

Financial Report
Police Pension and Relief Fund
City of Houma, Louisiana
For the Year Ended December 31, 2008

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

Release Date 7/22/09

TABLE OF CONTENTS

Police Pension and Relief Fund

For the year ended December 31, 2008

	<u>Exhibit</u>	<u>Page Number</u>
Introductory Section		
Title Page		i
Table of Contents		ii – iii
Financial Section		
Independent Auditor’s Report		1 – 2
Management’s Discussion and Analysis		3 – 5
Statement of Fiduciary Net Assets	A	6
Statement of Changes in Fiduciary Net Assets	B	7
Notes to Financial Statements	C	8 – 13
	<u>Schedule</u>	
Required Supplementary Information Section		
Schedule of Employer Contributions	1	14
Actuarial Methods and Assumptions	2	15
Special Reports Of Certified Public Accountants		
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <u>Government</u> <u>Auditing Standards</u>		16 – 17
Schedule of Findings and Responses		18

TABLE OF CONTENTS
(Continued)

	<u>Page Number</u>
Reports By Management	
Schedule of Prior Year Findings and Responses	19
Management's Corrective Action Plan	20

FINANCIAL SECTION



Bourgeois Bennett

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of the
Police Pension and Relief Fund,
City of Houma, Louisiana.

We have audited the accompanying financial statements of the fiduciary activities of the Police Pension and Relief Fund (the Pension Fund), a component unit of Terrebonne Parish Consolidated Government (the Parish), as of and for the year ended December 31, 2008, which collectively comprise the Pension Fund's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of the Pension Fund's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the fiduciary net assets of the Police Pension and Relief Fund as of December 31, 2008, and the changes in fiduciary net assets for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated March 4, 2009 on our consideration of the Police Pension and Relief Fund's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

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1
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Management's Discussion and Analysis on pages 3 through 5 and the schedule of employer contributions and actuarial methods and assumptions on pages 14 and 15 are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. Except for actual contributions presented in the schedule of employer contributions for the years ended December 31, 1998 through 2007 on page 14, we have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of required supplemental information. However, we did not audit the information and express no opinion on it.

We have also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements as of December 31, 2007, 2006, 2005, 2004, 2003, 2002, 2001 2000, 1999 and 1998 (none of which are presented herein); and we expressed unqualified opinions on those basic financial statements.

In our opinion, the actual contributions in the schedule of employer's contributions for each of the ten years in the period ended December 31, 2007, appearing on page 14, is fairly stated, in all material respects, in relation to the basic financial statements from which it has been derived.

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

Houma, Louisiana,
March 4, 2009.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Police Pension and Relief Fund

The Management's Discussion and Analysis of the Police Pension and Relief Fund (the Pension Fund) financial performance presents a narrative overview and analysis of the Pension Fund's financial activities for the year ended December 31, 2008. This document focuses on the current year's activities, resulting changes and currently known facts. Please read this document in conjunction with basic financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

The Pension Fund's assets exceeded its liabilities at the close of fiscal year 2008 by \$307,112 (net assets), which represents a 33.75% decrease from last fiscal year. The Pension Fund's investments consist of investments in the Louisiana Asset Management Pool (LAMP).

Additions to the Pension Fund decreased \$83,754 (or 90.47%) due to the elimination of contributions during 2008.

Deductions from the Pension Fund decreased \$27,571 (or 14.30%) primarily due to a decrease in benefits paid.

The Pension Fund did not have a deficit in net assets.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Pension Fund's basic financial statements. The Pension Fund's annual report consists of four components: (1) management's discussion and analysis (this section) (2) basic financial statements (3) a required supplementary section which presents information required by the Governmental Accounting Standards Board and (4) various governmental compliance reports and schedules by certified public accountants and management.

Because of the long-term nature of a defined pension plan, financial statements do not provide sufficient information to reflect the plan's position. The financial statements consist of two financial exhibits and are accompanied by two required schedules of employer contributions and actuarial methods and assumptions. The Statement of Fiduciary Net Assets and Statement of Changes in Fiduciary Net Assets provide information about the financial position and activities of the plan as a whole. The Pension Fund was established for members of the City of Houma Police Department in 1951 and was merged in 1983 with the Municipal Police Employees Retirement System (MPERS) of the State of Louisiana and has been closed to new participants since October 1, 1983. The Pension Fund is used to provide retirement benefits to policemen not meeting the eligibility requirements of MPERS, for those policemen who retired prior to the first anniversary of the merger date and benefits to be paid in excess of those provided by MPERS.

The Schedule of Employer Contributions on page 14 presents historical trend information about the annual required contributions of the employer and the contributions made by the employer in relation to the required contributions. This schedule provides information that contributes to understanding the changes over time in the funded status of the Plan.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements. The notes to the financial statements can be found in Exhibit C of this report.

FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of the Pension Fund’s financial position. As of December 31, 2008, assets exceeded liabilities by \$307,112.

Condensed Statements of Fiduciary Net Assets

	<u>December 31,</u>		<u>Dollar</u>	<u>Total</u>
	<u>2008</u>	<u>2007</u>	<u>Change</u>	<u>Percent</u>
				<u>Change</u>
Cash	\$ 9,743	\$ 63,718	\$ (53,975)	-84.71%
Investments	<u>297,369</u>	<u>399,841</u>	<u>(102,472)</u>	-25.63%
 Net Assets Held in Trust for Pension Benefits	 <u>\$ 307,112</u>	 <u>\$ 463,559</u>	 <u>\$ (156,447)</u>	 -33.75%

Plan Activities

Plan activities decreased the Pension Fund's net assets by \$156,447. Key elements of this decrease are as follows:

Condensed Changes in Fiduciary Net Assets

	For the year ended December 31,		Dollar Change	Total Percent Change
	2008	2007		
Additions:				
Contributions	\$ -	\$ 69,487	\$ (69,487)	-100.00%
Investment income	8,827	23,094	(14,267)	-61.78%
Total additions	<u>8,827</u>	<u>92,581</u>	<u>(83,754)</u>	-90.47%
Deductions:				
Benefits paid	162,495	190,639	(28,144)	-14.76%
Administrative expenses	2,779	2,206	573	25.97%
Total deductions	<u>165,274</u>	<u>192,845</u>	<u>(27,571)</u>	-14.30%
Decrease in net assets	(156,447)	(100,264)	(56,183)	56.04%
Net assets beginning of year	463,559	563,823	(100,264)	-17.78%
Net assets end of year	<u>\$ 307,112</u>	<u>\$ 463,559</u>	<u>\$ (156,447)</u>	-33.75%

Employer contributions for the year ended December 31, 2008 were determined to no longer be necessary to fund the Pension Plan. Employer contributions are generally determined every two years. However, since there are no longer any active members eligible to enter the Pension Fund, it was determined that an actuarial valuation was not necessary as of December 31, 2008. The Board of the Pension Fund determined that the Plan has enough assets and revenue generated from interest earned to cover the liability owed to retirees until they are transferred to the MPERS program.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Pension Fund's finances for all those with an interest in the Pension Fund's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Board of Trustees of the Police Pension Retirement Fund, P.O. Box 6097, Houma, Louisiana 70361.

STATEMENT OF FIDUCIARY NET ASSETS**Police Pension and Relief Fund**

December 31, 2008

Assets	
Cash	\$ 9,743
Investments, at fair value	<u>297,369</u>
Net Assets Held in Trust for Pension Benefits	<u>\$ 307,112</u>

See notes to financial statements.

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS**Police Pension and Relief Fund**

For the year ended December 31, 2008

Additions

Investment income - interest	\$ 8,827
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Deductions

Benefits paid	162,495
Administrative expenses:	
Professional	2,200
Other	579

Total deductions	<u>165,274</u>
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Net Decrease	(156,447)
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Net Assets Held in Trust for Pension Benefits

Beginning of year	<u>463,559</u>
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End of year	<u>\$ 307,112</u>
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See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS**Police Pension and Relief Fund**

December 31, 2008

Note 1 - PLAN DESCRIPTION AND CONTRIBUTION INFORMATION

The following brief description of the City of Houma's Police Pension and Relief Fund (the Pension Fund) is provided for general information purposes only. Participants should refer to the applicable state statutes for more complete information.

a) Plan History

The Pension Fund was established for members of the City of Houma Police Department in 1951 under the provisions of City of Houma Ordinance No. 2038 (10/30/51) and revised Ordinance No. 3313 (5/27/80). On September 13, 1983, the City of Houma Board of Aldermen voted to enter into an agreement to merge the Plan with the Municipal Police Employees Retirement System of the State of Louisiana (MPERS). The merger was effective October 1, 1983. The Plan has been closed to new participants since October 1, 1983. The Board of Trustees is required to maintain funds to be used to provide retirement benefits as follows:

1. Retirement under the provisions of the Plan for those policemen not meeting the eligibility requirements of MPERS,
2. Retirement benefits for those policemen who retired prior to the first anniversary of the merger date, and
3. Benefits to be paid in excess of those provided by MPERS.

b) General

The Pension Fund (a defined benefit pension plan) is a single-employer Public Employee Retirement System (PERS) administered by a Board of Trustees (the Board). The Board consists of the Chief Financial Officer for Terrebonne Parish Consolidated Government (the Parish), the Chief of Police of the City of Houma and one member elected from the Police Department of the City of Houma by a majority vote.

Note 1 - PLAN DESCRIPTION AND CONTRIBUTION INFORMATION (Continued)

c) Plan Membership

At December 31, 2008, employee membership consisted of seven retirees and beneficiaries currently receiving benefits. There are no current active members.

d) Plan Benefits

Pension Benefits - Employees with twenty or more years of service regardless of age are entitled to annual pension benefits equal to two-thirds of the highest average monthly salary for any continuous twelve-month period of time worked prior to retirement, but the benefits shall not be less than \$100 per month. At age fifty, retirement benefits are assumed by MPERS.

Death and Disability Benefits - All death and disability benefits are assumed by MPERS.

e) Employer Contributions

Funding Policy - The Parish contributions are established by an actuary in the valuation report for the Pension Fund. The Aggregate Actuarial Cost Method was used and the actuarial accrued liability is equal to the actuarial value of assets, therefore there is no unfunded actuarial accrued liability. The latest actuarial valuation performed, December 31, 2004 determined that there was an unfunded present value of contingent benefits in excess of assets in the amount of \$300,607. Since the actuarial valuation was last performed, the Board believes Parish contributions and investment earnings have fully funded the actuarial accrued liability. Administrative costs are financed through investment earnings.

Annual Pension Cost -As of December 31, 2007, the Board of the Pension Fund has determined that contributions from the Parish will no longer be necessary to fund the Pension Plan. The Plan has enough assets and the revenue generated from interest earned to cover the liability owed to retirees until they are transferred to the MPERS program.

No new employees have entered into the Pension Fund since the merger with MPERS and no contributions by employees have been made since the merger.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Pension Fund conform to accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of significant accounting policies:

a) Reporting Entity

The Pension Fund is a component unit of the Parish and, as such, these financial statements will be included in the comprehensive annual financial report (CAFR) of the Parish for the year ended December 31, 2008.

The Pension Fund has reviewed all of its activities and determined that there are no potential component units, which should be included in its financial statements.

b) Fund Accounting

The accounting system is organized and operated on a fund basis whereby a separate self-balancing set of accounts is maintained for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

The accounts of the Pension Fund are organized on the basis of a fiduciary fund type-pension trust fund. Pension trust funds are used to account for assets held in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds.

c) Basis of Accounting

Pension trust funds are accounted for using the accrual method of accounting. Revenues are recognized when they are earned and expenses are recognized when they are incurred.

d) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e) Method Used to Value Investments

Investments in the Louisiana Asset Management Pool (LAMP) are short-term investments which are reported at market value when published prices are available, or at cost, which approximates fair value. Investments during the year consisted of certificates of deposit and LAMP. LAMP is an external pool, which is operated in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. Rule 2a7 allows SEC-registered mutual funds to use amortized cost rather than market value to report net assets to compute share prices if certain conditions are met.

Note 3 - DEPOSITS AND INVESTMENTS

Louisiana state law allows the Pension Fund to invest excess funds in interest-bearing bonds or securities issued or backed by the United States, the state of Louisiana, or the municipality in which the board is located or in certificates of deposit in banks of the United States and/or the state of Louisiana.

Bank Deposits:

State law requires deposits (cash and certificates of deposit) of all political subdivisions to be fully collateralized at all times. Acceptable collateralization includes FDIC insurance and the market value of securities purchased and pledged to the political subdivision. Obligations of the United States, the State of Louisiana and certain political subdivisions are allowed as security for deposits. Obligations furnished as security must be held by the political subdivision or with an unaffiliated bank or trust company for the account of the political subdivision. The year end balance for bank deposits for bank balance is \$9,743.

Custodial credit risk is the risk that in the event of bank failure, the Pension Fund's deposits may not be returned to it. The Pension Fund has a written policy for custodial credit risk. As of December 31, 2008 the Pension Fund's bank balance of \$9,743 was covered by federal deposit insurance and not exposed to credit risk.

Investments:

As a means of limiting its exposure to fair value losses arising from interest rates, the Pension Fund's investment policy emphasized maintaining liquidity to match specific cash flows.

Credit risk is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Pension Fund's investment policy requires the application of the prudent-person rule. This policy states, *investments shall be made with the judgment and care, under circumstances then prevailing, which persons of prudence,*

Note 3 - DEPOSITS AND INVESTMENTS (Continued)

discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. Primary emphasis shall be placed upon the safety of principal secondly to maintain liquidity to meet operating requirements and finally to obtain the most favorable rate of return... The Pension Fund's investment policy limits investments to those discussed earlier in this note. LAMP has a Standard & Poor's Rating of AAAm.

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Pension Fund will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investments in external investment pools are not exposed to custodial credit risk because of their natural diversification and the diversification required by the Securities and Exchange Commission.

LAMP, a local government investment pool, is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana, which was formed by an initiative of the State Treasurer in 1993. While LAMP is not required to be a registered investment company under the Investment Company Act of 1940, its investment policies are similar to those established by Rule 2a7, which governs registered money market funds. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, guaranteed or backed by the U.S. Treasury, the U.S. Government or one of its agencies, enterprises or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. The fair value of investments is determined on a weekly basis to monitor any variances between amortized cost and fair value. For purposes of determining participants' shares, investments are valued at amortized costs. The fair value of participant's position is the same as the value of the pool shares. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. Investments in LAMP at December 31, 2008 amounted to \$297,369 and are classified on the Statement of Fiduciary Net Assets as "Investments, at fair value".

A reconciliation of deposits and investments as shown on the Statement of Fiduciary Net Assets is as follows:

Reported amount of deposits	\$ 9,743
Reported amount of investments	<u>297,369</u>
Total	<u>\$307,112</u>

Note 4 - REQUIRED SUPPLEMENTARY INFORMATION

In accordance with GASB Statement No. 25, required supplementary information can be found in the attached schedules.

Note 5 - COMPENSATION OF BOARD MEMBERS

Members of the Pension Fund Board serve without compensation.

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF EMPLOYER CONTRIBUTIONS**Police Pension and Relief Fund**

(UNAUDITED)

<u>Year Ended December 31</u>	<u>Annual Required Contributions</u>	<u>Actual Contributions</u>	<u>Percentage Contributed</u>
1998	\$34,101	\$34,101	100%
1999	\$33,082	\$34,101	103%
2000	\$35,067	\$35,067	100%
2001	\$173,410	\$173,410	100%
2002	\$173,410	\$173,410	100%
2003	\$101,539	\$101,539	100%
2004	\$98,623	\$98,623	100%
2005	\$98,623	\$98,623	100%
2006	\$69,487	\$69,487	100%
2007	\$69,487	\$69,487	100%

ACTUARIAL METHODS AND ASSUMPTIONS**Police Pension and Relief Fund**

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

Valuation date	December 31, 2004.
Actuarial cost method	Aggregate Actuarial Cost Method, level % of pay.
Amortization method	This method does not identify or separately amortize unfunded actuarial liabilities.
Asset valuation method	Market value.
Actuarial assumptions:	
Investment rate of return	6% per year compounded annually.
Mortality	Based on the 1983 Group Annuity Mortality Table for Males and Females.
Termination, disability and retirement	Rates of withdrawal and termination from active service before retirement for reasons other than death are based on a table in the actuarial report which is used in similar systems. Rates of disability are based on the Eleventh Actuarial Valuation of the Railroad Retirement System.
Salary increases	Vary according to age ranging from 3% (age 55) to 6.1% (age 25) per year compounded annually.
Cost-of-living adjustments	Adjusted for projected increases in the standard of living.

SPECIAL REPORTS OF CERTIFIED PUBLIC ACCOUNTANTS



Bourgeois Bennett

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

To the Board of Trustees,
Police Pension and Relief Fund,
City of Houma, Louisiana.

We have audited the financial statements of the fiduciary activities of the Police Pension and Relief Fund (the Pension Fund), a component unit of Terrebonne Parish Consolidated Government, as of and for the year ended December 31, 2008, which collectively comprise the Pension Fund's basic financial statements and have issued our report thereon dated March 4, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Pension Fund's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Pension Fund's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Pension Fund's internal control over financial reporting.

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

16

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Pension Fund's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of the Board of Trustees, management, the State of Louisiana and the Legislative Auditor for the State of Louisiana 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.

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

Houma, Louisiana,
March 4, 2009.

SCHEDULE OF FINDINGS AND RESPONSES

Police Pension and Relief Fund

For the year ended December 31, 2008

Section I Summary of Auditor's Results

a) Financial Statements

Type of auditor's report issued: unqualified

Internal control over financial reporting:

- Material weakness(es) identified? yes no
- Significant deficiency (ies) identified that are not
 considered to be material weaknesses? yes none reported

Noncompliance material to financial statements noted? yes no

b) Federal Awards

The Police Pension and Relief Fund did not expend federal awards during the year ended December 31, 2008.

Section II Financial Statement Findings

No financial statement findings were noted during the audit for the year ended December 31, 2008.

Section III Federal Award Findings and Questioned Costs

Not applicable.

REPORTS BY MANAGEMENT

SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES

Police Pension and Relief Fund

For the year ended December 31, 2008

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

Internal Control

No material weaknesses were noted during the audit for the year ended December 31, 2007.
No reportable conditions were reported during the audit for the year ended December 31, 2007.

Compliance

No compliance findings material to the basic financial statements were noted during the audit for the year ended December 31, 2007.

Section II Internal Control and Compliance Material to Federal Awards

The Police Pension and Relief Fund did not expend federal awards during the year ended December 31, 2007.

Section III Management Letter

A management letter was not issued in connection with the audit for the year ended December 31, 2007.

MANAGEMENT'S CORRECTIVE ACTION PLAN

Police Pension and Relief Fund

For the year ended December 31, 2008

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

Internal Control

No material weaknesses were noted during the audit for the year ended December 31, 2008.
No significant deficiencies were reported during the audit for the year ended December 31, 2008.

Compliance

No compliance findings material to the basic financial statements were noted during the audit for the year ended December 31, 2008.

Section II Internal Control and Compliance Material to Federal Awards

The Police Pension and Relief Fund did not expend federal awards during the year ended December 31, 2008.

Section III Management Letter

A management letter was not issued in connection with the audit for the year ended December 31, 2008.