by \$203,211 (21.79 percent) during the year.

Gaming revenues increased by \$180,620 (26.28 percent) during the year.

Sales tax increased by \$110,372 (11.93 percent) for 2005.

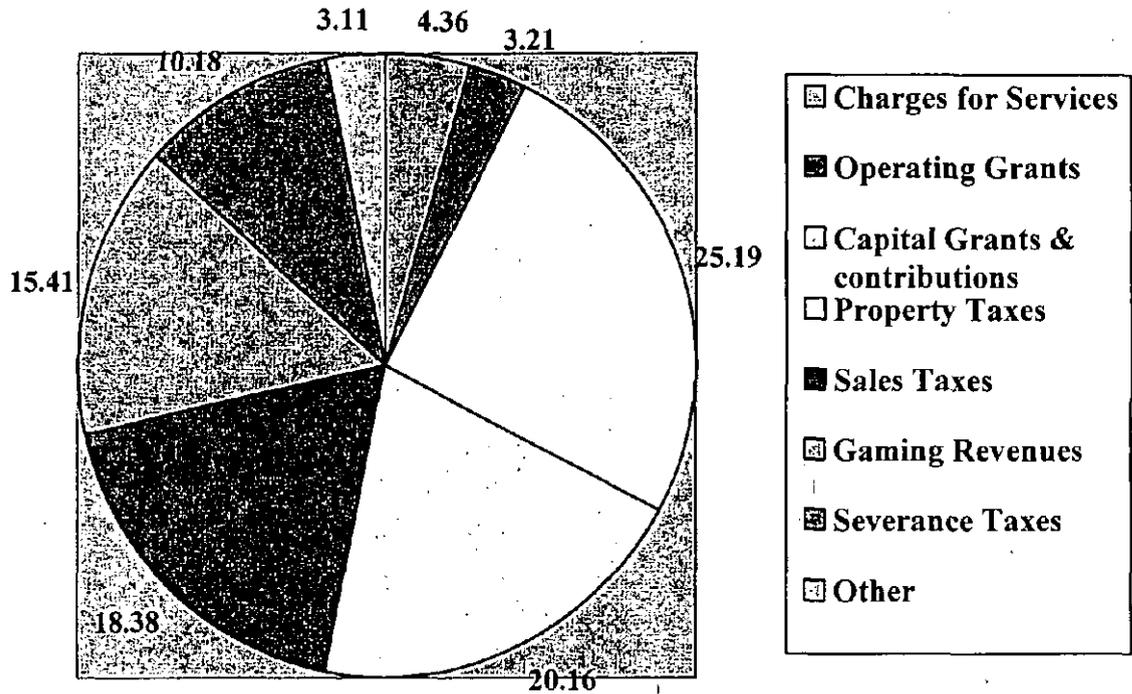
Federal and state operating and capital grants increased by \$562,952 in 2005 due to various capital projects for which federal and state grants were awarded.

Revenues by Source:	Percentages	
	<u>2005</u>	<u>2004</u>
Charges for Services	4.36	4.83
Operating Grants and Contributions	3.21	3.78
Capital Grants and Contributions	25.19	18.99
Property Taxes	20.16	20.67
Sales Taxes	18.38	20.51
Gaming Revenues	15.41	15.24
Severance Taxes	10.18	12.06
Other	<u>3.11</u>	<u>3.92</u>
Total	100.00%	100.00%

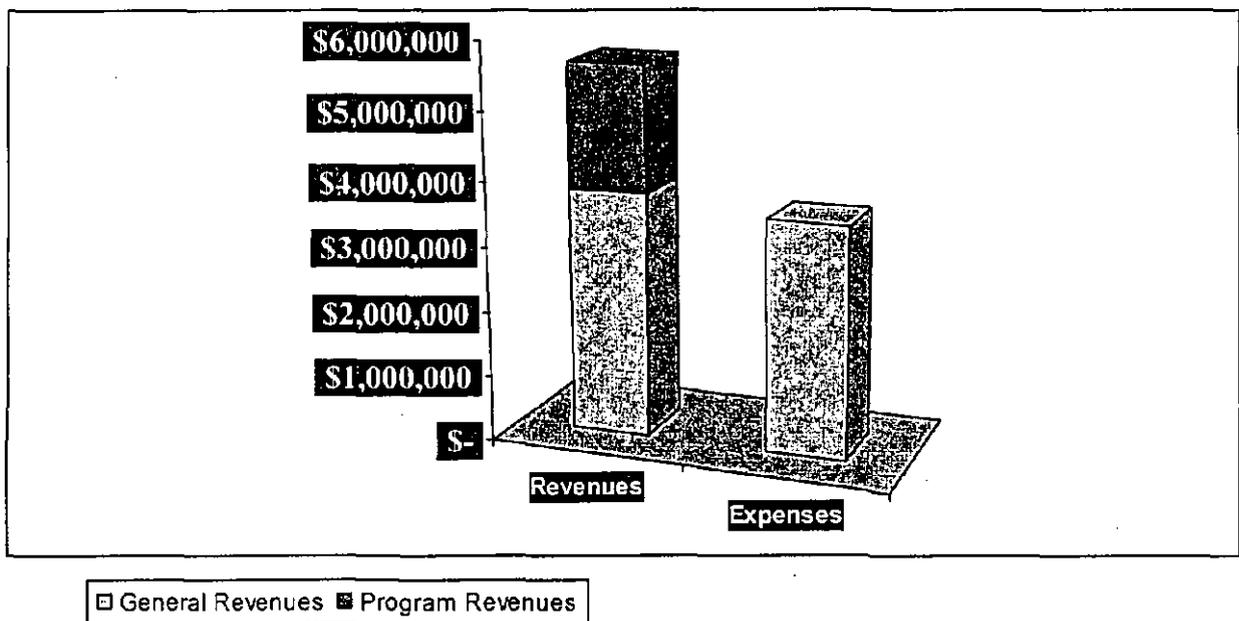
St. Helena Parish Police Jury
Greensburg, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS

Revenues by Source 2005



Expenses and Program Revenues



St. Helena Parish Police Jury
Greensburg, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS

Financial Analysis of the Government's Funds

As noted earlier, the St. Helena Parish Police Jury uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the St. Helena Parish Police Jury's *governmental funds* is to provide information on near-term inflow, outflows, and balances of *spendable* resources. Such information is useful in assessing the St. Helena Parish Police Jury's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the St. Helena Parish Police Jury's governmental funds reported combined ending fund balances of \$4,507,774, an increase of \$1,167,115. Approximately 90 percent of this total amount (\$4,071,848) constitutes *unreserved fund balance*, which is available for spending at the government's discretion. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed 1) to pay debt service (\$3,045), 2) for capital projects (\$432,881).

The general fund is the chief operating fund of the St. Helena Parish Police Jury. At the end of the current fiscal year, *unreserved fund balance* of the general fund was \$1,447,014. As a measure of the general fund's liquidity, it may be useful to compare *unreserved fund balance* to total fund operating expenditures of \$1,210,377. *Unreserved fund balance* represents 120 percent of total general fund operating expenditures.

The fund balance of the St. Helena Parish Police Jury's general fund increased by \$512,105 during the current fiscal year. This is primarily attributable to growth in gaming revenue and property tax revenues.

The Road Building & Maintenance Fund had an increase in fund balance for the current year of \$85,378, for an ending total of \$397,703. The increase is attributed in part to an increase in sales tax revenue.

The Road District Mtc. #3 Fund has a decrease in fund balance for the current year of \$28,954, for an ending total of \$159,899. The decrease was primarily a result of the transfers out to the Road District #3 Capital Outlay Fund.

The Solid Waste Fund has a total fund balance of \$159,106, which decreased by \$65,787 during the year. This decrease is the result of an increase in expenditures for the cost of garbage collection.

The Rohner-Muse Capital Project Fund did not have any change in the ending fund balance. All revenues received were disbursed for the cost of the capital project.

St. Helena Parish Police Jury
Greensburg, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS

Major Fund Budgetary Highlights

Differences between the original and final amended budgets of the major funds budgeted for expenditures resulted in an increase of \$1,084,394 in appropriations. The three largest increases in the budget during the year was to capital outlays of \$63,533, loans made to other funds of \$973,920, and transfers out to other funds of \$57,640.

During the year, general and road building and maintenance's expenditures were less than the amended budget, resulting in an actual increase in fund balances that exceeded the final amended budget amounts.

The amended budgeted expenditures for the Solid Waste Fund increased over the originally budgeted expenditures by \$23,797. The increase in expenditures is a result of the rising cost of garbage collection.

Capital Assets and Debt Administration

Capital assets. The St. Helena Parish Police Jury's investment in capital assets for its governmental activities as of December 31, 2005, amounted to \$5,093,301 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and improvements, machinery and equipment, and infrastructure. The major increases in capital assets were \$1,440,940 for infrastructure improvements, \$450,548 for machinery & equipment, and \$142,483 for buildings. The Police Jury's investment in capital assets, presented net of accumulated depreciation, is presented below.

St. Helena Parish Police Jury's Schedule of Capital Assets

	Governmental Activities	
	<u>2005</u>	<u>2004</u>
Land	\$ 144,402	\$ 144,402
Construction in Progress	29,880	532,125
Buildings and Improvements	1,659,988	1,586,372
Machinery and equipment	1,813,590	1,578,437
Infrastructure	<u>1,445,441</u>	<u>14,673</u>
Total	<u>\$5,093,301</u>	<u>\$3,856,009</u>

Additional information on the St. Helena Parish Police Jury's capital assets can be found in note 6 on pages 37-38 of this report.

Long-term debt. At the end of the current fiscal year, the St. Helena Parish Police Jury had total debt outstanding of \$1,226,559. Of this amount \$919,000 comprises debt backed by the full faith and credit of the government. The remainder of the St. Helena Parish Police Jury's debt represents leases, previous judgments, and compensated absences.

St. Helena Parish Police Jury
Greensburg, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS

St. Helena Parish Police Jury's Outstanding Debt
General obligation bonds and Certificate of Indebtedness

	Governmental Activities	
	<u>2005</u>	<u>2004</u>
General obligation bonds	\$375,000	\$381,000
Certificate of Indebtedness	544,000	128,500

The St. Helena Parish Police Jury's bonded debt decreased by \$28,500 (5.6 percent) during the current fiscal year, with no new bonded debt issuances. The police jury increased certificate of indebtedness in the amount of \$438,000 (86% percent during the current fiscal year.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10 percent of its total assessed valuation. The current debt limitation for the St. Helena Parish Police Jury is \$4,903,776 which is significantly in excess of the St. Helena Parish Police Jury's general obligation debt.

Additional information on the St. Helena Parish Police Jury's long-term debt can be found in note 14 on pages 44-45 of this report.

Economic Factors and Next Year's Budgets and Rates

The following factors were considered in preparing the St. Helena Parish Police Jury's budget for the 2006 fiscal year:

The two major revenue sources for the general fund are gaming revenues and severance tax. Gaming Revenues increased approximately \$92,000 between 2004 and 2005 and have been budgeted for 2006 at \$725,000. Severance tax increased \$16,419 in 2005 to \$560,170. Severance tax was budgeted at \$525,000 for 2006.

Sales tax revenues increased by \$14,174 in the Road maintenance fund and the solid waste fund to \$482,243 in 2005. Sales tax revenues are budgeted at \$490,000 in both funds for 2006.

Expenditures for garbage collection continue to exceed anticipated revenues received from sales tax. For the fiscal year ending December 31, 2006 shortfalls are anticipated.

Request for Information

This financial report is designed to provide a general overview of the St. Helena Parish Police Jury's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Deborah Strickland, Secretary-Treasurer of the St. Helena Parish Police Jury, 17911 Hwy 37 North, Greensburg, Louisiana, 70441.

Bruce C. Harrell, CPA

Dale H. Jones, CPA

INTERNET
www.teamcpa.com

MEMBERS
American Institute of CPAs
Society of Louisiana CPAs



BRUCE HARRELL
and COMPANY
Certified Public Accountants
A Professional Accounting Corporation

109 West Minnesota Park
Park Place Suite 7
Hammond, LA 70403
VOICE: (985) 542-6372
FAX: (985) 345-3156

P.O. Box 45 - 909 Avenue G
Kentwood, LA 70444
VOICE: (985) 229-5955
FAX: (985) 229-5951

Independent Auditor's Report

To the St. Helena Parish Police Jury
Greensburg, Louisiana

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the St. Helena Parish Police Jury (hereinafter referred to as "Police Jury") as of and for the year ended December 31, 2005, which collectively comprises the Police Jury's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Police Jury's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the following discretely presented component units, the St. Helena Parish Hospital Service District No. 1, St. Helena Parish Fire District No. 4, St. Helena Recreation District and Parks District, St. Helena Parish Tourist Commission and the St. Helena 5th Ward Recreation District which represents 47%, 18% and 60%, respectively, of the assets, net assets, and revenues of the St. Helena Parish Police Jury. The St. Helena Hospital Service District No. 1 financial statements were audited by other auditors whose report thereon has been furnished to me, and our opinion, insofar as it relates to the amounts included for the St. Helena Hospital Service District No. 1, is based on the report of the other auditors.

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

To the St. Helena Parish Police Jury
Independent Auditor's Report

Page 2

The financial statements of the following discretely presented component units, St. Helena Parish Fire District No. 4, St Helena Recreation and Parks District, St Helena Parish Tourist Commission, and the St. Helena 5th Ward Recreation District have not been audited, and we are not engaged to audit their financial statements as part of our audit of the police Jury's basic financial statements. Their financial activities are included in the Police Jury's basis financial statements as discretely presented components units and represent 8.27%, 10.76% and 3.62% of the assets, net assets, and revenues, respectively, of the Police Jury's aggregate discretely presented components units.

In our opinion based on our audit and the report of other auditors, except for the effects of such adjustments, if any, as might have been determined to be necessary had the above component units financial statements been audited, the financial statements, referred to above present fairly, in all material respects, the financial position of the aggregate discretely presented component units for the Police Jury as of and for the year ended December 2005 in conformity with accounting principles generally accepted in the United States of America.

In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information for the Police Jury, Greensburg, Louisiana as of and for the year ended December 31, 2005 in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, We have issued our report dated July 28, 2006 on our consideration of the Police Jury's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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.

To the St. Helena Parish Police Jury
Independent Auditors Report

Page 3

The management's discussion and analysis on pages 1-9, and budgetary comparison information on pages 53-56 are not a required part of the basic financial statements but are supplementary information required by accounting principals generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Police Jury's, Greensburg, Louisiana basic financial statements. The combining and individual non-major fund financial statements and supplemental information schedules are presented for the 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 1-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements of the Police Jury, Greensburg, Louisiana. The combining and individual non-major fund financial statements and the schedule of expenditures of federal awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.



Bruce Harrell & Company, CPAs
A Professional Accounting Corporation

July 28, 2006

Basic Financial Statements

Government-Wide Financial Statements

St. Helena Parish Police Jury

Statement of Net Assets
December 31, 2005

	Primary Governmental <hr/> Governmental Activities	Discretely Presented <hr/> Component Units
ASSETS		
Cash and cash equivalents	\$ 2,763,360	\$ 838,780
Investments	250,000	
Receivables (net of allowances for uncollectibles)	1,780,211	997,164
Accounts Receivable Other		591,871
Supplies Inventory		231,080
Due from component units	12,500	
Prepaid Insurance	95,255	102,082
Restricted assets		546,379
Other Assets		4,497
Capital assets (net)	<u>5,093,301</u>	<u>5,638,898</u>
TOTAL ASSETS	<u>\$ 9,994,627</u>	<u>\$ 8,950,751</u>
LIABILITIES		
Accounts, salaries, and other payables	\$ 250,692	\$ 2,252,263
Due to component units		12,500
Interest Payable	6,235	36,997
Customer Deposits		55,266
Other liabilities	39,759	9,034
Deferred Revenues	7,846	146,126
Long-term liabilities:		
Due within one year	202,986	580,353
Due in more than one year	<u>1,023,573</u>	<u>4,024,386</u>
TOTAL LIABILITIES	<u>\$ 1,531,091</u>	<u>\$ 7,116,925</u>
NET ASSETS		
Invested in capital assets, net of related det	3,955,762	2,331,912
Restricted for:		
Debt Service and Capital projects	435,926	506,485
Unrestricted	<u>4,071,848</u>	<u>(1,004,571)</u>
TOTAL NET ASSETS	<u>\$ 8,463,536</u>	<u>\$ 1,833,826</u>

See Accompanying Notes and Accountants' Report

Statement B

St. Helena Parish Police Jury

Statement of Activities
For the Year Ended December 31, 2005

Functions/Programs-Primary Government Governmental Activities	(Expenses)	Program Revenues			Primary	Discretely
		Charges for Services	Grants and Contributions	Capital Grants & Contributions	Government	Presented
					Governmental Activities	Component Units
				Net (Expense) Revenue and Changes in Net Assets	Net (Expense) Revenue and Changes in Net Assets	
General government	\$ (933,018)	\$ 155,957	\$ 9,900	\$ -	\$ (767,161)	\$ -
Public safety	(469,320)	81,769	40,999	246,621	(99,931)	
Public works	(1,831,117)	6,700	130,244	1,085,336	(608,837)	
Cultural and recreation	(11,837)	-	-	14,973	3,136	
Health and welfare	(194,706)	182	-	7,154	(187,370)	
Economic development	(18,901)	1,200	-	-	(17,701)	
Payment to other governments	(46,931)	-	-	46,931	-	
Payments to component units	(18,128)	-	-	18,128	-	
Interest on long-term debt	(35,359)	-	-	-	(35,359)	
Total Primary Government	\$ (3,559,317)	\$ 245,808	\$ 181,143	\$ 1,419,143	\$ (1,713,223)	-
Discretely Presented Component Units	\$ (10,110,609)	\$ 8,060,762	\$ 172,162	\$ 196,080		(1,681,605)
General Revenues:						
Property taxes				1,135,524		946,587
Alcoholic taxes				12,086		
Sales taxes				1,035,450		
Fire Insurance Rebates						4,595
State Grants						
Gaming revenues				867,850		
State Revenue Sharing				76,627		
Serverance Taxes				573,194		
Royalties				-		
Gain or (Loss) on Sale of Assets				(1,418)		1,134
Investment earnings				66,105		27,100
Recovery of Bad Debts						1,485
Loss on Discontinued Operations						(2,681)
Gain on Extinguishment of Debt						
Transfer of Assets from other Gov't						8,000
Transfer of Assets to Component Units						18,128
Other general revenues				21,149		7,398
Total general revenues and transfers				3,786,567		1,011,746
Change in Net Assets				2,073,344		(669,859)
Net assets-beginning As originally stated				6,294,937		2,501,934
Prior Period Adjustment				95,255		1,751
Adjusted Net Assets-Beginning				6,390,192		2,503,685
Net Assets-Ending				\$ 8,463,536		\$ 1,833,826

See Accompanying Notes and Accountants' Report

Basic Financial Statements

Governmental Fund Financial Statements

STATEMENT C

St. Helena Parish Police Jury
Balance Sheet, Governmental Funds
December 31, 2005

	Major Funds					Total Governmental Funds
	General Fund	RBM Fund	Road District #3 Fund	Solid Waste Fund	Rohner Muse Fund	
Cash and cash equivalents	\$ 922,988	\$ 159,968	\$ 132,544	\$ 104,101	\$ 1	\$ 1,443,758
Investments	467,515	300,190	88,904	106,959		250,000
Receivables (net of allowances for uncollectibles)	101,966	1,957				816,643
Due from other funds	12,500					11,089
Due from component units						12,500
TOTAL ASSETS	\$ 1,504,969	\$ 462,115	\$ 221,448	\$ 211,060	\$ 1	\$ 2,521,490

ASSETS

Cash and cash equivalents
Investments
Receivables (net of allowances for uncollectibles)
Due from other funds
Due from component units

TOTAL ASSETS

LIABILITIES AND FUND BALANCES

Liabilities:

Accounts payables	\$ 47,269	\$ 47,032	\$ 909	\$ 51,954	\$	\$ 103,528	\$ 250,692
Due to other funds	11,337	57,550				46,125	115,012
Due to component units	7,846					-	7,846
Deferred revenues	2,840	6,043	3,090			27,786	39,759
Other liabilities	57,955	64,412	61,549	51,954		177,439	413,309
Total Liabilities							

Fund balances:

Reserved for:							
Capital projects					1	432,880	432,881
Debt services						3,045	3,045
Unreserved, reported in:							
General Fund	1,447,014						1,447,014
Special revenue funds		397,703	159,899	159,106		1,908,126	2,624,834
Capital projects funds							
TOTAL FUND BALANCE	1,447,014	397,703	159,899	159,106	1	2,344,051	4,507,774

TOTAL FUND BALANCE

TOTAL LIABILITIES AND FUND BALANCES

	\$ 1,504,969	\$ 462,115	\$ 221,448	\$ 211,060	\$ 1	\$ 2,521,490	\$ 4,921,083
--	--------------	------------	------------	------------	------	--------------	--------------

See Accompanying Notes and Accountants' Report

STATEMENT D

St. Helena Parish Police Jury

**Reconciliation of The Governmental Funds Balance Sheet
to The Government-Wide Financial Statement of Net Assets**

December 31, 2005

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

Fund Balances, Total Governmental Funds (Statement C)	\$	4,507,774
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the Governmental Funds.</p>		
Governmental Capital Assets		7,674,446
Less Accumulated depreciation		<u>(2,581,146)</u>
		5,093,300
Prepaid Insurance not recorded in Funds		95,255
<p>Interest payable used in the governmental activities is not payable from current resources and therefore is not reported in the Governmental Funds</p>		
		(6,235)
<p>Long-term liabilities including bonds payable are not due and payable in the current period and, therefore, are not reported in the Governmental Funds.</p>		
Compensated absences		(90,241)
Notes and loans payable		(919,000)
Capital Leases		(119,808)
Other		<u>(97,509)</u>
		<u>(1,226,558)</u>
Net Assets of Governmental Activities (Statement A)	\$	<u><u>8,463,536</u></u>

See Accompanying Notes and Accountants' Report

St. Helena Parish Police Jury
GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures and
and Changes in Fund Balances
For the Year Ended December 31, 2005

	Major Funds						Total Governmental Funds
	General Fund	RBM Fund	Road District #3 Fund	Solid Waste Fund	Rohner Muse Fund	Other Governmental Funds	
REVENUES							
Taxes:							
Ad valorem	\$ 81,369	\$ 173,125	\$ 91,797	\$	\$	\$ 789,233	\$ 1,135,524
Sales and use		517,725		517,725			1,035,450
Other taxes, penalties, interest, etc.	12,086						12,086
Licenses and permits	136,189	6,700					142,889
Intergovernmental revenues:							
Federal grants	132,661					216,018	348,679
State funds:							
Parish transportation funds		130,244					130,244
State revenue sharing (net)	5,535	11,777	5,278			54,037	76,627
Gaming Revenues	867,850						867,850
Other State Funds	580,348				706,363	397,946	1,684,657
Contributions from Local Governments							
Fees, charges, and commissions for services	182					89,465	89,647
Fines and forfeitures	8,190					3,882	12,072
Rents and Royalties	-					1,200	1,200
Investment earnings	19,832	5,290	4,210	2,634		34,139	66,105
Other revenues		570	500			20,079	21,149
On Behalf Payment	9,900						9,900
Total Revenues	1,854,142	845,431	101,785	520,359	706,363	1,605,999	5,634,079
EXPENDITURES							
General government	819,711	6,043	3,090			39,983	868,827
Public safety	210,464					138,728	349,192
Public works	-	738,427	60,710	586,146		321,182	1,706,465
Cultural and recreation	-					-	-
Health and welfare	1,433					167,181	168,614
Community development	-					-	-
Economic development	17,831					197	18,028
Payments to Other Government	46,931						46,931
Payments to component units	14,128					4,000	18,128
Debt service	26,002		26,300			103,341	155,643
Capital outlay	63,977	15,583	3,000		708,232	775,557	1,566,349
Other						-	-
On Behalf Payments	9,900					-	9,900
Total Expenditures	1,210,377	760,053	93,100	586,146	708,232	1,550,169	4,908,077
Excess (Deficiency) of Revenues Over (Under) Expenditures	643,765	85,378	8,685	(65,787)	(1,869)	55,830	726,002
OTHER FINANCING SOURCES (USES)							
Transfers in	17,138		20,001		1,870	248,885	287,894
Transfers out	(148,908)		(57,640)			(81,346)	(287,894)
Capital leases/Proceeds from loans						438,000	438,000
Sale of capital assets	110					3,000	3,110
Total Other Financing Sources and Uses	(131,660)	-	(37,639)	-	1,870	608,539	441,110
Net Change in Fund Balance	512,105	85,378	(28,954)	(65,787)	1	664,369	1,167,112
Fund balances -- beginning	934,909	312,325	188,853	224,893	-	1,679,682	3,340,662
Fund balances -- ending	\$ 1,447,014	\$ 397,703	\$ 159,899	\$ 159,106	\$ 1	\$ 2,344,051	\$ 4,507,774

See Accompanying Notes and Accountants' Report

St. Helena 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, 2005**

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

Net Change in Fund Balances, Total Governmental Funds (Statement E) \$ 1,167,112

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital Outlays	1,566,349	
Depreciation expense	<u>(324,532)</u>	
		1,241,817

The net effect of transactions involving the sale of capital assets is to decrease net assets:

Proceed from Sale of Assets	3,110	
Cost of assets sold	8,413	
Accumulated Depreciation	<u>(3,885)</u>	
Basis in Assets Sold	<u>4,528</u>	
Loss on sale of assets		(1,418)

The issuance of long-term debt (bonds, leases, etc.) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Lease Obligation proceeds	(438,000)	
Repayment of principal	<u>121,719</u>	
		(316,281)

In the Statement of Activities, certain operating expenses-compensated absences (vacation and sick leave) - are measured by the amounts earned during the year. In the governmental funds, (essentially, the amounts actually paid) vacation and sick time earned exceeded the amounts used by \$5,501.

(13,341)

Interest Expense reported in the statement of activities does not require the use of current financial resources and is therefore not reported as expenditures in governmental funds.

(1,435)

When recognizing the sale of capital assets, the governmental funds report the total proceeds of the sale. Only the gain or loss on the sale is reported on the Statement of Net Assets.

(3,110)

Change in Net Assets of Governmental Activities (Statement B)

\$ 2,073,344

Basic Financial Statements
Fiduciary Fund Financial Statements

Statement J

St. Helena Parish Police Jury

Statement of Fiduciary Net Assets
December 31, 2005

	<u>Library Fund</u>
Assets	
Cash and cash equivalents	\$ -
Accounts receivables	<u>85,444</u>
Total Assets	<u><u>\$ 85,444</u></u>
Liabilities	
Other liabilities	\$ 3,022
Deposits Due to Library	<u>82,422</u>
Total Liabilities	<u><u>85,444</u></u>
Net Assets	
Net Assets	<u><u>\$ -</u></u>

See Accompanying Notes and Accountants' Report

Statement K

St. Helena Parish Police Jury

Statement of Changes in Fiduciary Net Assets

For the year ended December 31, 2005

	<u>Library Fund</u>
Additions	
Ad Valorem Tax	\$ 78,812
State Revenue	6,384
Interest	5
Total Additions	<u>85,201</u>
Deductions	
Pension	\$ 2,965
Payments to Library	82,236
Total Deductions	<u>85,201</u>
Change in Net Assets	<u>\$ -</u>
Net Assets-Beginning	-
Net Assets-Ending	<u><u>\$ -</u></u>

See Accompanying Notes and Accountants' Report

Notes to the Financial Statements

St. Helena Parish Police Jury
Greensburg, Louisiana

NOTES TO THE BASIC FINANCIAL STATEMENTS

Index

<u>Note</u>		<u>Page</u> <u>Number</u>
	Introduction	26
1	Summary of Significant Accounting Policies	27
	A. Government-Wide and Fund Financial Statements	27
	B. Measurement Focus, Basis of Accounting	28
	C. Deposits and Investments	30
	D. Receivables and payables	30
	E. Inventories and Prepaid Items	32
	F. Restricted Net Assets	32
	G. Capital Assets	32
	H. Compensated Absences	33
	I. Long-Term Obligations	34
	J. Fund Equity	34
	K. Extraordinary and Special Items	34
	L. Deferred Revenues	34
	M. Estimates	35
	N. Reconciliations of Gov't-Wide and Fund Financial Statements	35
2	Stewardship, Compliance and Accountability	36
	A. Deficits	36
3	Cash and Cash Equivalents	36
4	Investments	36
5	Receivables	37
6	Capital Assets	37
7	Construction Commitments	38
8	Interfund Receivables, Payable, and Transfers	39
9	Required Transfers	42
10	Prepaid Insurance	42
11	Accounts, Salaries, and Other Payables	42
12	Short-Term Debt	42
13	Leases	43
14	Long-Term Obligations	44
15	Retirement Systems	46
16	Other Post employment Benefits	47
17	Deferred Compensation	47
18	Compensated Absences	47
19	Changes in Agency Fund Deposits	48
20	Reserved Fund Balances	48
21	Federal Compliance Contingencies	48
22	Risk Management	48
23	Litigation and Contingent Liabilities	48
24	Cooperative Endeavor Agreements	49
25	On-Behalf Payments	49
26	Sinking Fund Requirements	49
27	Contracts	49
28	E911 System	50
29	Prior Period Adjustment	50
30	Subsequent Events	50

St. Helena Parish Police Jury
Greensburg, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

INTRODUCTION

The St. Helena Parish Police Jury is the governing authority for St. Helena Parish and is a political subdivision of the State of Louisiana. The police jury is governed by six jurors representing various districts within the parish. The jurors serve four-year terms.

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

St. Helena Parish is located in the southeast portion of Louisiana, and has a population of approximately 10,259 residents. Excluding the Police Jurors and assistant district attorneys, the St. Helena Parish Police Jury employs an estimated 89 employees, including constables and justice of the peace.

As the governing authority of the parish, for reporting purposes, the St. Helena Parish Police Jury is the reporting entity for St. Helena 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 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 the governmental reporting entity and component units that should be considered part of the St. Helena Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. This criteria includes:

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

Based on the previous criteria, the Police Jury has determined that the following

St. Helena Parish Police Jury
Greensburg, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

component units are part of the reporting entity:

<u>Component Unit</u>	<u>Method of Inclusion</u>	<u>Fiscal Year End</u>	<u>Criteria Used</u>
Included within the reporting entity:			
St. Helena Parish Hospital Service Dist. No. 1	Discrete	October 31	1
St. Helena Parish Fire District No. 4	Discrete	December 31	1
St. Helena Waterworks District No. 2	Discrete	December 31	1
St. Helena Recreation and Parks District	Discrete	December 31	1
St. Helena Parish Tourist Commission	Discrete	December 31	1
St. Helena 5 th Ward Recreation District	Discrete	December 31	1

Separate financial statements for each of the component units can be obtained by contacting the component unit.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Government-Wide and Fund Financial Statements

The accompanying basic financial statements of the St. Helena Parish Police Jury have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, issued in June 1999.

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes 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

St. Helena Parish Police Jury
Greensburg, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

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

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

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

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

The police jury reports the following major governmental funds:

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.

St. Helena Parish Police Jury
Greensburg, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

The Road District and Maintenance Fund is used to account for the operations and road maintenance in Road district No's 1, Sub Road 1, and Sub Road 2 of 2, 3, 4, 5, and 6.

The Road District Maintenance #3 Fund is used to account for the operations and road maintenance of Road District #3.

The Solid Waste Management Sales Tax fund is used to account for operations of a solid waste program for the Parish of St. Helena.

The Rohner-Muse Fund is used to account for a state grant from the Louisiana Economic Development Corporation for the purpose of upgrade and asphalt of Rohner Road and Muse Road in St. Helena Parish.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's enterprise operations. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The St. Helena Parish Police Jury does not have any proprietary funds.

Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

St. Helena Parish Police Jury
Greensburg, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

When both restricted and unrestricted resources are available for use, it is the police jury's policy to use restricted resources first, then unrestricted resources as they are needed.

C. Deposits and Investments

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

Investments for the police jury, as well as for its component units, are reported at fair value.

D. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade and property tax receivables show net of an allowance for uncollectibles. Uncollectible accounts due for Ad Valorem taxes are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable.

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

St. Helena Parish Police Jury
Greensburg, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
<u>Parish Wide Taxes:</u>			
General Fund	2.35	2.35	No Expiration
Parish Wide Road Tax	5.00	5.00	2009
Parish Health Unit	4.35	4.35	2014
Parish Library Fund	2.50	2.50	2007
<u>District Taxes:</u>			
Road District #1 Mtc. Fund	8.00	8.00	2009
Sub-Road District #1 of Road District #2	10.00	10.00	2012
Sub-Road District #2 of Road District #2	10.00	10.00	2014
Road District #3 Maint Fund	14.10	14.10	2008
Road District #4 Maint Fund	10.00	10.00	2006
Road District #4 Maint Fund	5.00	5.00	2008
Road District #5 Maint Fund	12.00	12.00	2015
Road District #6 Maint Fund	15.00	15.00	2012
Fifth Ward Fire Protection District Mtc.	10.00	10.00	2009
Fifth Ward Fire Protection District Mtc.	15.00	15.00	2014
Fire Protection District #2	10.00	10.00	2009
Fire Protection District #3	4.92	4.92	2014
Fire Protection District #3	5.00	5.00	2009
South 2nd Fire	10.00	10.00	2011

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

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Assessed Valuation</u>	<u>% of Total Assessed Valuation</u>	<u>% of Total Assessed Valorem Tax Revenue for Municipality</u>
Transcontinental	Pipeline	\$ 5,461,160	11.10%	\$ 152,729
Demco	Utility	2,504,320	5.10%	81,530
Florida Gas Pipeline	Pipeline	2,236,240	4.50%	78,350
Entergy Gulf State	Utility	1,732,100	4.70%	50,889
CenturyTel	Telephone	2,327,640	3.50%	44,950

On April 7, 1984, voters of St. Helena Parish approved a one percent sales and use tax to be levied and collected within the corporate limits of the parish. The tax, which became effective August 1, 1984, is to provide funds for the St. Helena Parish Solid Waste Management Program.

Effective March 1, 1989, a one-percent sales tax was established by the voters of St. Helena Parish. The proceeds of this one percent sales tax is dedicated and used for the purpose of maintaining, improving, and keeping in repair public roads, highways, and bridges in the parish.

The police jury and sheriff of St. Helena Parish have entered into an agreement in which

St. Helena Parish Police Jury
Greensburg, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

the sheriff is to collect the sales and use taxes for a stipulated fee. The sheriff remits the tax proceeds to the police jury on a monthly basis.

E. Inventories and Prepaid Items

The Police Jury utilizes the "purchase method" of accounting for supplies in governmental funds whereby expendable operating supplies are recognized as expenditures when purchased. The Police Jury did not record any inventory at December 31, 2005, as the amount is not material. Certain payments for insurance reflect cost applicable to future accounting periods. The Government Wide financial statements reflect prepaid insurance cost applicable to future accounting periods. The Police Jury recognized expenditures for insurance and similar services extending over more than one accounting period when paid in the fund financial statements.

F. Restricted Net Assets

For the government-wide statement of net assets, net assets are reported as restricted when constraints placed on net asset use are either externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments and are imposed by law through constitutional provisions or enabling legislation.

G. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type 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 \$500 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:

<u>Description</u>	<u>Estimated Lives</u>
Roads, bridges, and infrastructure	20-40 years
Land improvements	20-30 years
Buildings and building improvements	20-40 years
Furniture and fixtures	5 years
Vehicles	5 years
Equipment	5-10 years

St. Helena Parish Police Jury
Greensburg, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

H. Compensated Absences

The Police Jury has the following policy relating to vacation and sick leave:

After one year of continuous employment, each employee receives one week of vacation. After two years of employment, and for each year thereafter, each employee receives two weeks of vacation. After ten years each employee receives three weeks of vacation, after twenty years each employee receives four weeks of vacation, and after 25 years each employee receives five weeks of vacation. Vacation time can be carried over for a period of three years. Accrued vacation can be paid upon termination of job.

Sick leave shall accumulate for regular, full time employees, and employees who work 40 hours per week, at the rate of one day for each month of continuous employment. Sick leave can be carried forward and paid upon termination of employment.

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

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

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

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

1. An accrual for earned sick leave should be made only to the extent it is probable that the benefits will result in termination payments, rather than be taken as absences due to illness or other contingencies, such as medical appointments and funerals.
2. Alternatively, a governmental entity should estimate its accrued sick leave liability based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as well as other employees who are expected to become eligible in the future to receive such payments.

The entire compensated absence liability is reported on the government-wide financial statements. For governmental fund financial statements, the current portion of unpaid

St. Helena Parish Police Jury
Greensburg, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

compensated absences is the amount that is normally expected to be paid using expendable available financial resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported.

I. Long-Term Obligations

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

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

J. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

K. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the police jury, which are either unusual in nature or infrequent in occurrence.

L. Deferred Revenues

The Police Jury reports deferred revenues on its statement of net assets and its fund financial statements balance sheet. Deferred revenues arise when resources are received by the police jury before it has a legal claim to them, as when grant monies are received before the incurrence of qualifying expenditures. In subsequent periods, when the police

St. Helena Parish Police Jury
Greensburg, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

jury has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and the revenue is recognized.

M. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and 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.

N. Reconciliations of Government-Wide and Fund Financial Statements

The following reconciles the fund balances of governmental funds to the government-wide statement of net assets.

Record Net Capital Assets	\$5,093,300
Record Prepaid Insurance	95,255
Record Accrued interest Payable	(6,235)
Record Long-Term Debt	<u>(1,226,558)</u>
Net adjustment	<u>\$3,955,762</u>

The following reconciles the net changes in fund balance-total governmental funds to the changes in net assets of governmental activities.

Capitalization of Capital Assets	\$1,566,349
Record Depreciation Expense	(324,532)
Record Loss on Sale of Assets	(1,418)
Certificate of Indebtedness Proceeds as Liability	(438,000)
Record Debt Service Principal Payments as Liability	121,719
Record Compensated Absences Payable	(13,341)
Record Accrued Interest Payable	(1,435)
Proceeds from sale of assets	<u>(3,110)</u>
Net effect of changes	<u>906,232</u>

Adjustments to Beginning Fund Balance for Prior Year:	
Recording of Net Capital Assets	3,856,011
Record Prepaid Insurance	95,255
Record Accrued Interest Payable	(4,799)
Record Long-Term Debt	<u>(896,937)</u>
	<u>3,049,530</u>
Net Adjustment	<u>\$3,955,762</u>

St. Helena Parish Police Jury
Greensburg, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Deficits

The South 2nd Ward Capital Projects Fund had a reserved deficit fund balance of (\$2,631) at December 31, 2005.

3. CASH AND CASH EQUIVALENTS

At December 31, 2005, the police jury has cash and cash equivalents (book balances) totaling \$2,763,360 as follows:

Interest Bearing demand Deposits \$2,763,360

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, 2005, the police jury has \$2,845,996 in deposits (collected bank balances). These deposits are secured from risk by \$100,000 of federal deposit insurance and \$2,745,996 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

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

4. INVESTMENTS

At fiscal year-end, the police jury's investment balances were as follows:

Certificates of Deposit \$250,000

These deposits are secured from risk by \$100,000 of federal deposit insurance and \$150,000 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, R.S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being

St. Helena Parish Police Jury
Greensburg, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

notified by the police jury that the fiscal agent has failed to pay deposited funds upon demand.

5. RECEIVABLES

The receivables of \$1,780,211 at December 31, 2005, are as follows:

<u>Class of Receivable</u>	<u>General Fund</u>	<u>RBM Fund</u>	<u>Road Mtc.#3 Fund</u>	<u>Solid Waste Fund</u>	<u>Rohner Muse Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Taxes:							
Ad valorem	\$ 78,290	\$ 166,574	\$ 87,387	\$	\$	\$ 757,320	\$ 1,089,571
Sales and use		106,959		106,959			213,918
Severance Tax	140,681						140,681
Other	3,126						3,126
Intergovernmental - grants:							
Federal	8,597					23,449	32,046
State	-	22,343					22,343
Revenue Sharing	3,697	7,867	3,344			36,061	50,969
Local							-
Gaming	215,636						215,636
Other	19,158					16,079	35,237
Sub- Total	469,185	303,743	90,731	106,959	-	832,909	1,803,527
Less: Allowance for uncoll.	(1,670)	(3,553)	(1,827)			(16,266)	(23,316)
Total	<u>\$ 467,515</u>	<u>\$ 300,190</u>	<u>\$ 88,904</u>	<u>\$ 106,959</u>	<u>\$ -</u>	<u>\$ 816,643</u>	<u>\$ 1,780,211</u>

Uncollectible accounts due for Ad Valorem taxes are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable. Uncollectible accounts at December 31, 2005 for Ad Valorem taxes totaled \$23,316.

6. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended December 31, 2005, for the primary government is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets, not being depreciated				
Land	\$ 144,402	\$	\$	\$ 144,402
Construction in progress	532,125	29,880	532,125	29,880
Total capital assets, not being depreciated	<u>676,527</u>	<u>29,880</u>	<u>532,125</u>	<u>174,282</u>

St. Helena Parish Police Jury
Greensburg, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets being depreciated				
Buildings	\$ 2,750,605	\$ 142,483	\$	\$ 2,893,088
Machinery and equipment	2,674,360	485,172	8,413	3,151,121
Infrastructure	15,016	1,440,940		1,455,956
Total capital assets being depreciated	<u>5,439,981</u>	<u>2,068,595</u>	<u>8,413</u>	<u>7,500,165</u>
Less accumulated depreciation for:				
Buildings	1,164,233	68,867		1,233,100
Machinery and equipment	1,095,913	245,493	3,885	1,337,531
Infrastructure	343	10,172		10,516
Total accumulated depreciation	<u>2,260,499</u>	<u>324,532</u>	<u>3,885</u>	<u>2,581,146</u>
Total capital assets being depreciated, net	<u>\$ 3,856,009</u>	<u>\$ 1,773,943</u>	<u>\$ 536,653</u>	<u>\$ 5,093,301</u>

Depreciation expense of \$324,532 for the year ended December 31, 2005, was charged to the following governmental functions:

General Government	\$ 40,950
Public Safety	120,128
Public Works	124,652
Health & Welfare	26,092
Culture & Recreation	11,837
Economic Development	<u>873</u>
Total	<u>\$ 324,532</u>

7. CONSTRUCTION COMMITMENTS

The police jury has active construction projects as of December 31, 2005.

South 2nd Ward Fire Grant-A Louisiana rural development grant in the amount of \$120,000 and a federal grant from the U. S. Department of Agriculture in the amount of \$120,000 for a total of \$240,000 was awarded to the Police Jury for the purpose of constructing a fire station and purchasing fire trucks for the south portion of Ward 2.

Wastewater Treatment-A federal grant in the amount of \$30,949 was awarded to the Police Jury under an EPA Cooperative agreement by the U. S. Environmental Protection Agency (EPA) and the University of New Orleans Research and Technology Foundation for the purpose of a study assessing the feasibility of expanding the existing sewer system and identify target areas that could reasonably be serviced by sewers.

St. Helena Parish Police Jury
Greensburg, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

RDG Road 2 of 2-A Certificate of Indebtedness in the amount of \$438,000 was issued to pay cost of building; rebuilding, resurfacing and keeping in repair the public roads, highways, and bridges in the District.

RDG Nesom Road- A Louisiana rural development grant in the amount of \$33,627 was awarded to the Police Jury for the purpose of purchasing materials and contract labor to repair and pave roadway on Nesom Road.

At year end the commitments with contractors are as follows:

<u>Project</u>	<u>Spent to Date</u>	<u>Remaining Commitment</u>
So. 2 nd Ward Fire Grant	\$ 240,000	\$ -0-
Wastewater Treatment	23,449	7,500
RDG Road 2 of 2	6,176	431,824
RDG Newsom Road	255	33,372
Total	\$ 269,880	\$ 472,696

8. INTERFUND RECEIVABLES, PAYABLE, AND TRANSFERS

The following is a summary of amounts due from and due to other funds at December 31, 2005 in the fund statements:

	<u>Due From</u> <u>Other Funds</u>	<u>Due To</u> <u>Other Funds</u>
<u>Major Funds:</u>		
General Fund	\$101,966	\$
Road, Bldg., & Mtc. Funds	1,957	11,337
Road District Mtc. #3		57,550
<u>Non-Major Funds:</u>		
Road District Mtc. #1	2,000	1,957
Sub Road 1 of Road District #2	2,000	2,000
Sub Road 2 of Road District #2	7,000	17,168
Road District Mtc. #4	89	3,000
Road District Mtc. #6		2,000
South 2 nd Ward Fire Protection		<u>20,000</u>
Total	\$115,012	\$115,012

The interfund receivables and payables have occurred at various times and are expected to be repaid.

St. Helena Parish Police Jury
Greensburg, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

The following is a summary of amounts transferred in from and out to other funds at December 31, 2005 in the fund statements:

	<u>Transfers In</u> <u>From Other Funds</u>	<u>Transfers Out</u> <u>to Other Funds</u>
<u>Major Funds:</u>		
General Fund	\$ 17,138	\$148,908
Road District Mtc. #3	20,001	57,640
Rohner Muse	1,870	
<u>Non-Major Funds:</u>		
Road District Mtc. #1	10,000	
Sub Road 1 of Road District #2	10,000	
Sub Road 2 of Road District #2	20,000	
Road District Mtc. #4	20,000	
Road District Mtc. #5	20,000	8,647
Road District Mtc. #6	28,647	
Industrial District		150
Health Unit		5,948
Fire Protection District #2		24,099
Fire Protection District #3		3,428
5 th Ward Fire District		1,824
South 2 nd Ward Fire Protection	7,531	27,018
E-911 Communications District		2,580
Revolving Loan fund		120
Fire Protection District #2 Sinking	21,923	
Revenue Bond Sinking	27,038	
So 2nd Fire-Grant Fund	26,106	7,531
New Hope Fund	<u>57,640</u>	<u>1</u>
Total	\$287,894	\$287,894

The Police Jury made several interfund transfers for various reasons as explained below:

A transfer in to the general fund in the amount of \$17,138 made by the following funds is an annual transfer of a 4% administrative fee to cover operating cost:

5 th Ward Fire Protection	\$ 1,824
Fire Protection District #2	2,176
Fire Protection District #3	3,428
South 2 nd Ward Fire Protection	912
Industrial District	150
Health Unit	5,948
E-911 Communications District	2,580
Revolving Loan	<u>120</u>
Total	\$17,138

St. Helena Parish Police Jury
Greensburg, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

Transfers out of the general fund in the amount of \$120,000 were transferred to the following Road Building and Maintenance funds to assist in covering operating expenses:

Road District #1 Mtc. Fund	\$ 10,000
Sub-Road Dist. #1 of Rd Dist. #2 Mtc.	10,000
Sub-Road Dist. #2 of Rd Dist. #2 Mtc	20,000
Road District #3 Mtc. Fund	20,000
Road District #4 Mtc. Fund	20,000
Road District #5 Mtc. Fund	20,000
Road District #6 Mtc. Fund	<u>20,000</u>
Total	\$120,000

Commencing January 2002, a sum equal to the principal and interest accruing on the 2001 revenue bonds is to be deposited each month into the Revenue Bond 2001 Sinking Fund from the general fund revenues. The transfer from the General fund to the Revenue Bond Sinking fund for 2005 was \$27,038.

The general fund transferred \$1,870 to the Rohner Muse Road Fund for the completion of project cost of Rohner Muse Road.

The Road District #5 has an intergovernmental agreement with Road District #6, where as Road District #6 maintains the parish roads in the Northern portion of Road District #5. In consideration, Road District #5 transfers one-third of its property tax revenues annually to Road District #6. The amounts transferred out of Road District #5 and transferred in to Road District #6 for 2005 was \$8,647.

Fire Protection District #2 transfers out annually, a payment for the principal and interest on the certificate of indebtedness for Fire Protection district #2 to the Fire Protection District #2 Sinking fund. The amount transferred for 2005 was \$21,923.

Road District #3 transferred out \$57,640 to the New Hope Capital Project Fund to cover cost of paving New Hope Road for 2005. After Completion of the project the New Hope capital project fund transferred the remaining cash in the bank account to Road District #3.

The transfers in of \$26,106 and the transfer out of \$7,531 in the South 2nd Fire Grant Fund were for the project cost of the fire station for the South 2nd fire district.

The following is a summary of the composition of the component unit intergovernmental receivables as of December 31, 2005:

Due To/From Primary Government and Component Units:

<u>Receivable Entity</u>	<u>Payable Entity</u>	
St. Helena Parish Police Jury	Fire Protection District #4	\$10,000
St. Helena Parish Police Jury	5 th Ward Recreational District	2,500

St. Helena Parish Police Jury
Greensburg, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

9. REQUIRED TRANSFERS

Criminal Court Fund-Louisiana Revised Statute 15:571.11 requires that one-half of any surplus remaining in the Criminal Court fund at year-end be transferred to the parish General Fund. However for the year ended December 31, 2005, the Criminal Court fund does not have a year-end fund balance.

Off-Duty Law Fund-Louisiana Revised Statute 15:255 requires that all surplus remaining in the Off-Duty Law Fund at year-end be transferred to the Criminal Court Fund. The following details the amounts transferred for 2005:

Cash Balance at December 31, 2004	<u>\$ 1,546</u>
Surplus Money at January 1, 2005	1,546
Amount transferred to Criminal Court	<u>(-0-)</u>
Balance left to transfer	1,546
Less money accumulated in 2005	<u>(2)</u>
Balance due at December 31, 2005	<u>\$ 1,544</u>

10. PREPAID INSURANCE

The beginning unrestricted net assets was restated for expenditures for insurance cost which covered future account periods. Prepaid insurance cost are reflected in the government-wide financial statements only.

11. ACCOUNTS, SALARIES, AND OTHER PAYABLES

The payables of \$298,297 at December 31, 2005, are as follows:

	General Fund	RBM Fund	Road Mtc. #3 Fund	Solid Waste Fund	Rohner Muse Fund	Other Gov't Funds	Total
Accounts	\$ 46,437	\$ 47,032	\$ 909	\$ 51,954	\$ -	\$ 103,528	\$ 249,860
Payroll Taxes	832				-		832
Deferred Revenues	7,846				-		7,846
Other	2,840	6,043	3,090			27,786	39,759
Total	\$ 57,955	\$ 53,075	\$ 3,999	\$ 51,954	\$ -	\$ 131,314	\$ 298,297

12. SHORT-TERM DEBT

The police jury had no short-term debt at December 31, 2005.

St. Helena Parish Police Jury
Greensburg, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

13. LEASES

The police jury records items under capital leases as an asset and an obligation in the accompanying financial statements. All leases at December 31, 2005 are for equipment. The following is an analysis of capital leases:

Lease-purchase due in monthly installments of \$802.91, including interest at 5.75%, Collateralized by equipment	\$ 3,958
Lease-purchase due in monthly installments of \$661.47, including interest at 6.25%, Collateralized by equipment	1,269
Lease-purchase due in monthly installments of \$1,403, including interest at 3.9%, Collateralized by equipment	37,552
Lease-purchase due in monthly installments of \$914.65, including interest at 6.5%, Collateralized by equipment	4,500
Lease-purchase due in annual installments of \$18,948, including interest at 4.522%, Collateralized by equipment	52,374
Lease-purchase due in monthly installments of \$806.92, including interest at 3.50%, Collateralized by equipment	<u>20,156</u>
	<u>\$119,809</u>

The following is a schedule of future minimum lease payments under capital leases, together with the present value of the net minimum lease payments, as of December 31, 2005:

Fiscal year:	<u>Equipment</u>
2006	\$ 55,339
2007	45,472
2008	26,230
Total minimum lease payments	<u>127,041</u>
Less - amounts representing interest	<u>(7,232)</u>
Present value of net minimum lease payments	<u>\$ 119,809</u>

The police jury does not have any operating leases.

St. Helena Parish Police Jury
Greensburg, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

14. LONG-TERM OBLIGATIONS

The following is a summary of the long-term obligation transactions for the year ended December 31, 2005:

	<u>Bonded Debt</u>	<u>Compensated Absences</u>	<u>Lease- Purchase Agreements</u>	<u>Other</u>	<u>Total</u>
Long-term obligations at 1/1/05	\$ 509,500	\$ 76,901	\$ 187,026	\$ 123,510	\$ 896,937
Additions	438,000	13,341	-	-	451,341
Deductions	<u>(28,500)</u>	<u>-</u>	<u>(67,217)</u>	<u>(26,002)</u>	<u>(121,719)</u>
Long-term obligations at 12/31/05	<u>\$ 919,000</u>	<u>\$ 90,242</u>	<u>\$ 119,809</u>	<u>\$ 97,508</u>	<u>\$ 1,226,559</u>

The following is a summary of the current and the long-term portions of long-term obligations as of December 31, 2005:

	<u>Bonded Debt</u>	<u>Compensated Absences</u>	<u>Lease Agreements</u>	<u>Other</u>	<u>Total</u>
Current portion	\$ 70,000	\$ -	\$ 16,743	\$ 26,002	\$ 112,745
Long-term portion	<u>849,000</u>	<u>90,242</u>	<u>103,066</u>	<u>71,506</u>	<u>1,113,814</u>
Total	<u>\$ 919,000</u>	<u>\$ 90,242</u>	<u>\$ 119,809</u>	<u>\$ 97,508</u>	<u>\$ 1,226,559</u>

Bonds payable at December 31, 2005 are comprised of the following individual issues:

\$39,990, 1998, Certificate of Indebtedness

Sub Road 2 of District #2, due in annual installments of \$4,000 through 2000, increasing to between \$4,500 to \$6,000 between 2001 to 2006 plus interest at 6%

\$ 6,000

\$400,000, Revenue Bonds, Series 2001, General Fund, due in annual installments of \$7,000 to \$26,000 between 2002 to 2031 plus interest at \$5.5%

375,000

\$150,000, 2002, Certificate of Indebtedness

Fire Protection District #2, due in annual installments of \$16,000 to \$22,000 between 2003 to 2010 plus interest at 5.5%

100,000

St. Helena Parish Police Jury
Greensburg, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

\$438,000, 2005, Certificate of Indebtedness
Sub Road Dist #2 of Road District #2, \$373,000
of the certificate is due in annual Installments
of \$26,000 to \$53,000 between 2006 to
2015 plus interest at 4%. The remaining \$65,000
is due in annual installments of \$13,000 between
2006 and 2010 at 0% interest.

438,000
\$919,000

At December 31, 2005, the police jury has accumulated \$3,045 in the debt service funds for future debt requirements. The annual requirements to amortize all certificates of indebtedness, general obligation bonds, and revenue bonds outstanding are as follows:

<u>Year Ending</u> <u>December 31</u>	<u>Principal</u> <u>Payments</u>	<u>Interest</u> <u>Payments</u>	<u>Total</u>
2006	\$ 70,000	\$ 36,057	\$ 106,057
2007	64,000	37,085	101,085
2008	67,000	35,130	102,130
2009	69,000	32,503	101,503
2010-2014	297,000	124,775	421,775
2015-2019	115,000	76,850	191,850
2020-2024	81,000	56,705	137,705
2025-2029	105,000	31,900	136,900
2030-2031	51,000	4,235	55,235
Total	\$ 919,000	\$ 435,240	\$ 1,354,240

In accordance with R.S. 39:562, the police jury is legally restricted from incurring long-term bonded debt in excess of 10% of the assessed value of taxable property. At December 31, 2005, the statutory limit is \$4,903,776.

Other Long-term Obligations

The St. Helena Police Jury entered into an agreement with the Office of Family support with Louisiana Department of Social Services in 1998 to repay a food stamp theft loss in the amount of \$260,022 in 120 monthly installments in the amount of \$2,167 beginning October 15, 1999. The balance of the note at December 31, 2005 is \$97,508.

The annual requirements under the agreement are as follows:

<u>Year Ending</u> <u>December 31,</u>	<u>Principal</u>
2006	26,002
2007	26,002
2008	26,002
2009	<u>19,502</u>
Total	\$ 97,508

St. Helena Parish Police Jury
Greensburg, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

15. RETIREMENT SYSTEMS

Substantially all police jury employees are members of the Parochial Employees' Retirement System of Louisiana (System), a cost-sharing multiple-employer defined benefit pension plan administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, which separate assets and benefits provisions. All Employees of the police jury are members of Plan A.

All permanent employees working at least 28 hours per week whom are paid wholly or in part from Parish funds and all elected parish officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to three percent of their final average salary for each year of creditable service. However, for those employees who are members of the supplemental plan only before January 1, 1980, the benefit is equal to one percent of final average salary plus \$24 for each year of supplemental-plan-only service earned before January 1, 1980, plus three percent of final-average salary for each year of service credited after the revision date. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute.

Under Plan A, members are required by state statute to contribute 9.5 percent of their annual covered salary and the police jury is required to contribute at an actuarially determined rate. The current rate is 12.75 percent of annual covered payroll. Contributions to the System include one-fourth of one percent of the taxes shown to be collectible by the tax rolls of each parish, except Orleans and East Baton Rouge Parishes. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. State statute requires covered employees to contribute a percentage of their salaries to the System. The contribution requirements of plan members and the police jury are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The St. Helena Parish Police Jury's contribution to the system under Plan A for the year ending December 31, 2005, was \$86,926 equal to the required contributions for the years.

St. Helena Parish Police Jury
Greensburg, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

Contributions required by State Statute:

<u>Fiscal Year Ended</u> <u>December 31</u>	<u>Required</u> <u>Contribution</u>	<u>Percentage</u> <u>Contribution</u>
2004	\$79,416	100%
2005	\$86,926	100%

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 Employee's Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (225) 928-1361.

16. OTHER POSTEMPLOYMENT BENEFITS

The St. Helena Parish Police Jury provides certain continuing health care and life insurance benefits for retired employees. Substantially all of the Police Jury's employees become eligible for these benefits if they reach normal retirement age while working for the Police Jury. The benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid by the Police Jury.

17. DEFERRED COMPENSATION PLAN

The Police Jury offers its employees, the Louisiana public Employees Deferred Compensation Plan, a deferred compensation plan created in accordance with Internal Revenue code Section 457, as revised January 1, 1999. The plan available to all Police Jury employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts and all income attributable to those amounts, property, or rights, shall be held for the exclusive benefit of participants and their beneficiaries.

At December 31, 2005 the amounts applicable to the employees of the police jury were \$1,238.16.

18. COMPENSATED ABSENCES

At December 31, 2005, employees of the police jury have accumulated and vested \$90,242 of employee leave benefits, which was computed in accordance with GASB Codification Section C60.

St. Helena Parish Police Jury
Greensburg, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

19. CHANGES IN AGENCY FUND DEPOSITS DUE OTHERS

A summary of changes in agency fund deposits due others follows:

	<u>Balance at Beginning of Year</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance at End of Year</u>
Agency funds:				
Library Fund	\$ 75,223	\$ 89,436	\$ 82,236	\$ 82,423

20. RESERVED FUND BALANCES

Monies accumulated in the debt service funds have been legally restricted for the purpose of paying the annual installments of principal and interest Revenue Bonds and Certificate of Indebtedness.

Monies accumulated in the capital project funds have been restricted for the purpose of paying cost associated with the capital project.

21. FEDERAL COMPLIANCE CONTINGENCIES

In the normal course of operations, the police jury receives grant funds from various Federal agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

22. RISK MANAGEMENT

The police jury does not have general liability insurance coverage and is at risk to possible losses resulting from claims filed by individuals who might suffer injury while on police jury property.

23. LITIGATION AND CONTINGENT LIABILITIES

The St. Helena Parish Police Jury has several legal actions and claims pending against it. The Police Jury has also filed suits against others. No accrual for gain or loss contingencies has been recorded in the financial statements for any legal actions. The potential outcome on the majority of claims is not known.

St. Helena Parish Police Jury
Greensburg, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

24. COOPERATIVE ENDEAVOR AGREEMENTS

On January 25, 2005 the police jury entered into a co-operative endeavor agreement with the 5th Ward Recreational District (a component unit of the St. Helena Parish Police Jury). The agreement states that the police jury and the district have the authority to provide for recreational opportunities within St. Helena Parish. The police jury advanced the district \$2,500 to provide funds to pay expenditures for the tax election and other administrative cost. The district is to repay the police jury on February 1, 2006 plus interest at 2 ½%.

On May 10, 2005, the police jury entered into a co-operative endeavor agreement with the South second Ward fire district. The agreement states that the police jury and the district have the authority to provide fire protection within the district. The police jury loaned the district \$20,000 payable on February 1, 2006 with interest at 1.74%

25. ON-BEHALF PAYMENTS FOR FRINGE BENEFITS AND SALARIES

For the year ended December 31, 2005, on behalf payments in the form of supplemental payments were paid to constables and justices of the peace. The payments were as follows:

State Agency	\$9,900	General Fund
--------------	---------	--------------

These amounts were recorded as income and expense in the respective fund.

26. SINKING FUND REQUIREMENTS

Commencing January 2002, a sum equal to the principal and interest accruing on the 2001 revenue bonds is to be deposited each month into the Revenue Bond 2001 Sinking Fund from the general fund revenues.

Payment for the principal and interest on the certificate of indebtedness for Fire Protection District No. 2 is to be deposited into the Fire Protection District #2 Sinking Fund. The deposit will come from the first revenues of the tax received in any calendar year.

27. CONTRACTS

The Police Jury has a contract with the Tangipahoa Communications District to facilitate the 911 system. This contract is for \$32,791.67 per year plus additional cost. This contract began July 1, 2005 and expires June 30, 2006.

The Police Jury also has a contract with Waste Management for garbage collection. The contract was renewed on December 1, 1999 and is for five years. There is an option to renew clause in the contract.

St. Helena Parish Police Jury
Greensburg, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

28. E911 SYSTEM

St. Helena implemented the E911 system parish wide on September 17, 2002. Telephone services charges and expenditures are reflected in fund statements in the amount of \$77,887, and \$62,697 respectively.

29. PRIOR PERIOD ADJUSTMENT

The following prior period adjustments were made to correct the beginning net assets in the government-wide financial statements, converting to the accrual basis of accounting:

<u>Date</u>	<u>Description</u>	<u>Amount</u>
12/31/04	Governmental Activities Net Assets, Beginning	\$6,294,937
	Prior Period Adjustment: Record Prepaid Insurance	95,255
12/31/04	Governmental Activities Net Assets, Restated	<u>\$6,390,192</u>

30. SUBSEQUENT EVENTS

Subsequent to fiscal year-end, the St. Helena Parish Police Jury and Federal Emergency Management Administration (FEMA) were reviewing and re-issuing the Project Worksheets (PWs) used as a basis for determining the amount of federal disaster assistance received by the Police Jury. It is not anticipated that the revisions will materially affect the total amount of assistance provided.

The St. Helena Parish Police Jury approved various resolutions subsequent to fiscal year-end involving the issuance of debt instruments as follows:

- Approved resolution authorizing issuance of \$600,000 of Certificates of Indebtedness, Series 2006, for the St. Helena Parish Hospital Service District No. 1 (a discretely presented component unit of the St. Helena Parish Police Jury).
- Approved resolutions for various districts authorizing the issuance of debt as follows:
 - 1) For Road District No. 4, \$484,000 Certificates of Indebtedness, Series 2006, to be repaid from the 10 mills ad valorem tax authorized by voters on 10/15/05.
 - 2) For Sub-Road District No. 2 of Road District No. 2, \$438,000 of Certificates of Indebtedness, Series 2005, in anticipation of revenues to be received from 6 mills ad valorem tax authorized by voters on April 2, 2005.
 - 3) For Fifth Ward Fire Protection District No. 1, \$350,000 Certificates of Indebtedness, Series 2006, to be repaid from the revenues of the fire district.
 - 4) For Road District No. 5 of St. Helena Parish, \$200,000 of Certificates of Indebtedness, Series 2006, to be repaid from the 5 mills and 7 mills advalorem taxes authorized through year 2015.
- Approved resolutions authorizing special elections to be held September 30, 2006 for ad valorem tax millage renewals and propositions for Road District No. 1, Road District No. 3, and Sub-Road District No. 1 of Road District No. 2.

**Required Supplemental Information
(Part II) -
Budgetary Comparison Schedules**

St. Helena Parish Police Jury
Greensburg, Louisiana

BUDGETARY COMPARISON SCHEDULES

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

General Fund

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

Road Building, and Maintenance Fund

The Road, Building, and Maintenance Fund is used to account for the operations and maintenance of all major road construction and maintenance work on parish roads. Financing is provided by the State of Louisiana Parish Transportation Fund, ad valorem taxes, state revenue sharing funds, one percent parish sales tax and interest earned on surplus cash balances.

Road District Maintenance #3 Fund

The Road District Maintenance Fund is used to account for the operations and road maintenance in District 3. Financing is provided by ad valorem taxes, state revenue sharing funds, and interest earned on surplus cash balances.

Solid Waste Management Sales Tax Fund

The Solid Waste Management Sales Tax Fund is used to account for operations of a solid waste program for the Parish of St. Helena. Financing is provided by a one-percent sales tax approved by the voters on April 7, 1984.

St. Helena Parish Police Jury
Statement of Revenues, Expenditures, and Changes in Fund Balances-
Budget and Actual-General Fund
For the Year Ended December 31, 2005

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with
	<u>Original</u>	<u>Final</u>	Budgetary Cash Basis	Final Budget Positive (Negative)
Budgetary Fund Balances, Beginning	\$ 638,075	\$ 674,410	\$ 674,410	\$ -
Resources (Inflows)				
Taxes:				\$ -
Ad valorem	72,300	71,296	71,296	-
Sales and use				-
Other taxes, penalties, interest, etc.	10,000	10,448	10,448	-
Licenses and permits	113,000	116,245	119,168	2,923
Intergovernmental revenues:				-
Federal grants	12,000	164,354	140,231	(24,123)
State funds:				-
Parish transportation funds				-
State revenue sharing (net)	6,400	6,400	6,001	(399)
Gaming Revenues	675,000	773,972	773,971	(1)
Other State Funds	500,000	560,170	560,170	-
Contributions from Local Governments				-
Fees, charges, and commissions for services	200	186	182	(4)
Fines and forfeitures	3,500	6,900	6,360	(540)
Rents and Royalties	2,200		-	-
Investment earnings	15,000	19,500	19,832	332
Other revenues	10,000	25	837	812
Sale of capital assets		110	110	-
Loans repayment from other Funds	19,856	840,590	838,688	(1,902)
Transfers from other funds	18,517	17,138	17,138	-
Amounts available for Appropriations	<u>2,096,048</u>	<u>3,261,744</u>	<u>3,238,842</u>	<u>(22,902)</u>
Charges to Appropriations (outflows)				
General government	931,308	877,545	822,231	55,314
Public safety	197,392	221,101	206,980	14,121
Public works				-
Cultural and recreation	5,100		-	-
Health and welfare	2,718	1,346	1,346	-
Community development				-
Economic development	20,200	20,254	19,951	303
Payments to component units		57,267	57,859	(592)
Debt service	26,002	26,002	26,002	-
Capital outlay	17,000	61,950	60,527	1,423
Other				-
Loans made to other funds		973,920	972,050	1,870
Transfers to other funds	149,531	149,531	148,908	623
Total Charges to Appropriations	<u>1,349,251</u>	<u>2,388,916</u>	<u>2,315,854</u>	<u>73,062</u>
Budgetary Fund Balances, Ending	<u>\$ 746,797</u>	<u>\$ 872,828</u>	<u>\$ 922,988</u>	<u>\$ 50,160</u>

See Accompanying Notes and Accountants' Report

St. Helena Parish Police Jury
Statement of Revenues, Expenditures, and Changes in Fund Balances-
Budget and Actual-Road District Mtc. Fund
For the Year Ended December 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Budgetary</u> <u>Cash Basis</u>	<u>Final Budget</u> <u>Positive (Negative)</u>
Budgetary Fund Balances, Beginning	\$ 81,480	\$ 100,033	\$ 100,033	\$ -
Resources (Inflows)				
Taxes:				-
Ad valorem	146,250	151,693	151,693	-
Sales and use	495,000	482,243	482,243	-
Other taxes, penalties, interest, etc.				-
Licenses and permits	8,000	7,175	6,700	(475)
Intergovernmental revenues:				-
Federal grants				-
State funds:				-
Parish transportation funds	130,000	128,314	128,314	-
State revenue sharing (net)	13,500	13,500	12,767	(733)
Gaming Revenues				-
Other State Funds				-
Contributions from Local Governments				-
Fees, charges, and commissions for services				-
Fines and forfeitures				-
Rents and Royalties				-
Investment earnings	2,000	5,320	5,290	(30)
Other revenues	100	570	570	-
Sale of capital assets				-
Loans repayment from other Funds				-
Transfers from other funds				-
Amounts available for Appropriations	<u>876,330</u>	<u>888,848</u>	<u>887,610</u>	<u>(1,238)</u>
Charges to Appropriations (outflows)				
General government	4,160	3,788	3,746	42
Public safety				-
Public works	793,982	737,770	708,317	29,453
Cultural and recreation				-
Health and welfare				-
Community development				-
Economic development				-
Payments to component units				-
Debt service				-
Capital outlay		15,583	15,583	-
Other				-
Loans made to other funds				-
Transfers to other funds				-
Total Charges to Appropriations	<u>798,142</u>	<u>757,141</u>	<u>727,646</u>	<u>29,495</u>
Budgetary Fund Balances, Ending	<u>\$ 78,188</u>	<u>\$ 131,707</u>	<u>\$ 159,964</u>	<u>\$ 28,257</u>

See Accompanying Notes and Accountants' Report

St. Helena Parish Police Jury
Statement of Revenues, Expenditures, and Changes in Fund Balances-
Budget and Actual-Road Dist Mtc. #3 Fund
For the Year Ended December 31, 2005

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with
	<u>Original</u>	<u>Final</u>	<u>Budgetary Cash Basis</u>	<u>Final Budget Positive (Negative)</u>
Budgetary Fund Balances, Beginning	\$ 107,865	\$ 108,710	\$ 108,710	\$ -
Resources (Inflows)				
Taxes:				-
Ad valorem	88,300	88,864	88,864	-
Sales and use				-
Other taxes, penalties, interest, etc.				-
Licenses and permits				-
Intergovernmental revenues:				-
Federal grants				-
State funds:				-
Parish transportation funds				-
State revenue sharing (net)	5,600	5,600	5,565	(35)
Gaming Revenues				-
Other State Funds				-
Contributions from Local Governments				-
Fees, charges, and commissions for services				-
Fines and forfeitures				-
Rents and Royalties				-
Investment earnings	3,000	4,200	4,210	10
Other revenues		500	500	-
Sale of capital assets				-
Loans repayment from other Funds		53,550	53,550	-
Transfers from other funds	20,000	20,000	20,001	1
Amounts available for Appropriations	<u>224,765</u>	<u>281,424</u>	<u>281,400</u>	<u>(24)</u>
Charges to Appropriations (outflows)				
General government	450			-
Public safety				-
Public works	60,221	61,964	61,154	810
Cultural and recreation				-
Health and welfare				-
Community development				-
Economic development				-
Payments to component units				-
Debt service	27,060	27,060	26,300	760
Capital outlay		3,000	3,000	-
Other				-
Loans made to other funds			761	(761)
Transfers to other funds		57,640	57,640	-
Total Charges to Appropriations	<u>87,731</u>	<u>149,664</u>	<u>148,855</u>	<u>809</u>
Budgetary Fund Balances, Ending	<u>\$ 137,034</u>	<u>\$ 131,760</u>	<u>\$ 132,545</u>	<u>\$ 785</u>

See Accompanying Notes and Accountants' Report

St. Helena Parish Police Jury
Statement of Revenues, Expenditures, and Changes in Fund Balances-
Budget and Actual-Solid Waste Fund
For the Year Ended December 31, 2005

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with
	<u>Original</u>	<u>Final</u>	<u>Budgetary Cash Basis</u>	<u>Final Budget Positive (Negative)</u>
Budgetary Fund Balances, Beginning	\$ 136,565	\$ 138,222	\$ 138,222	\$ -
Resources (Inflows)				
Taxes:				-
Ad valorem				-
Sales and use	495,000	482,243	482,243	-
Other taxes, penalties, interest, etc.				-
Licenses and permits				-
Intergovernmental revenues:				-
Federal grants				-
State funds:				-
Parish transportation funds				-
State revenue sharing (net)				-
Gaming Revenues				-
Other State Funds				-
Contributions from Local Governments				-
Fees, charges, and commissions for services				-
Fines and forfeitures				-
Rents and Royalties				-
Investment earnings	2,000	2,400	2,634	234
Other revenues				-
Sale of capital assets				-
Loans repayment from other Funds		60,000	60,000	-
Transfers from other funds				-
Amounts available for Appropriations	<u>633,565</u>	<u>682,865</u>	<u>683,099</u>	<u>234</u>
Charges to Appropriations (outflows)				
General government				-
Public safety				-
Public works	555,200	578,997	578,998	(1)
Cultural and recreation				-
Health and welfare				-
Community development				-
Economic development				-
Payments to component units				-
Debt service				-
Capital outlay				-
Other				-
Loans made to other funds				-
Transfers to other funds				-
Total Charges to Appropriations	<u>555,200</u>	<u>578,997</u>	<u>578,998</u>	<u>(1)</u>
Budgetary Fund Balances, Ending	<u>\$ 78,365</u>	<u>\$ 103,868</u>	<u>\$ 104,101</u>	<u>\$ 233</u>

See Accompanying Notes and Accountants' Report

St. Helena Parish Police Jury
Greensburg, Louisiana

Notes to Budgetary Comparison Schedules

BUDGET POLICIES

Budgetary procedures applicable to the St. Helena Parish Police Jury are defined in state law, Louisiana Revised Statutes 39:1301-1315. The Police Jury used the following budget practices:

1. The Police Jury must adopt a budget each year for the general fund and each special revenue fund, if applicable.

The Police Jury must prepare and submit the proposed budget for consideration not later than fifteen days prior to the beginning of each fiscal year. At the same time, if total proposed expenditures are \$500,000 or more, a notice of public hearing on the proposed budget must be published in the official journal in the parish. The notice of public hearing was published in the official journal on December 1, 2004 which was held on December 14, 2004.

All action necessary to adopt and implement the budget must be completed prior to the beginning of the fiscal year. The budget was adopted on December 14, 2004.

Budgetary amendments involving the transfers of funds from one program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Police Jury. The secretary-treasurer presents necessary budget amendments to the Police Jury during the year when actual operations are different from those anticipated in the original budget. The Police Jury adopts the amendments and they are made available for public inspection.

2. All budgetary appropriations lapse at the end of each fiscal year.
3. The Police Jury does not use encumbrance accounting.
4. Budgets are integrated into the accounting system, and the budgetary data, as presented in the financial statements for all funds with annual budgets, compare the expenditures with the amended budgets. All budgets are presented in accordance with the cash basis of accounting. Debt Service, Capital Project Funds, and Fiduciary Funds are not budgeted. A budget comparison for the Communications Fund which is a major fund is not presented since it is a capital project fund.

St. Helena Parish Police Jury
Greensburg, Louisiana

Notes to Budgetary Comparison Schedules

EXCESS OF EXPENDITURES OVER APPROPRIATIONS

The following individual funds had actual expenditures over budgeted appropriations for the year ended December 31, 2005:

<u>Fund</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Unfavorable Variance</u>
Road District #4	\$ 71,940.00	\$ 119,313.00	\$ 120,330.00	\$ 1,017.00
South 2nd Ward Fire	\$ 20,112.00	\$ 45,776.00	\$ 48,136.00	\$ 2,360.00

The unfavorable variance for Road District #4 is not in violation of the Local Government Budget Act. The unfavorable variance for South 2nd Ward Fire exceeds the 5% by \$71.

St. Helena Parish Police Jury
Greensburg, Louisiana

Notes to Budgetary Comparison Schedules
For the Year Ended December 31, 2005

**Budget to GAAP Reconciliation-Explanation of Differences Between Budgetary Inflows and Outflows and GAAP
Revenues and Expenditures**

	<u>General</u>	<u>RBM</u>	<u>Road Dist. Mtc. #3</u>	<u>Solid Waste</u>
Sources/inflows of Resources:				
Actual amounts (budgetary basis) "available for appropriation" from the Budgetary Comparison Schedule	\$ 3,238,842	\$ 887,610	\$ 281,400	\$ 683,099
Differences-budget to GAAP:				
The fund balance at the beginning of the year is budgetary resource but is not a current-year revenue for financial reporting purposes	(674,410)	(100,033)	(108,710)	(138,222)
Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes	(17,138)		(20,001)	
Loans repaid from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes	(838,688)		(53,550)	(60,000)
The proceeds from the sale of assets are budgetary resources but are regarded as other financing sources, rather than revenue, for financial reporting purposes	(110)			
Accrual of accounts receivable for financial reporting purposes	<u>145,646</u>	<u>57,854</u>	<u>2,646</u>	<u>35,482</u>
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>1,854,142</u>	<u>845,431</u>	<u>101,785</u>	<u>520,359</u>
Uses/Outflows of resources:				
Actual Amounts (budgetary basis) "total charges to appropriations" from the Budgetary Comparison Schedule	2,315,854	727,646	148,855	578,998
Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes	(148,908)		(57,640)	
Loans made to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes	(972,050)		(761)	
Accrual of accounts payable for financial reporting	<u>15,481</u>	<u>32,407</u>	<u>2,646</u>	<u>7,148</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 1,210,377</u>	<u>\$ 760,053</u>	<u>\$ 93,100</u>	<u>\$ 586,146</u>

**Other Supplemental Schedules
Combining Nonmajor Governmental
Funds
By Fund Type**

St. Helena Parish Police Jury
Combining Balance Sheet, Governmental Funds-by Fund Type
December 31, 2005

Schedule 5

	Non Major			Total Non Major Other Funds
	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	
ASSETS				
Cash and cash equivalents	\$ 970,194	\$ 3,045	\$ 470,519	\$ 1,443,758
Investments	250,000			250,000
Receivables (net of allowances for uncollectibles)	793,194		23,449	816,643
Due from other funds	11,089			11,089
Due from component units	-			-
TOTAL ASSETS	\$ 2,024,477	\$ 3,045	\$ 493,968	\$ 2,521,490
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts, salaries, and other payables	\$ 42,440	\$	\$ 61,088	\$ 103,528
Due to other funds	46,125			46,125
Deferred revenues	-			-
Other liabilities	27,786			27,786
Total Liabilities	116,351	-	61,088	177,439
Fund balances:				
Reserved for:				
Capital projects			432,880	432,880
Debt services		3,045		3,045
Unreserved, reported in:				
General Fund				-
Special revenue funds	1,908,126			1,908,126
Capital projects funds				-
TOTAL FUND BALANCE	1,908,126	3,045	432,880	2,344,051
TOTAL LIABILITIES AND FUND BALANCES	\$ 2,024,477	\$ 3,045	\$ 493,968	\$ 2,521,490

See Accompanying Notes and Accountants' Report

St. Helena Parish Police Jury
NONMAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures and
and Changes in Fund Balances - by Fund Type

For the Year Ended December 31, 2005

	NonMajor			TOTAL
	Special Rev Funds	Debt Service Funds	Capital Project Funds	NonMajor Other Funds
REVENUES				
Taxes:				
Ad valorem	\$ 789,233	\$	\$	\$ 789,233
Sales and use				-
Other taxes, penalties, interest, etc.				-
Licenses and permits				-
Intergovernmental revenues:				-
Federal grants			336,018	336,018
State funds:				-
Parish transportation funds				-
State revenue sharing (net)	54,037			54,037
Other			277,946	277,946
Fees, charges, and commissions for services	89,465			89,465
Fines and forfeitures	3,882			3,882
Rents and Royalties	1,200			1,200
Investment earnings	32,965	204	970	34,139
Other revenues	20,079			20,079
Total Revenues	990,861	204	614,934	1,605,999
EXPENDITURES				
General government	39,983			39,983
Public safety	138,728			138,728
Public works	321,182			321,182
Cultural and recreation	-			-
Health and welfare	167,181			167,181
Community development	-			-
Economic development	197			197
Payments to component units	-		4,000	4,000
Debt service	54,463	48,878		103,341
Capital outlay	58,140		717,417	775,557
Other	-			-
Total Expenditures	779,874	48,878	721,417	1,550,169
Excess (Deficiency) of Revenues Over (Under) Expenditures	210,987	(48,674)	(106,483)	55,830
OTHER FINANCING SOURCES (USES)				
Transfers in	116,178	48,961	83,746	248,885
Transfers out	(73,814)		(7,532)	(81,346)
Capital leases/Proceeds from Loans			438,000	438,000
Sale of capital assets	3,000			3,000
Total Other Financing Sources and Uses	45,364	48,961	514,214	608,539
Net Change in Fund Balance	256,351	287	407,731	664,369
Fund balances - beginning	1,651,775	2,758	25,149	1,679,682
Fund balances - ending	\$ 1,908,126	\$ 3,045	\$ 432,880	\$ 2,344,051

See accompanying notes and Accountants' Report

St. Helena Parish Police Jury
Greensburg, Louisiana

NONMAJOR SPECIAL REVENUE FUNDS

Road District Maintenance Funds

The Road District Maintenance Funds are used to account for the operations and road maintenance in Road District Nos. 1, Sub Road 1 and Sub Road 2 of 2, 4, 5, and 6. Financing is provided by ad valorem taxes, state revenue sharing funds, and interest earned on surplus cash balances.

Fifth Ward Fire Protection Maintenance Fund

The Fifth Ward Fire Protection Maintenance Fund is used to account for the operations of a volunteer fire department providing fire protection for the fifth ward. Financing is provided by ad valorem taxes, the two- percent fire insurance rebate, state revenue sharing funds, and interest earned on surplus cash balances.

Fire Protection District 2 Fund

The Fire Protection District 2 Fund is used to account for the operations of a volunteer fire department providing fire protection in the northwestern portion of St. Helena Parish, Louisiana. Financing is provided by ad valorem taxes, the two- percent fire insurance rebate, and interest earned on surplus cash balances.

Fire Protection District 3 Fund

The Fire Protection District 3 Fund is used to account for the operations of a volunteer fire department providing fire protection for district no. 1. Financing is provided by ad valorem taxes and interest earned on surplus cash balances.

South 2nd District #1 Fund

The Fire Protection South 2nd District #1 Fund is used to account for the operations of a volunteer fire department providing fire protection for south 2nd Ward. Financing is provided by ad valorem taxes and interest earned on surplus cash balances.

Industrial District

The Industrial District Fund is used to account for the rent receipts and expenditures related to the Industrial Park.

St. Helena Parish Police Jury
Greensburg, Louisiana

NONMAJOR SPECIAL REVENUE FUNDS

Health Unit Fund

The Health Unit Fund is used to account for the operation of the parish health unit. Financing is provided by ad valorem taxes, state revenue sharing funds and interest on surplus cash balances.

Office of Motor Vehicle Fund

The Office of Motor Vehicle Fund is used to account for the collection of a \$2.00 fee per service or transaction collected, which is used solely to defray local cost of operating the local field office in the parish.

Off-Duty Law Enforcement

The Off-Duty Law Enforcement Fund is used to account for the payment of witness fees to off-duty law enforcement officers in criminal matters. Financing is provided from proceeds of criminal cases in accordance with Louisiana Revised Statute 15:255.

E-911 Communications Fund

The E-911 Fund is used to account for operations of an enhanced 911 emergency telephone system. Financing is provided by an emergency telephone service charge.

Revolving Loan Fund

The Revolving Loan Fund is used to account for a Farmer's Home Administration "Rural Business Enterprise Grant" of \$100,000. The grant funds will be used as a revolving loan fund to make loans to new businesses in the St. Helena area.

St. Helena Parish Police Jury
 Combining Balance Sheet, Governmental Funds-by Fund Type-Special Revenue
 December 31, 2005

Rd #1 Fund	Sub 1 of 2 Fund	Sub 2 of 2 Fund	Rd #4 Fund	Rd #5 Fund	Rd #6 Fund	Judicial Fund	Health Unit Fund	Non Major					Off-duty Fund	Rev Loan Fund	OMV Fund	Total Non Major Special Revenue Funds
								5th Wd Fire Fund	Fire #2 Fund	Fire #3 Fund	So 2nd Fire Fund	E-911 Fund				
\$ 17,182	\$ 56,364	\$ 10,173	\$ 72,217	\$ 51,064	\$ 12,678	\$ 18,840	\$ 32,378	\$ 185,436	\$ 124,729	\$ 95,975	\$ 13,497	\$ 104,938	\$ 3	\$ 154,195	\$ 20,525	\$ 970,194
64,852	15,333	69,833	124,501	45,960	26,065	20	153,014	95,746	58,107	95,640	34,640	7,629	822	1,032	793,194	
2,000	2,000	7,000	89												11,089	
\$ 84,034.00	\$ 73,697.00	\$ 87,006.00	\$ 196,807.00	\$ 97,024.00	\$ 18,743.00	\$ 18,860	\$ 435,392	\$ 281,182	\$ 182,836	\$ 191,615	\$ 48,137	\$ 112,567	\$ 825	\$ 154,195	\$ 21,557	\$ 2,024,477
\$ 10,468.00	\$ 553.00	\$ 1,471.00	\$ 6,623.00	\$ 6,486.00	\$ 1,627.00	\$ 44.00	\$ 6,581.00	\$ 144.00	\$ 6,736.00	\$ 684.00	\$ 397.00	\$ 396.00		\$ 210.00	\$ 42,440.00	
1,957	2,000	17,168	3,000		2,000					20,000					46,125	
2,273	542	2,472	4,470	1,612	964	44	5,258	3,359	2,124	3,356	1,356				27,786	
14,698.00	3,095.00	21,111.00	14,093.00	8,098.00	4,591.00	44	11,839	3,503	8,860	4,040	21,753	396		230	116,351	
Fund balances:																
Reserved for:																
Capital projects																
Debt services																
Unreserved, reported in:																
General Fund																
Special revenue funds																
Capital projects funds																
69,336	70,602	65,895	182,714	88,926	34,152	18,816	423,553	277,679	173,976	187,575	26,384	112,171	825	154,195	21,327	1,908,126
69,336	70,602	65,895	182,714	88,926	34,152	18,816	423,553	277,679	173,976	187,575	26,384	112,171	825	154,195	21,327	1,908,126
\$ 84,034.00	\$ 73,697.00	\$ 87,006.00	\$ 196,807.00	\$ 97,024.00	\$ 18,743.00	\$ 18,860	\$ 435,392	\$ 281,182	\$ 182,836	\$ 191,615	\$ 48,137	\$ 112,567	\$ 825	\$ 154,195	\$ 21,557	\$ 2,024,477

ASSETS

Cash and cash equivalents
 Investments
 Receivables (net of allowances for uncollectibles)
 Due from other funds
 Due from component units
TOTAL ASSETS

LIABILITIES AND FUND BALANCES

Liabilities:
 Accounts, salaries, and other payables
 Due to other funds
 Deferred revenues
 Other liabilities
 Total Liabilities
 Fund balances:
 Reserved for:
 Capital projects
 Debt services
 Unreserved, reported in:
 General Fund
 Special revenue funds
 Capital projects funds
TOTAL FUND BALANCE
TOTAL LIABILITIES AND FUND BALANCES

St. Helena Parish Police Jury
NONMAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances - by Fund Type-Special Revenue
For the Year Ended December 31, 2005

	NonMajor Funds													TOTAL					
	Rd #1 Fund	Sub 1 of 2 Fund	Sub 2 of 2 Fund	Rd #4 Fund	Rd #5 Fund	Rd #6 Fund	Indust. Fund	Health Unit Fund	5th wd fire Fund	Fire #2 Fund	Fire #3 Fund	So 2nd Fire Fund	E-911 Fund		Off-duty Fund	Rev Loan Fund	OMV Fund	Non-Major Special Revenue Funds	
REVENUES																			
Taxes:																			
Ad valorem	\$68,495	\$ 15,800	\$ 71,978	\$121,356	\$42,621	\$27,025		\$ 150,619	\$ 92,644	\$ 59,186	\$100,557	\$ 38,952						\$ 789,233	
Sales and use	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other taxes, penalties, interest, etc.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental revenues:	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Federal grants	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State funds:	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Parish transportation funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State revenue sharing (net)	1,449	1,875	4,235	7,397	6,548	4,943		6,901	13,655	3,390	3,644							54,037	
Other State Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fees, charges, and commissions for services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rents and Royalties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment earnings	878	1,331	226	2,813	1,336	647	1,200	7,981	4,585	3,157	2,847	352	2,310	7	3,872	309		89,465	
Other revenues	70,822	19,006	76,439	131,566	50,505	32,615	1,514	165,501	117,755	70,079	111,970	43,244	80,197	3,889	3,872	11,887		3,882	
Total Revenues																			
	2,273	542	3,955	9,668	5,064	964		5,278	4,061	2,148	3,356	2,444	230					11,578	89,465
EXPENDITURES																			
General government																			
Public safety																			
Public works	68,057	24,338	54,867	92,036	26,483	55,401			17,171	15,844	22,505	10,355	62,467	4,700		5,686			138,728
Cultural and recreation																			
Health and welfare								167,181											167,181
Community development																			
Economic development																			
Payments to component units							197												197
Debt service	8,832		6,025	9,683	10,975					3,700	18,948								54,463
Capital outlay			500	19,783	13,859	5,444					14,854								58,140
Other																			
Total Expenditures	79,162	24,880	65,347	131,170	56,381	61,809	197	172,459	21,232	21,692	59,663	12,799	62,697	4,700	5,686				779,874
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,340)	(5,874)	11,092	396	(5,876)	(29,194)	1,317	(6,958)	96,523	48,387	52,307	30,445	17,500	(811)	3,872	6,201			210,987
OTHER FINANCING SOURCES (USES)																			
Transfers in	10,000	10,000	20,000	20,000	20,000	28,647						7,531							116,178
Transfers out																			(73,814)
Capital leases																			
Sale of capital assets																			
Total Other Financing Sources and Uses	10,000	10,000	20,000	20,000	20,000	28,647						7,531							3,000
Net Change in Fund Balance	1,660	4,126	31,092	23,396	5,477	(547)	1,167	(12,906)	94,699	24,288	48,879	10,958	14,920	(811)	3,752	6,201			256,351
Fund balances -- beginning	67,676	66,476	34,803	159,318	83,449	34,699	17,649	436,459	182,980	149,688	138,696	15,426	97,251	1,636	150,443	15,126			1,651,775
Fund balances -- ending	\$69,336	\$ 70,602	\$ 65,895	\$182,714	\$88,926	\$34,152	\$18,816	\$ 423,553	\$ 277,679	\$173,976	\$187,575	\$ 26,384	\$12,171	\$ 825	\$ 154,195	\$21,327			\$1,908,126

See accompanying notes and Accountants' Report
66

St. Helena Parish Police Jury
Greensburg, Louisiana

NONMAJOR CAPITAL PROJECTS FUNDS

Louisiana Development Community Block Grant Fund

The Community Development Block Grant Fund is used to account for a federal grant in the amount of \$497,603 to be used for the reconstruction of Pistal Womack Road, Leon Brown Lane, Charlotte Lee Lane, Calmes Road, McDaniel Road, and Brother Lane located in St. Helena Parish.

Communications Fund

The communications fund is used to account for a federal grant in the amount of \$349,884 for the purpose of communications equipment and a tower for fire protection in St. Helena Parish.

New Hope Road Fund

The New Hope Road Fund is used to account for a state grant from the Louisiana Office of Rural Development in the amount of \$85,000. The grant is to be used to pave New Hope Road.

South 2nd Ward Fire Grant Fund

A Louisiana rural development grant in the amount of \$120,000 and a federal grant from the U. S. Department of Agriculture in the amount of \$120,000 for a total of \$240,000 was awarded to the Police Jury for the purpose of constructing a fire station and purchasing fire trucks for the south portion of Ward 2.

Wastewater Treatment Fund

A federal grant in the amount of \$30,949 was awarded to the Police Jury under an EPA Cooperative agreement by the U. S. Environmental Protection Agency (EPA) and the University of New Orleans Research and Technology Foundation for the purpose of a study assessing the feasibility of expanding the existing sewer system and identify target areas that could reasonably be serviced by sewers.

RDG Water Line Fund

A state rural development Grant in the amount of \$4,000 was awarded to the Police Jury for the purpose of installing a water main and meters in Water District #2, Ward 1.

RDG Baseball Field Fund

A state rural development grant in the amount of \$14,973 was awarded to the Police Jury for the purpose of developing a baseball field.

RDG Road 2 of 2 Fund

A Certificate of Indebtedness in the amount of \$438,000 was issued to pay cost of building; rebuilding, resurfacing and keeping in repair the public roads, highways, and bridges in the District.

St. Helena Parish Police Jury
Greensburg, Louisiana

NONMAJOR CAPITAL PROJECTS FUNDS

RDG Nesom Road Fund

A Louisiana rural development grant in the amount of \$33,627 was awarded to the Police Jury for the purpose of purchasing materials and contract labor to repair and pave roadway on Nesom Road.

St. Helena Parish Police Jury
Combining Balance Sheet, Governmental Funds-by Fund Type-Capital Projects Funds
December 31, 2005

	LCDBG Fund	Communi- cations Fund	New Hope Fund	So 2nd Ward Grant Fund	Wastewater Treatment Fund	RDG Water Line Fund	RDG Baseball Field Fund	RDG Road 2 of 2 Fund	RDG Nesorn Road Fund	Total Non Major Capital Project Funds
\$	\$ 2,716	\$ 2,716	\$ 35,008	\$ 23,449	\$ -	\$ -	\$ 432,795	\$ -	\$ 470,519	23,449
\$	-	2,716	35,008	23,449	-	-	432,795	-	493,968	-
\$	\$ -	\$ -	\$ 37,639	\$ 23,449	\$ -	\$ -	\$ -	\$ -	\$ 61,088	-
-	-	-	37,639	23,449	-	-	-	-	61,088	-
Fund balances:										
Reserved for:										
Capital projects	2,716		(2,631)				432,795		432,880	
Debt services										
Unreserved, reported in:										
General Fund										
Special revenue funds										
Capital projects funds	-	2,716	-	(2,631)	-	-	432,795	-	432,880	-
TOTAL FUND BALANCE	\$ -	\$ 2,716	\$ -	\$ 35,008	\$ 23,449	\$ -	\$ -	\$ -	\$ -	\$ 493,968
TOTAL LIABILITIES AND FUND BALANCES										

ASSETS

Cash and cash equivalents
 Investments
 Receivables (net of allowances for uncollectibles)
 Due from other funds
 Due from component units
TOTAL ASSETS

LIABILITIES AND FUND BALANCES

Liabilities:
 Accounts, salaries, and other payables
 Due to other funds
 Due to component units
 Deferred revenues
 Other liabilities
 Total Liabilities

Fund balances:

Reserved for:
 Capital projects
 Debt services
 Unreserved, reported in:
 General Fund
 Special revenue funds
 Capital projects funds
TOTAL FUND BALANCE
TOTAL LIABILITIES AND FUND BALANCES

St. Helena Parish Police Jury
NONMAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures and
and Changes in Fund Balances - by Fund Type-Capital Projects Funds

For the Year Ended December 31, 2005

	LCDBG Fund	Communi-cations Fund	New Hope Fund	So 2nd Ward Grant Fund	Wastewater Treatment Fund	RDG Water Line Fund	RDG Baseball Field Fund	RDG Road 2 of 2 Fund	RDG Nesom Road Fund	TOTAL Non-Major Capital Project Funds
REVENUES										
Taxes:										
Ad valorem										
Sales and use										
Other taxes, penalties, interest, etc.										
Licenses and permits										
Intergovernmental revenues:										
Federal grants		192,569		120,000	23,449					336,018
State funds:										
Parish transportation funds										
State revenue sharing (net)			80,800	120,000		4,000	14,973		255	277,946
Other	57,918									
Fees, charges, and commissions for services										
Fines and forfeitures								970		970
Investment earnings										
Other revenues										
Total Revenues	57,918	192,569	80,800	240,000	23,449	4,000	14,973	970	255	614,934
EXPENDITURES										
General government										
Payments to component units						4,000				4,000
Capital outlay	57,918	215,000	138,440	261,206	23,449		14,973	6,176	255	717,417
Other										
Total Expenditures	57,918	215,000	138,440	261,206	23,449	4,000	14,973	6,176	255	721,417
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(22,431)	(57,640)	(21,206)	-	-	-	(5,206)	-	(106,483)
OTHER FINANCING SOURCES (USES)										
Transfers in			57,640	26,106						83,746
Transfers out			(1)	(7,531)						(7,532)
Capital leases/Proceeds from Loans								438,000		438,000
Sale of capital assets										
Total Other Financing Sources and Uses			57,639	18,575				438,000		514,214
Net Change in Fund Balance		(22,431)	(1)	(2,631)				432,794		407,731
Fund balances -- beginning		25,147	1					1		25,149
Fund balances -- ending	\$	\$ 2,716	\$ -	\$ (2,631)	\$ -	\$ -	\$ -	\$ 432,795	\$ -	\$ 432,880

See accompanying notes and accountants' report

ST. HELENA PARISH POLICE JURY
GREENSBURG, LOUISIANA

NONMAJOR DEBT SERVICE FUNDS

Fire Protection District #2 Sinking

The Fire Protection District #2 Sinking Fund is used to accumulate funds for the annual installment due on the Certificate of Indebtedness. The proceeds from the certificate of indebtedness funded the purchase of a fire truck for district #2. Transfers will be made from the Fire Protection District #2 Fund for this purpose and accumulated in this account.

Revenue Bonds 2001 Sinking

The Revenue Bond 2001 Sinking Fund is used to accumulate funds for the annual installment due on the Revenue Bonds. The revenue bond was issued for the purpose of constructing a facility to house the police jury office and the county parish agent. Transfers will be made from the General Fund for this purpose and accumulated in this account.

St. Helena Parish Police Jury
Combining Balance Sheet, Governmental Funds-by Fund Type-Debt Service
December 31, 2005

	Revenue Bond Sinking	Fire Prot. #2 Sinking	Total Non Major Debt Service Funds
ASSETS			
Cash and cash equivalents	\$ 2,686	\$ 359	\$ 3,045
Investments			-
Receivables (net of allowances for uncollectibles)			-
Due from other funds			-
Due from component units			-
TOTAL ASSETS	\$ 2,686	\$ 359	\$ 3,045
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts, salaries, and other payables	\$	\$	\$ -
Due to other funds			-
Due to component units			-
Deferred revenues			-
Other liabilities			-
Total Liabilities	-	-	-
Fund balances:			
Reserved for:			
Capital projects			-
Debt services	2,686	359	3,045
Unreserved, reported in:			
General Fund			-
Special revenue funds			-
Capital projects funds			-
TOTAL FUND BALANCE	2,686	359	3,045
TOTAL LIABILITIES AND FUND BALANCES	\$ 2,686	\$ 359	\$ 3,045

See Accompanying Notes and Accountants' Report

St. Helena Parish Police Jury
NONMAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances - by Fund Type-Debt Service Funds
For the Year Ended December 31, 2005

	Rev Bond Sinking Fund	FPD2 Sinking Fund	TOTAL NonMajor Debt Service Funds
REVENUES			
Taxes:			
Ad valorem	\$	\$	\$ -
Sales and use			-
Other taxes, penalties, interest, etc.			-
Licenses and permits			-
Intergovernmental revenues:			-
Federal grants			-
State funds:			-
Parish transportation funds			-
State revenue sharing (net)			-
Fees, charges, and commissions for services			-
Other			-
Fines and forfeitures			-
Investment earnings	142	62	204
Other revenues			
Total Revenues	<u>142</u>	<u>62</u>	<u>204</u>
EXPENDITURES			
General government			
Public safety			
Public works			
Cultural and recreation			
Health and welfare			
Community development			
Economic development			
Payments to component units			
Debt service	26,955	21,923	48,878
Capital outlay			
Other			
Total Expenditures	<u>26,955</u>	<u>21,923</u>	<u>48,878</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(26,813)</u>	<u>(21,861)</u>	<u>(48,674)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	27,038	21,923	48,961
Transfers out			
Capital leases			
Sale of capital assets			
Total Other Financing Sources and Uses	<u>27,038</u>	<u>21,923</u>	<u>48,961</u>
Net Change in Fund Balance	<u>225</u>	<u>62</u>	<u>287</u>
Fund balances -- beginning	2,461	297	2,758
Fund balances -- ending	<u>\$ 2,686</u>	<u>\$ 359</u>	<u>\$ 3,045</u>

See accompanying notes and accountants' report

Supplemental Information

St. Helena Parish Police Jury

Schedule 13

Schedule of Compensation Paid Board Members
For the Year Ended December 31, 2005

The schedule of compensation paid board members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature.

<u>NAME</u>	<u>Amount</u>
Mr. Jule Charles Wascom	\$14,555.52
Mr. Thomas J. Wicker	14,468.16
Mr. Willie J. Morgan	14,516.64
Mr. Frank E. Johnson	-
Mr. Charles Davis	14,650.08
Mr. Donald Ray Willson	14,664.48

(Continued)

See Independent Auditor's Report.

St. Helena Parish Police Jury

Schedule 13

**Schedule of Compensation Paid Board Members
For the Year Ended December 31, 2005**

Board Members	Address	Term of Office
Mr. Jule Charles Wascom	145 Alton & Lucille Lane Greensburg, LA 70441	January 2004 - 2008
Mr. Thomas J. Wicker	578 Wicker Lane Greensburg, LA 70441	January 2004 - 2008
Mr. Willie J. Morgan	75 Jack Rabbit Lane Greensburg, LA 70441	January 2004 - 2008
Mr. Frank E. Johnson	1537 Hwy 63 Pine Grove, LA 70453	January 2004 - 2008
Mr. Charles Davis	31746 Hwy 16 Amite, LA 70422	January 2004 - 2008
Mr. Donald Ray Willson	2993 Hwy 38 Kentwood, LA 70444	January 2004 - 2008

(Concluded)

See Independent Auditor's Report.

**St. Helena Parish Police Jury
Greensburg, Louisiana
Year Ended December 31, 2005**

Supplemental Information Schedules

General

**Schedule Of Expenditures Of Federal Awards
And Audit Findings Resolution**

In accordance with Office of Management and Budget Circular A-133, schedules of expenditures of federal awards, follow-up and corrective action taken on prior year audit findings, and corrective action plan for current year audit findings are presented.

See Independent Audit Report

St. Helena Parish Police Jury
Greensburg, Louisiana

Schedule 14

Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2005

Federal Grantor Pass-Through Grantor Program Name	Federal CFDA Number	Grant Number	Federal Expenditures
<i>United States Department of Homeland Security:</i>			
Public Assistance Grants (FEMA) (FIPS # 091-99091-00)	97.036	FEMA-LA- DR1603	\$ 50,053
Passed through Louisiana State Police, Office of Homeland Security - FY04 State Domestic Preparedness Equipment Support Program	97.004	2004-GE- T4-2004	89,991
Passed through Louisiana State Police, Office of Homeland Security Various Programs	97.042	Various	23,770
<i>United States Department of Homeland Security:</i>			
Assistance to Firefighters Grant	97.044	EMG-2003- FG-17020	215,000
<i>Passed through Louisiana Division of Administration, Office of Community Development:</i>			
Community Development Block Grant Program/Small Cities	14.219	Contract # 602917	57,918
<i>United States Department of Agriculture:</i>			
Community Facilities Loans and Grants	10.766	N/A	120,000
<i>Pass through of U.S. Environmental Protection Agency Funds, based on a contract between the University of New Orleans Research and Technology Foundation and the St. Helena Parish Police Jury:</i>			
Wastewater Treatment Facilities for Various Rural Communities - St. Helena Parish - EPA Cooperative Agreement	66.606	X7-97685010	<u>23,449</u>
Total Federal Financial Assistance			\$ <u>580,181</u>

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the St. Helena Parish Police Jury and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with requirements of OMB Circular A-133, "Audits of State, Local Governments, and Non-Profit Organizations".

See independent auditor's report.

**St. Helena Parish Police Jury
Greensburg, Louisiana**

Schedule 15

**Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2005**

Section I - Internal Control and Compliance Material to the Financial Statements

**Reference Number: 04-01 (Police Jury may have violated the Code of Ethics for public office).
Year Initial Finding Occurred: Fiscal year ending December 31, 2004**

Description of Finding:

The prior year finding noted that the Police Jury obtained telephone quotes from two (2) lumber companies and accepted the quote of Paul Davis Lumber Company in the amount of \$15,135.08. The finding further stated that the Paul Davis Lumber Company is owned by Paul Davis, who is the brother of Police Juror Charles Davis. The finding noted that R.S. 42:112(b) requires no public servant shall participate in a transaction involving the governmental entity in which, to his actual knowledge, any related party has an interest. Related party includes any member of the immediate family. It was recommended that in January of each year the current Police Jurors provide the purchasing agent and the road superintendent with a list of related parties to prevent purchasing from related parties.

Based on review of general ledger transactions for the fiscal year ending December 31, 2005, and per subsequent review, no transactions subsequent to the finding were noted that involved Paul Davis Lumber Company. The Police Jury complied to the audit recommendation that Jury provide the purchasing agent and the road superintendent a list of related parties, and at the time of this audit report the listing for year 2007 was being prepared. It is recommended that the Police Jury continue to provide the related party reports to key employees involved in purchases and the Police Jury continue to monitor for related party transactions.

Corrective Action Planned (Response by Management):

The Police Jury has indicated that they would discontinue any financial transactions with related parties and provide the annual listing of related parties to the purchasing agent and road superintendent.

Corrective Action Taken: Partial

Description of Corrective Action Taken:

Corrective action taken is listed as partial since the 2004 finding involved transactions noted within fiscal year 2005. There were no additional purchases noted after the date of the audit report and per subsequent review.

**St. Helena Parish Police Jury
Greensburg, Louisiana**

Schedule 15 (Continued)

**Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2005**

For the Year Ended December 31, 2005

Reference Number: ML 03-02 and 04-02 (Cash Management Laws)

Year Initial Finding Occurred: Fiscal year ending December 31, 2004

Description of Finding:

The finding noted that the Police Jury did not have sufficient pledged securities in the amount of \$75,575 to cover collected bank balances for the month of February 2004, and that R.S. 39:1225 requires that the amount of security pledged shall at all times be equal to one hundred percent (100%) of the amount of collected funds on deposit to the credit of each depositing authority except that portion insured by any governmental agency insuring bank deposits which is organized under the laws of the United States.

As part of the audit procedures for the fiscal year ending December 31, 2005, the files for monitoring the sufficiency of pledged collateral were reviewed. It was noted that it is now standard procedure to review monthly collateral statements and compare the adequacy of pledged collateral to actual bank balances. No instances of under collateralization of bank balances were noted from files sampled for the fiscal year ending December 31, 2005.

Corrective Action Planned (Response by Management):

Management indicated that they would review collateral statements on a monthly basis to ensure that sufficient collateral is pledged to protect the interests of the Police Jury.

Corrective Action Taken: Final

Reference Number: ML 03-04 and 04-03 (Fixed asset records inadequate).

Year Initial Finding Occurred: Fiscal year ending December 31, 2004

Description of Finding:

The finding, for the fiscal year ending December 31, 2004, noted statutory requirements for maintaining fixed asset (capital asset) records including proper descriptions for asset acquisitions and conducting annual inventories. In a sample of 55 items in the Finance Office and Homeland Security it was noted that 9 items were tagged but not on the asset list, 14 items had no tags, and 4 items had duplicate tag numbers.

Audit procedures for the fiscal year ending December 31, 2005, included a sample of 50 items from the total asset list plus as part of analytical review procedures applied, all purchases through federal grants were traced to the asset listing. As an asset is purchased or disposed of, information on the asset disposition is forwarded to the Police Jury's CPA and the item is added to or deleted from an

**St. Helena Parish Police Jury
Greensburg, Louisiana**

Schedule 15 (Continued)

**Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2005**

asset listing. The asset listing is maintained also to comply with current reporting standards requiring the calculation of depreciation expense on capital assets. It was noted that the police jury conducted an annual inventory of capital assets as required. For the items tested all were traced to the physical location. All purchases with federal funds were traced to the asset listing. However, it was also noted that of the 50 items tested, 18 items had no tag, and 4 items had the wrong tag number. We recommend that the Police Jury expand the annual inventory to match all tag numbers to the capital asset listing maintained by the Police Jury's CPA, and to reconcile the annual inventory to the capital asset listing.

Corrective Action Planned (Response by Management):

Management has indicated that they will continue to conduct an annual inventory and as part of the annual inventory will match tag numbers to the capital asset listing maintained by the Police Jury's CPA.

Corrective Action Taken: Partial

Description of Corrective Action Taken:

Corrective action remains as "partial" until the annual inventory is reconciled to the capital asset listing maintained by the Police Jury's CPA and tag numbers are traceable from the inventory to the capital asset listing.

**Reference Number: 03-06 and 04-04 (Sinking Fund Requirement for Fire 2 was not made on time)
Year Initial Finding Occurred: Fiscal year ending December 31, 2003**

Description of Finding:

The finding for the fiscal year ending December 31, 2004, indicated that the ad valorem tax payment for Fire District 2 was received on January 8, 2004, but that the transfer to the sinking fund was not made until March 9, 2004. The audit recommendation was that controls should be established to ensure that the transfer be made as ad valorem tax funds are received per bond restrictions.

Review for the fiscal year ending December 31, 2005, indicates that the required transfer to the Fire 2 Sinking Fund was made on January 18, 2005 as ad valorem tax funds were received. In addition, other sinking fund payments were transferred on a monthly basis per applicable bond restrictions.

**St. Helena Parish Police Jury
Greensburg, Louisiana**

Schedule 15 (Continued)

**Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2005**

Corrective Action Planned (Response by Management):

Management complied to audit recommendations.

Corrective Action Taken: Final

Reference Number: 04-05 (Police Jury may have violated public bid law)

Year Initial Finding Occurred: Fiscal year ending December 31, 2004

Description of Finding:

Problems were noted in fiscal year 2003 and for the fiscal year ending December 31, 2004, it was noted that two decontamination units totaling \$50,458 and software at a cost of \$14,175 were purchased without the required advertising for quotes and/or required number of bids. It was noted that R.S. 38:2212.1 requires that if a purchase of materials and supplies is \$20,000 or greater that it must be advertised and let by contract to the lowest bidder according to specifications. If the purchase is \$10,000 but less than \$20,000 they must obtain a) three telephone or fax quotes, b) written confirmation of the accepted offer, and c) if lower quote not accepted, the reasons for rejection of the lower quote. Recommendations were that the Police Jury establish controls to ensure that the public bid laws are being followed.

Bid compliance review, including review of bid compliance under federal grant programs, for the fiscal year ending December 31, 2005, did not indicate findings other than the incorrect coding to a supplies account for a software purchase. Although findings were not noted for the current fiscal year, the Police Jury should continue to monitor bid compliance and maintain documentation to ensure bid compliance.

Corrective Action Planned (Response by Management):

The Police Jury has indicated that they will continue to monitor purchases for bid compliance and maintain the required documentation as evidence of compliance to bid law.

Corrective Action Taken: Final

**St. Helena Parish Police Jury
Greensburg, Louisiana**

Schedule 15 (Continued)

**Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2005**

Reference Number: 03-03 and 04-06 (Possible violation of retirement law)

Year Initial Finding Occurred: Fiscal year ending December 31, 2004

Description of Finding:

The finding was noted in fiscal year 2003 with the finding for the fiscal year ending December 31, 2004 noting that an employee hired part-time was consistently working 40 hours and was not included in the retirement plan. It was recommended that the Police Jury consult with retirement plan personnel in regards to the employee.

For the fiscal year ending December 31, 2005 we reviewed payroll files to determine if additional employees should be covered under the retirement plan. We found only one employee that appeared eligible but not included in the retirement program. That particular employee was above age 55 and documentation was on file indicating that employee "opted out" of the retirement plan.

Corrective Action Planned (Response by Management):

The Police Jury complied to audit recommendations.

Corrective Action Taken: Final

Reference Number: 04-07 (Grant Administration)

Year Initial Finding Occurred: Fiscal year ending December 31, 2004

Description of Finding:

The finding for "grants administration" for the fiscal year ending December 31, 2004 noted numerous problems including the following:

- 1) Three grant files not available during the audit.
- 2) Documentation for matching volunteer hours not available.
- 3) Checks not written on grants approved on a "reimbursement basis" not written until funds received.
- 4) Instances of required reports not filed on time for the FEMA Communication System grant and the EMPG Enhanced Hazmat, and HMEP grant.

It was recommended that the Police Jury maintain the proper grant documentation, that the Police Jury work with grantor to make sure that all guidelines are understood and that the Police Jury should have a qualified person to administer the grant to ensure that program requirements are met.

**St. Helena Parish Police Jury
Greensburg, Louisiana**

Schedule 15 (Continued)

**Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2005**

Single Audit testing and review for federal programs for the fiscal year ending December 31, 2005 did not result in compliance findings or questioned costs reportable under compliance requirements for "Major Programs" as described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement. However, considerable time was required to review federal programs since federal programs are conducted by numerous consultants, engineers, and in many cases by fire department personnel. The decentralization of records creates difficulty in monitoring program compliance and required reporting. Although federal program transactions were tested, it was necessary to contact federal and state program contacts to verify that there were no outstanding compliance findings or delinquent reports. Even though some decentralization is required for engineers or consultants to administer federal programs, lack of centralization contributes to the probability that findings will occur in the future. Although no compliance findings were reported, the organization and control of records is addressed in the "Corrective Action Plan for Current Year Findings" as Management Finding 2005-M1 .

Corrective Action Planned (Response by Management):

Management has indicated that they will implement controls to adequately monitor federal program compliance and reporting.

Corrective Action Taken: Final

Description of Corrective Action Taken:

The finding is reported as "final" since compliance findings were not reported in the current period. However, the overall management of federal programs and the organization and control of records is addressed in the "Corrective Action Plan for Current Year Findings" and Management Finding 2005-M1.

**Reference Number: 03-01 and 04-08 (Parish Wide Capital Improvement Program Possibly Incorrect)
Year Initial Finding Occurred: Fiscal Year Ending December 31, 2003**

Description of Finding:

Both the 2003 and 2004 finding noted that the Police Jury maintained a listing of planned road projects but it could not be determined if the listing was on a prioritized basis. The prior year finding cited R.S. 48:755(A) and R.S. 48:755(B) requiring the development of a prioritized parish-wide system of road administration, with projects listed that could reasonably be anticipated to be constructed in the following two years based on anticipated revenues.

Review during the fiscal year ending December 31, 2005 indicated that a road priority list had been developed and adopted February 22, 2005, revised and adopted again on June 20, 2005, and was

**St. Helena Parish Police Jury
Greensburg, Louisiana**

Schedule 15 (Continued)

**Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2005**

submitted to the Police Jury in July 2006 for review and approval. In addition, it was noted that the work orders for road improvements were on a regular basis submitted at board meetings to keep the Police Jury informed of work status and completion. However, it was also noted that the listings still do not prioritize the work to be completed. In actual practice, funds from the RBM fund (Road Building and Maintenance Fund) are limited and expended for immediate repair needs. The funds for road construction generally come from state funds such as Rural Development, and from funding under federal grant programs. Whether or not a road is funded is usually dependent on funding from outside sources and often the ability of the road district to provide required matching funds. Although some projects will always be selected based on grant funding criteria, such as benefit to low-to-moderate income households, it is recommended that at a minimum the road priority list be modified to include a road assessment rating indicating the condition of the road, and a listing of the number of households to be benefited. These factors could be combined with grant program criteria to more reasonably determine priority for funding.

Corrective Action Planned (Response by Management):

These recommendations will be reviewed by the Police Jury and the current system for developing the road listing will be modified to more closely indicate priority for funding.

Corrective Action Taken: Partial

Description of Corrective Action Taken:

Corrective remains as "partial" until a system for determining road priority is formalized and adopted.

Reference Number: 04-09 (Hours of work-office personnel)

Year Initial Finding Occurred: Fiscal year ending December 31, 2004

Description of Finding:

As an internal control finding, the prior year finding noted that office personnel were clocking out for lunch and still being paid for eight hours. It was noted that based on existing policy, the employee should remain on the premises during the lunch hour.

Based on interview and observation for the fiscal year ending December 31, 2005, office personnel are no longer "clocking out" for lunch and take the lunch break on-site.

**St. Helena Parish Police Jury
Greensburg, Louisiana**

Schedule 15 (Continued)

**Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2005**

Corrective Action Planned (Response by Management):

The Police Jury complied with the audit recommendation.

Corrective Action Taken: Final

Reference Number: 04-10 (Controls over permits need to be improved)
Year Initial Finding Occurred: Fiscal year ending December 31, 2004

Description of Finding:

The finding for the fiscal year ending December 31, 2004 indicated that out of a total of 554 sewer permits, 3 were missing and 7 were voided. Out of a total of 181 building permits there were two missing and 2 were voided. Of the 9 voids, 5 did not have all 4 copies; and also on some of the completed permits, deposits were made but Police Jury copies were not available. Of the 26 logging permits, 2 permits totaling \$600 could not be found in bank deposits. It was recommended that written procedures be developed on the accounting for permits and that further investigation should be made to determine what happened to the \$600.

For the fiscal year ending December 31, 2005, audit procedures involved testing 60 permit transactions, testing the accuracy of the permit calculation and tracing the receipt to deposits. We found no exceptions in this test or in accounting for the sequence of permits issued. We noted that for the prior fiscal year, the \$600 reported as missing had been discussed directly with the Police Jury and the Police Jury had discussed this matter with the parties involved. No responsibility for the missing funds was determined and no formal action was taken. We recommend that the Police Jury discuss this matter with their legal counsel to determine if further action is required.

Corrective Action Planned (Response by Management):

We will comply with the audit recommendations.

Corrective Action Taken: Partial

Description of Corrective Action Taken:

Corrective action is listed as "partial" pending review by legal counsel.

**St. Helena Parish Police Jury
Greensburg, Louisiana**

Schedule 15 (Continued)

**Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2005**

Reference Number: 04-11 (Controls over cash disbursements need to be improved)
Year Initial Finding Occurred: Fiscal year ending December 31, 2004.

Description of Finding:

This finding for the fiscal year ending December 31, 2004 noted that through a clerical error a check was issued for \$59,192.06 rather than the correct amount of \$9,192.06. The check was recovered and re-issued for the correct amount. It was recommended that controls be established to match invoice amounts to checks before payment is made.

For the fiscal year ending December 31, 2005, we reviewed the controls over disbursements and it appears that extra time is being devoted to make certain that invoices match to check amounts and police jurors are provided access to supporting documentation at board meetings. We also observed the signing of checks and noted that supporting documentation is provided for review of check disbursement amounts. The review of supporting documentation is an important process and review procedures need to be continually monitored.

Corrective Action Planned (Response by Management):

Management implemented additional controls over the disbursement of checks.

Corrective Action Taken: Final

Reference Number: 04-12 (Approval of Office Personnel Payroll)
Year Initial Finding Occurred: Fiscal year ending December 31, 2004

Description of Finding:

The finding for the fiscal year ending December 31, 2004 noted that in the review of three payrolls, 1 employee had 2 payrolls not approved by the payroll clerk. On the November 4, 2004 payroll, 3 of 6 office employee's time cards could not be reconciled to pay checks.

Based on review for the fiscal year ending December 31, 2005, it was observed that the secretary-treasurer approves office payroll sheets and the approvals are double-checked by the payroll clerk.

**St. Helena Parish Police Jury
Greensburg, Louisiana**

Schedule 15 (Continued)

**Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2005**

Corrective Action Planned (Response by Management):

The Police Jury has complied to audit recommendations.

Corrective Action Taken: Final

Section II - Internal Control and Compliance Material to Federal Awards

No findings for Section II.

**St. Helena Parish Police Jury
Greensburg, Louisiana**

Schedule 15 (Continued)

**Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2005**

Section III - Management Letter

Reference Number: ML04-01 (Adherence to written drug policy)

Year Initial Finding Occurred: Fiscal year ending December 31, 2004

Description of Finding:

The prior year finding noted discrepancies in the procedures followed for testing employees for drugs. It was noted that there was no consistency in the number of employees selected and tests were not done on a scheduled basis.

Review for the fiscal year ending December 31, 2005, consisted of interview both with Police Jury employees and hospital representatives involved in randomly selecting employees for testing. Procedures now implemented still involve drug testing for new employees, but a random procedure was refined and implemented for selected employees for drug testing. We noted that drug tests were consistently conducted, with five random drug tests conducted from April through December 2005. Procedures appear to have been improved. Our only recommendation is that the random drug testing of employees be conducted for each month of the fiscal year.

Corrective Action Planned (Response by Management):

We will comply to audit recommendations and standardize the schedule of random drug tests.

Corrective Action Taken: Partial

Description of Corrective Action Taken:

Response to the finding is substantially complete and is listed as "partial" pending further standardization of scheduling for random tests.

Reference Number: 03-13 and ML04-02 (Control over cellular phones needs to be improved)

Year Initial Finding Occurred: Fiscal year ending December 31, 2003

Description of Finding:

Findings for the prior fiscal years and the fiscal year ending December 31, 2004, were extensive. The finding noted that there were 18 cellular phones of which 4 are assigned to police jurors. Findings noted no detailed call documentation for most of the cell phones, cell phones being used on weekends and nights, no documentation for business use of phones, and several calls out-of-state. Some plans

**St. Helena Parish Police Jury
Greensburg, Louisiana**

Schedule 15 (Continued)

**Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2005**

were found to be excessive in terms of minutes, at up to 2,000 minutes usage. Criteria for establishing a written policy was listed, including:

- 1) Prohibit all personal use;
- 2) Limit the number of people with phones;
- 3) Establish a reasonable number of minutes for each phone, based on employee's position;
- 4) Assign someone in the office to monitor phone usage to be sure all calls are within written policy;
- 5) Look at the necessity of Police Jurors having phones since all activity should flow through the office;
- 6) All cellular phones should be turned into the office at the end of the day for those who are not on call;
- 7) A report should be compiled on phone usage for each employee, and Police Juror monthly showing minutes used, cost and any unusual items on the bill. This report should be presented to the board on a monthly basis;
- 8) Cellular phone bills should reflect, in detail, all calls made and received.

Review during the fiscal year ending December 31, 2005 noted that private calls continued to occur after hours and on weekends. Policies implemented toward the end of the fiscal year required that cell phones for employees, other than for key supervisors, be turned in at the end of each day to limit the possibility that phones are used for personal calls. A notice was posted in the main Police Jury office and in the maintenance barn indicating that any cell phone purchased by the Police Jury is not to be used for personal calls. In addition, an employee was designated to review the phone bills for unusual or personal calls. In a separate memo, the road superintendent also requested that a copy of the phone bills be sent to his office for review. Our review indicated that the cell phones were not always turned in at the end of the day and that in some cases a copy of the phone bill had not been submitted to the road superintendent for review. There may be some instances in which a cell phone cannot be turned in at the end of the day, considering the physical size of the parish and work at different locations. In those cases we recommend that the reason that the phone was not turned in be listed on the sign-in sheet. In addition, in all cases a copy of the phone bill should be forwarded to the road superintendent to review for unusual or personal usage on the days that the phone was not turned in.

Corrective Action Planned (Response by Management):

We will continue to implement the audit recommendations and review phone bills to identify any unauthorized use of Police Jury cell phones.

Corrective Action Taken: Partial

**St. Helena Parish Police Jury
Greensburg, Louisiana**

Schedule 15 (Continued)

**Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2005**

Description of Corrective Action Taken:

Corrective action remains as "partial" until recommendations are fully implemented.

Reference Number: ML04-04 (Leave time records insufficient) and ML04-05 (Leave time accruals inconsistent and incorrect)

Year Initial Finding Occurred: Fiscal year ending December 31, 2004

Description of Finding:

The findings for the fiscal year ending December 31, 2005 indicated that only leave records on year-to-date accruals were available and leave time accrued for individual pay periods could not be provided. The finding also indicated that paycheck stubs did not always carry forward correctly to future periods. Findings also noted that leave accruals were accrued inconsistently for different employees.

Review for the fiscal year ending December 31, 2005 also indicated that reports from the payroll system can only be printed as of the current period. This is a function of the payroll software and the detail of accruals and time taken each month cannot be printed by the software. However, we examined the agenda for the Police Jury meetings and noted with the exception of one meeting in April 2005, police jurors were being provided a copy of the report showing the accruals to-date. For the current payroll period examined we noted one case where the report did not show the correct accrual. One employee showed 40 hours accrued when the actual should be zero hours. The payroll check stub did show the correct amount at zero hours. We recommend that the police jurors continue to closely review the report of accumulated time until software changes showing the detail of time accrued and taken can economically be implemented.

Corrective Action Planned (Response by Management):

We will comply to audit recommendations.

Corrective Action Taken: Partial

Description of Corrective Action Taken:

Corrective action remains as "partial" until the software can produce reports showing the detail of time accrued and taken.

**St. Helena Parish Police Jury
Greensburg, Louisiana**

Schedule 15 (Continued)

**Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2005**

**Reference Number: ML04-06 (Engineering services without license)
Year Initial Finding Occurred: Fiscal year ending December 31, 2004**

Description of Finding:

The finding for the fiscal year ending December 31, 2004 noted that the parish engineer had continued performing services after suspension of his engineering license. Once the parish was made aware of the suspension it was noted that the title of the engineer was changed to public works director. It was also noted that the engineer was paid travel for a trip to Washington, D.C.

For the fiscal year ending December 31, 2005, we reviewed payments to the engineer subsequent to the 2004 finding. Payments reviewed were for project development and were for administrative services including project development. Upon review it was noted that this consultant is not an employee of the Police Jury. In relation to payment of travel expense for an outside consultant there is always the question of whether the payment was made in accordance with established travel policy of the Police Jury and whether part of any payment may constitute a payment providing benefit to a person, corporation, or public or private entity in violation of Article VII, Section 14(A) of the Louisiana Constitution. We recommend that any travel payment to an outside party be first reviewed by legal counsel.

Corrective Action Planned (Response by Management):

We will comply with the above recommendations and will first review with legal counsel any proposed payment to an outside party for travel expenses.

Corrective Action Taken: Partial

Description of Corrective Action Taken:

The Police Jury took corrective action excluding payments for engineering services. The finding is listed as "partial" since the payments in question occurred in 2004, before the audit finding. The finding should also be reviewed in the subsequent year for compliance to recommendations.

**St. Helena Parish Police Jury
Greensburg, Louisiana**

Schedule 15 (Continued)

**Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2005**

Reference Number: 03-11 and ML04-07 (Controls over Police Jury's gasoline/diesel purchases need to be improved).

Year Initial Finding Occurred: Fiscal year ending December 31, 2003

Description of Finding:

The finding for the fiscal year ending December 31, 2004, noted that controls need to be strengthened for monitoring the use of gasoline/diesel fuel. Review is necessary to ensure that only Police Jury vehicles are receiving fuel, vehicles are properly identified, odometer readings are accurately reported, and the amount of gasoline used by Police Jury vehicles is reasonable. Prior findings also noted that the odometers on two vehicles were broken and that a method needs to be established to estimate mileage between fill-ups.

Interview and observation for the fiscal year ending December 31, 2005 noted that three of five vehicles having problems with odometer have been sold. The Police Jury kept two of the vehicles, which currently have "hubometers" to help track usage. Each vehicle has a fuelman card. There is a "spare" card, which is used to fuel miscellaneous items (chainsaw, weed eater, etc.). When this card is used, the receipt has a note as to which maintenance item was fueled. This detail is also recorded on the monthly fleetcor report of the fuelman purchases. This report is given to the jurors on a monthly basis for their review/approval. Equipment needing diesel is fueled at the Jury's diesel pump. The diesel pump reading on each use of diesel fuel is used for tracking. In order for the diesel pump to be used, the pump switch must be activated inside the maintenance building.

The Police Jury has implemented procedures to control the use of gasoline/diesel. We recommend that Jury continue to review those procedures and review usages to determine proper use of Police Jury vehicles.

Corrective Action Planned (Response by Management):

We have implemented proposed recommendations and will continue to monitor usage of gasoline and diesel fuel.

Corrective Action Taken: Partial

Description of Corrective Action Taken:

Recommended procedures have been implemented but monitoring needs to be continued to make certain gasoline and diesel fuel is used only for Police Jury vehicles.

**St. Helena Parish Police Jury
Greensburg, Louisiana**

Schedule 15 (Continued)

**Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2005**

Reference Number: ML03-01 and ML04-08 (No general liability insurance on owned property nor umbrella policy)

Year Initial Finding Occurred: Fiscal year ending December 31, 2003

Description of Finding:

The finding for the fiscal year ending December 31, 2004, noted that the Police Jury carries general liability insurance on its leased property, fire districts and automobiles, but no general liability coverage on its owned property; nor does it carry an umbrella policy to increase its limits of coverage.

Upon review for the fiscal year ending, we found that although the Police Jury had solicited quotes, there was no change in coverage. This finding is unresolved.

Corrective Action Planned (Response by Management):

We requested but did not receive any quotes. We will purchase additional general liability and umbrella insurance coverages as funds are available.

Corrective Action Taken: Partial

Description of Corrective Action Taken:

The finding remains as "partial" until insurance coverage is expanded for the Police Jury.

Reference Number: ML04-09 (Grant Administration)

Year Initial Finding Occurred: Fiscal year ending December 31, 2004

Description of Finding:

The prior year finding noted that a grant from the Department of Health and Hospitals for a formalized mosquito control program had not been used. It was recommended that a plan and timetable for expenditure of the funds be developed by the grants administrator.

Review for the fiscal year ending December 31, 2005 indicated that \$7,846 of the grant still remains. The Police Jury was awaiting certification by an employee, which has been done, and they are awaiting receipt of chemicals for spraying. It is recommended that the Police Jury maintain contact with the grantor agency and close out this grant at the earliest date possible.

**St. Helena Parish Police Jury
Greensburg, Louisiana**

Schedule 15 (Concluded)

**Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2005**

Corrective Action Planned (Response by Management):

The Police Jury is in the process of complying with recommendations and will close this grant as soon as project activities are completed.

Corrective Action Taken: Partial

Description of Corrective Action Taken:

The finding remains as "partial" until grant funds are expended and the project closed.

**St. Helena Parish Police Jury
Greensburg, Louisiana**

Schedule 16

**Corrective Action Plan for Current Year Findings
For the Year Ended December 31, 2005**

Section I - Internal Control and Compliance Material to the Financial Statements

Reference Number: 2005-C1 (Prepaid insurance accrual)

Description of Finding:

Audited financial statements for the Police Jury are required to be submitted on an accrual basis (similar to a private business enterprise) in conformance with Governmental Accounting Standards Board (GASB) Statement No. 34 – Basic Financial Statements-and Management’s Discussion and Analysis-for State and Local Governments. The amount of the insurance premiums that are unpaid at fiscal year-end (referred to as prepaid insurance) must be calculated and included in the financial statements if that amount is material to the financial statements. The amount calculated at fiscal year-end was \$95,255. We recommend that a prepaid insurance schedule be completed at fiscal year-end to conform to applicable reporting standards.

Corrective Action Planned (Response by Management):

We will prepare a prepaid insurance schedule at fiscal year-end.

Anticipated Completion Date: At fiscal year-end.

Contact Person:

Charles Davis, President
31746 Hwy. 16
Amite, Louisiana 70422
(985) 748-7032

Section II - Internal Control and Compliance Material to Federal Awards

No Findings for Section II.

**St. Helena Parish Police Jury
Greensburg, Louisiana**

Schedule 16 (Continued)

**Corrective Action Plan for Current Year Findings
For the Year Ended December 31, 2005**

Section III - Management Letter

Reference Number: 2005-M1 (Grant administration)

Description of Finding:

We noted within Finding No. 04-07 within the Summary Schedule of Prior Year Audit Findings that federal grant programs are often administered by numerous consultants, engineers, and in many cases by fire department personnel. The Police Jury, regardless of whether the federal funds are passed through to a district for expenditure, is responsible for the expenditure and management of the federal grant in three primary areas:

- 1) Financial management – The Police Jury is responsible for ensuring that federal funds are expended in accordance with approved federal budgets, expenditures are made in accordance with an approved grant or loan time schedule, and the expenditures are in accordance with cost standards for the expenditure of federal funds. Any entity may be subject to reimbursing federal funds if the funds are not expended as approved and in a timely manner.
- 2) Reports management – This is closely related to financial management, but often involving both financial and program reporting. A key to managing current federal funds and to obtaining additional federal funds is to submit required reports on schedule. This needs to be reviewed by management and often includes a schedule of reports by due date available for review by the Police Jury. One possible option is to include reports due each month within a reporting data base with reports to the Police Jury on a monthly basis summarizing reports status.
- 3) Program compliance – Each federal program carries its own program requirements, such as ensuring benefit to low-income persons, expenditure from an approved equipment list, etc. These requirements must be understood and communicated to the Police Jury for effective management of federal programs.

There is always competition for federal funds and past performance is a key factor in obtaining additional federal funding. However, the St. Helena Parish Police Jury is currently operating in an environment where federal funding can be maximized. Priorities for funding related to parish demographic data, including low-income data, minority concentrations, and priorities for Homeland Security created in part as a result of Hurricane Katrina, can open new avenues for funding. We recommend to the extent possible and to increase internal control over federal programs, that overall management of federal programs be centralized. This does not preclude or eliminate the use of professional consultants but adds assurance that federal funds will be expended in accordance with federal guidelines.

Corrective Action Planned (Response by Management):

We will review the current operation and management of federal programs to determine if the centralization of control over federal programs will benefit the parish.

Anticipated Completion Date: We will respond to this recommendation by the end of this fiscal year.

**St. Helena Parish Police Jury
Greensburg, Louisiana**

Schedule 16 (Continued)

**Corrective Action Plan for Current Year Findings
For the Year Ended December 31, 2005**

Contact Person:

Charles Davis, President
31746 Hwy. 16
Amite, Louisiana 70422
(985) 748-7032

Reference Number: 2005-M2 (FEMA and Disaster Response)

Description of Finding:

This finding is basically a continuation of policies and actions implemented by the St. Helena Parish Police Jury. Each community that responded to the Hurricane Katrina disaster was in a similar situation. They were expected to respond immediately to meet the needs of their community and provide disaster relief to victims of the disaster. Many communities found that the "immediate response" still needed to be in compliance with applicable federal and state bid law and requirements governing the payment of wages. The St. Helena Parish Police Jury passed a needed policy clarifying wage payments during a natural disaster. We recommend that the Police Jury take the following steps in preparation for any possible future natural disaster:

- 1) Review the wage policy with FEMA and the Legislative Auditor's office to determine if any changes are required.
- 2) Further centralize control for review of FEMA related expenditures during a natural catastrophe and have the Homeland Security Director or a designated official of FEMA or the Legislative Auditor's office review with the Police Jury documentation requirements for:
 - The type of assistance allowed immediately following the disaster.
 - Categories of work that are subject to federal and state bid law.
 - Documentation requirements for bids accepted, and equipment purchased.
 - The form of documentation required for force account work.
 - The form of documentation required for reimbursement of payroll.
 - A discussion of problem areas preventing reimbursement, as experienced by other communities.

This finding involves only management recommendations that would allow the Police Jury to be more prepared and informed in the event of a natural disaster, and is not an indication that disaster response by the Police Jury was inadequate.

**St. Helena Parish Police Jury
Greensburg, Louisiana**

Schedule 16 (Concluded)

**Corrective Action Plan for Current Year Findings
For the Year Ended December 31, 2005**

Corrective Action Planned (Response by Management):

We will review the recommendations and determine any steps necessary to respond effectively to natural disasters.

Anticipated Completion Date: We will discuss this at future board meetings.

Contact Person:

Charles Davis, President
31746 Hwy. 16
Amite, Louisiana 70422
(985) 748-7032

**St. Helena Parish Police Jury
Greensburg, Louisiana**

Schedule 17

**Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2005**

I. Type of Report Issued on the Financial Statements.

An unqualified opinion was issued on the financial statements for the St. Helena Parish Police Jury, Greensburg, Louisiana.

II. Disclosure of Reportable Conditions in Internal Control.

Yes. There were reportable conditions disclosed by the audit of the financial statements of the Police Jury. The reportable conditions were disclosed within the *Summary Schedule of Prior Audit Findings* as Reference Numbers 04-03, 04-08, 04-10, and as Reference No. 2005-C1 *within the Corrective Action Plan for Current Year Findings*.

III. Disclosure of noncompliance material to the financial statements.

Yes. One instance of noncompliance was disclosed by the audit of the financial statements of the Police Jury and disclosed as Reference No. 04-01 within the *Summary Schedule of Prior Audit Findings*.

IV. Disclosure of Reportable Conditions in Internal Control over Major Programs.

There were no reportable conditions for the Police Jury's Major Programs.

V. Type of Report Issued for Major Programs.

Unqualified.

VI. Disclosure of Audit Findings Required to be Reported under S __.510 Audit Findings.

There were no findings to be reported under S __.510 Audit Findings.

VII. Identification of Major Programs.

The Major Programs for the St. Helena Parish Police Jury, Greensburg, Louisiana, were CFDA No. 97.044 (Assistance to Firefighters Grant, U.S. Department of Homeland Security), and CFDA No. 10.766 (Community Facilities Loans and Grants, U.S. Department of Agriculture).

VIII. Dollar Threshold to Distinguish Between Type "A" and Type "B" programs.

Expenditures of \$500,000.

**St. Helena Parish Police Jury
Greensburg, Louisiana**

Schedule 17

**Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2005**

IX. Statement as to Whether the Auditee qualified as Low-Risk Auditee under S___ .530.

No.

X. Findings - Financial Statement Audit.

None.

XI. Findings and Questioned Costs for Federal Awards.

None.

Bruce C. Harrell, CPA

Dale H. Jones, CPA

INTERNET
www.teamcpa.com

MEMBERS

American Institute of CPAs
Society of Louisiana CPAs



BRUCE HARRELL
and COMPANY
Certified Public Accountants
A Professional Accounting Corporation

109 West Minnesota Park
Park Place Suite 7
Hammond, LA 70403
VOICE: (985) 542-6372
FAX: (985) 345-3156

P.O. Box 45 - 909 Avenue G
Kentwood, LA 70444
VOICE: (985) 229-5955
FAX: (985) 229-5951

**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL
REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

St. Helena Parish Police Jury
Greensburg, Louisiana

We have audited the accompanying financial statements of the governmental activities, the aggregated discretely presented component units, each major fund, and the aggregate remaining fund information of the St. Helena Parish Police Jury (hereinafter referred to as "Police Jury") as of and for the year ended December 31, 2005, which collectively comprises the Police Jury's basic financial statements and have issued our report thereon dated July 28, 2006. We did not audit the financial statements of the following discretely presented component units, the St. Helena Parish Hospital Service District No. 1, St. Helena Parish Fire District No. 4, St. Helena Water Works District No. 2, St. Helena Recreation and Parks District, St. Helena Parish Tourist Commission, and the St. Helena 5th Ward Recreation District which represents 47%, 18% and 60%, respectively, of the assets, net assets, and revenues of the St. Helena Parish Police Jury. The St. Helena Hospital Service District No. 1 financial statements were audited by other auditors whose report thereon has been furnished to us and our opinion, insofar as it relates to the amounts included for the St. Helena Hospital Service District No. 1, is based on the report of the other auditors.

Except as discussed in the following paragraph, 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.

The financial statements of the following discretely presented component units, St. Helena Parish Fire District No. 4, St. Helena Recreation and Parks District, and the St. Helena 5th Ward Recreation District have not been audited, and we are not engaged to audit their financial statements as part of our audit of the Police Jury's basic financial statements. Their financial activities are included in the Police Jury's basic financial statements as discretely presented component units and represent 8.27%, 10.72% and 3.91% of the assets, net assets, and revenues, respectively, of the Police Jury's aggregate discretely presented component units.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Police Jury's, Greensburg, Louisiana internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Police Jury's, Greensburg, Louisiana, ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying *Summary Schedule of Prior Year Findings* as findings 04-03, 04-08, and 04-10, and as finding 2005-C1 in the *Corrective Action Plan for Current Year Findings*.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, we consider findings 04-03, 04-08, and 04-10 within the *Summary Schedule of Prior Year Findings*, and finding 2005-C1 within the *Corrective Action Plan for Current Year Findings* to be material weaknesses. We have also noted other matters involving the internal control over financial reporting that we have reported to the St. Helena Parish Police Jury as management findings which are includes as findings ML04-01, ML04-02, ML04-04, ML04-05, ML04-06, ML04-07, ML04-08, ML04-09 with the *Summary Schedule of Prior Year Findings*, and as findings 2005-M1 and 2005-M2 within the *Corrective Action Plan for Current Year Findings*.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Police Jury's, Greensburg, Louisiana financial statements are free of material misstatements, 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 an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards*, which is described in the accompanying schedule of current year audit findings as item 2005-C1 within the *Corrective Action Plan for Current Year Findings*.

St. Helena Parish Police Jury
Report on Compliance

Page 3

This report is intended for the information and use of the audit committee, management, Louisiana Legislative Auditor, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Bruce Harrell & Company, CPAs
A Professional Accounting Corporation

July 28, 2006

Bruce C. Harrell, CPA

Dale H. Jones, CPA

INTERNET
www.teamcpa.com

MEMBERS
American Institute of CPAs
Society of Louisiana CPAs



BRUCE HARRELL
and COMPANY
Certified Public Accountants
A Professional Accounting Corporation

109 West Minnesota Park
Park Place Suite 7
Hammond, LA 70403
VOICE: (985) 542-6372
FAX: (985) 345-3156

P.O. Box 45 - 909 Avenue G
Kentwood, LA 70444
VOICE: (985) 229-5955
FAX: (985) 229-5951

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

St. Helena Parish Police Jury
Greensburg, Louisiana

Compliance

We have audited the compliance of the St. Helena Parish Police Jury, Greensburg, Louisiana (hereinafter referred to as "Police Jury"), with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2006. The Police Jury's, Greensburg, Louisiana's major federal programs are identified in the summary of auditor's results section (Identification of Major Programs – Section VII) of the accompanying *Schedule of Findings and Questioned Costs*. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Police Jury, Greensburg, Louisiana's management. Our responsibility is to express an opinion on the Police Jury's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Police Jury, Greensburg, Louisiana'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 District's compliance with those requirements.

In our opinion, the Police Jury, Greensburg, Louisiana, complied in all material respects, with the requirements referred to above that are applicable to its major federal programs for the year ended December 31, 2005.

Internal Control Over Compliance

The management of the Police Jury, Greensburg, Louisiana is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Police Jury, Greensburg, Louisiana's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with the applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information of the St. Helena Parish Police Jury, Greensburg, Louisiana management, the Louisiana Legislative Auditor, and 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. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Bruce Harrell & Company, CPA's
A professional Accounting Corporation

July 28, 2006