

**ST. MARTIN PARISH GOVERNMENT
ST. MARTINVILLE, LOUISIANA**

FINANCIAL REPORT

As of and for the Year Ended

DECEMBER 31, 2006

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

8/8/07

ST. MARTIN PARISH GOVERNMENT
St. Martinville, Louisiana

FINANCIAL REPORT

As of and For the Year Ended December 31, 2006

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INDEPENDENT AUDITORS' REPORT

To Guy Cormier, Parish President
and the Members of the St. Martin
Parish Council
St. Martinville, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the St. Martin Parish Government as of December 31, 2006 and for the year then ended, which collectively comprise the basic financial statements of the St. Martin Parish Government's primary government as listed in the preceding table of contents. These financial statements are the responsibility of the management of the St. Martin Parish Government. Our responsibility is to express an opinion on these financial statements based upon 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 primary government financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the primary government financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

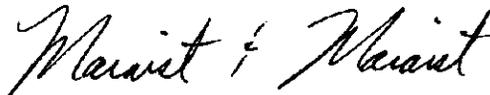
The financial statements referred to above include only the primary government of the St. Martin Parish Government, which consists of all funds, organizations, institutions, agencies, departments, and offices that comprise the St. Martin Parish Government's legal entity. The financial statements do not include financial data for the St. Martin Parish Government's legally separate component units, which accounting principles generally accepted in the United States of America require to be reported with the financial data of the St. Martin Parish Government's primary government. As a result, the primary government financial statements do not purport to, and do not, present fairly the financial position of the St. Martin Parish Government as of December 31, 2006 and the changes in its financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In our opinion, except for the effects on the financial statements of the omission described in the preceding paragraph, the primary government 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 primary government of the St. Martin Parish Government as of December 31, 2006, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 25, 2007 on our consideration of the St. Martin Parish Government's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The Management's Discussion and Analysis and budgetary comparison information on pages 4 through 14 and 47 through 51, respectively, are not a required part of the basic financial statements of the St. Martin Parish Government but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information, and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the basic financial statements of the St. Martin Parish Government. The accompanying information listed as other supplemental information in the table of contents, including the schedule of expenditures of federal awards as required by U. S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, are presented for purposes of additional analysis and are not a required part of the basic financial statements of the St. Martin Parish Government. Such supplemental information has been subjected to the auditing procedures applied in the examination of the primary government financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.



MARAIST AND MARAIST
CERTIFIED PUBLIC ACCOUNTANTS

St. Martinville, Louisiana
July 25, 2007

REQUIRED SUPPLEMENTAL INFORMATION

Management's Discussion and Analysis (MD & A)

ST. MARTIN PARISH GOVERNMENT

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Unaudited)

The discussion and analysis of St. Martin Parish Government's financial performance provide an overview of the Parish's financial activities for the fiscal year ended December 31, 2006, in an easily readable analysis. Please read it in conjunction with the Parish's financial statements that follow.

HIGHLIGHTS

Financial Highlights

- Assets of the Parish exceeded its liabilities at the close of the fiscal year by \$38,140,252 of this amount, \$9,466,243 was invested in capital assets, net of related debt; \$2,162,503 was reserved for debt retirement; \$9,288,329 was reserved for incomplete projects; and \$17,223,177 was unrestricted. The unrestricted portion may be used to meet the Parish's ongoing obligations to citizens and creditors in accordance with the Parish's fund designation and fiscal policies.
- Total expenses of governmental activities for all our programs were \$12,519,245 for the year. Of this amount, \$972,072 was provided by program revenues from charges for services; \$2,210,983 from operating grants and contributions; and \$908,278 from capital grants and contributions. Based on the governmental activities of 2006, net assets increased \$4,960,223.
- As of the close of the fiscal year, the Parish's governmental funds reported combined ending fund balances of \$28,481,227. The General Fund accounted for \$2,450,689 of the total with all \$2,450,689 being unreserved and undesignated. Governmental activities reported an overall increase in fund balances of \$6,254,304. Approximately 60.1% of the total governmental fund balance, or \$17.3 million, is available for spending at the Parish's discretion.
- At December 31, 2006, unreserved fund balance for the General Fund was \$2.4 million, or 96% of total 2006 General Fund expenditures and other financing sources and uses.

Parish Highlights

The Parish approved the issuance of \$7.9 million of courthouse renovation general obligation bonds, to be used to refurbish and expand the existing parish courthouse.

OVERVIEW OF THE FINANCIAL STATEMENTS

Government-Wide Financial Statements

The government-wide financial statements (see Statements A and B) are designed to provide readers with a broad overview of the Parish's finances, in a manner similar to a private-sector business. These statements combine governmental funds' current financial resources with capital assets and long-term obligations. (The prior period infrastructure acquisitions will be included in the future.)

The Parish's government-wide financial statements include a Statement of Net Assets (Statement A) and a Statement of Activities (Statement B), which are prepared using accounting principles that are similar to commercial enterprises. The purpose of the Statement of Net Assets is to report all of the assets held and liabilities owed by the Parish using the full accrual basis of accounting. The Parish reports all of its assets when it acquires ownership over the assets and reports all of its liabilities when they are incurred. The difference between the Parish's total assets and total liabilities is reported as net assets in the Statement of Net Assets. This difference, the net assets, is similar to the total owners' equity presented by a commercial enterprise. Over time, changes in net assets may serve as a useful indicator of whether the financial position of the Parish is improving or deteriorating. However, the Parish's goal is to provide services to the citizens of St. Martin Parish, Louisiana, not to generate profits as commercial enterprises do. Therefore, other nonfinancial factors, such as the quality of health and welfare services provided to the parish citizens and the condition of roads and bridges, must be considered to assess the overall health of the Parish.

The Statement of Activities (Statement B), presents information showing how the Parish's net assets changed during the 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 the 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. For example, uncollected taxes and earned but unused vacation leave results in cash flows for future periods. The focus of the Statement of Activities is on both the gross and net cost of various activities that are provided by the government's general tax and other revenues. This is intended to summarize information and simplify the user's analysis of cost of various governmental services and/or subsidy to various business-type activities and component units.

Both of the government-wide financial statements distinguish functions of the St. Martin Parish Government 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 reflect the Parish's basic services including public safety (fire), general government (executive, legislative, judicial, finance, administrative services), streets and drainage, culture and recreation, health and welfare, economic development, and urban redevelopment and

housing. These services are financed primarily with taxes. The business-type activities reflect private sector type operations where the fee for service typically covers all or most of the cost of operations including depreciation. The Parish currently has no private sector type activities to report.

The government-wide financial statements can be found on page 17 thru 19 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. Martin Parish Government, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. The focus is now on major funds, rather than generic fund types. All of the funds of the St. Martin Parish Government can be divided into two categories: governmental funds and agency funds.

Governmental Funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. The governmental major funds (see Statement C through F) presentation is presented on a sources and uses of liquid resources basis. This is the manner in which the financial plan is typically developed. Unlike the government-wide financial statements, governmental fund financial statements focus on how money flows in and out of those funds; the balances that are left at year end; and the amount available for spending in future periods. These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash, near-term 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 current 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 impact 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. Martin Parish Government maintains fifty individual governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, the District #1 Sales Tax Revenue, the Fire Protection Maintenance Fund, the Courthouse Renovation Fund, the Capital Outlay Fund, the District #1 Sales Tax Construction, and District #2 Sales Tax Construction funds, all of which are considered to be major funds. Data from the other 43 Governmental funds are combined into a single, aggregated presentation in one column, titled other governmental

funds. Combining financial statements of the non-major funds can be found in the other supplementary information section which follows the basic financial statements.

Infrastructure Assets

General capital assets include land, land improvements, buildings, vehicles, equipment and machinery, infrastructure, and all other assets of a tangible nature that are used in operations and that exceeds the Parish's capitalization threshold. All projects completed and acquisitions occurring in the fiscal year ended December 31, 2006 have been capitalized. The Parish has capitalized all purchased capital assets and all donated non-infrastructure general capital assets with the exception of the drainage infrastructure. Donated infrastructure assets (those placed into service through contributions from private development) have not been capitalized in this financial presentation for the years 1980 through 2003.

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 are a required part of the basic financial statements and can be found on pages 31 through 46 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information*, the budgetary comparison schedules. St. Martin Parish Government adopts an annual appropriated budget for all of its governmental funds. During the course of the year, this budget is amended to take into consideration changes that have occurred affecting revenues and expenditures. A statement showing original and final budget compared with actual operating results is provided in the required supplementary information section for the General Fund and each major special revenue fund to demonstrate compliance with this budget. Required supplementary information can be found in Schedules 1 through 4 of this report.

The other supplementary information section referred to earlier in connection with the non-major governmental funds is presented immediately following the required supplementary information in Schedules 5 through 12.

Also included in the report is the Office of Management and Budget A-133 Single Audit Auditor reports, findings and schedules, including the OMB Data Collection Form. This information can be found under the Single Audit section.

Certain supplementary financial information can be found in Statements 11 and 12 of this report. The supplementary section is included for additional information and analysis and does not constitute a part of the audited financial statements.

Our auditor has provided assurance in the independent auditors' report, located immediately preceding this *Management's Discussion and Analysis*, that the financial statements of the St. Martin Parish Government's primary government are fairly stated. However, because of the omission of all component units, the primary government financial statements do not purport to, and do not present fairly the financial data of the reporting entity of the St. Martin Parish Government in conformity with accounting principles generally accepted in the United States of America. Varying degrees of assurance are being provided by the auditor regarding the required and other supplemental information. A user of this report should read the independent auditors' report carefully to ascertain the level of assurance being provided for each of the other parts in the financial section.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following table reflects the condensed statement of net assets for 2006, with comparative figures from 2005:

Table 1
ST. MARTIN PARISH GOVERNMENT
 Condensed Statement of Net Assets
 December 31, 2006 and 2005

Assets:	2006	2005
Current and other assets	30,029,045	\$23,458,461
Capital assets, net of accumulated depreciation	40,035,888	34,650,167
Total assets	70,064,933	\$58,108,628
Liabilities:		
Current and other liabilities	3,618,465	\$1,232,407
Long-term liabilities	28,306,216	23,696,192
Total liabilities	31,924,681	\$24,928,599
Net assets:		
Invested in capital assets, net of related debt	9,466,243	\$ 10,801,458
Reserved	11,450,832	8,332,643
Unreserved	17,223,177	14,045,928
Total net assets	38,140,252	33,180,029

For more detailed information see Statement A, the Statement of Net Assets.

The Parish's combined net assets at year end totaled \$ 38.1 million. Approximately 24.8% (\$ 9.4 million) of the Parish's net assets as of Dec. 31, 2006 reflects the Parish's investment in capital assets (land, buildings, infrastructure, machinery and equipment) less any related outstanding debt used to acquire those assets that is still outstanding. The Parish uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Another 30.00% of the Parish's net assets are subject to external restrictions on how they may be used such as debt service sinking funds and reservations for outstanding capital project contracts. The remaining 45.2% (\$ 17.2 million) of net assets, referred to as

unrestricted, may be used to meet the ongoing obligations of the Parish to citizens and creditors.

Capital assets, net of accumulated depreciation, account for \$ 40,035,888 or 57.1% of the total assets. This is reflective of the investment in new and improved facilities funded by a series of bond issues in recent years. This is further highlighted by the fact that \$28,306,216 or 88.9% of the Parish's liabilities, represents long-term debt.

Table 2 below provides a summary of the changes in net assets for the year ended December 31, 2006, with comparative figures from 2005:

Table 2
ST. MARTIN PARISH GOVERNMENT
Condensed Statement of Changes in Net Assets
For the Year Ended December 31, 2006 and 2005

	Governmental Activities In Total	Governmental Activities In Total
	2006	2005
Revenues:		
Program Revenues:		
Fees, fines, and charges for services	\$ 972,072	\$ 714,699
Operating grants and contributions	2,210,983	2,262,862
Capital grants and contributions	908,278	368,175
General revenues:		
Property taxes	5,246,746	4,517,853
Sales taxes	2,978,832	2,208,944
Severance taxes	773,929	756,434
Licenses & permits	567,369	387,512
Grants and contributions not restricted to specific programs	1,255,006	2,331,362
Other	2,566,253	2,340,061
Total revenues	\$ 17,479,468	\$ 15,887,902
Expenses:		
General Government	\$ 2,645,863	\$ 3,192,336
Public Safety	1,626,321	1,329,193
Public Works	3,973,294	3,673,279
Culture and recreation	187,410	205,617
Health and welfare	2,111,105	2,164,059
Economic development and assistance	822,504	1,241,255
Interest on long-term debt	1,152,748	960,637
Total expenses	\$ 12,519,245	\$ 12,766,376
Increase (decrease) in net assets before transfers	\$ 4,960,223	\$ 3,121,526
Transfers	0	0
Increase in net assets	\$ 4,960,223	\$ 3,121,526
Net assets, January 1	33,180,029	30,058,503
Net assets, December 31	\$ 38,140,252	\$ 33,180,029

The Parish's total revenues were \$ 15.9 million and the total cost of all programs and services was \$ 12.8 million. Therefore, net assets increased \$3.1 million for the year. Our analysis below more concisely describes the operations of governmental activities.

Governmental Activities net assets increased by \$3.1 million in 2005. The cost of all governmental activities this year was \$12.8 million. As shown in the Statement of Activities in Exhibit B, the amount that our taxpayers financed was \$9.4 million because some of the cost was paid by those who directly benefited from the programs (\$.7 million) or by other governments and organizations that subsidized certain programs with grants and contributions (\$2.6 million). Program revenues only covered 26% of total costs. The remainder was paid with taxes and other revenues, such as investment earnings and unrestricted grants and contributions.

The Parish's largest program in governmental activities is public works, with more than \$ 3.6 million of resources applied thereto. Following that are general government, health and welfare and public safety.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental Funds: The focus of the Parish's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Parish'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 fiscal year, the Parish's governmental funds reported combined ending fund balances of \$ 28.4 million, an increase of \$.6.2 million in comparison with the prior year. Approximately 60.1% of this total amount (\$17.3 million) constitutes unreserved fund balance, which is available for spending at the Parish'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 to: (1) payment of debt service (\$ 2.1 million), (2) construction contracts (\$9.3 million).

The General Fund is the chief operating fund of the St. Martin Parish Government. At the end of the fiscal year, total fund balance of the General Fund was \$ 2.4 million, all of which was unreserved. Compared with total fund balance of \$ 2.2 million at the end of 2005, fund balance increased approximately \$.2 million during 2006.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Parish's budget is prepared according to Louisiana law. During the course of the year, the Parish amended its budget to take into consideration significant changes in revenues or expenditures. Louisiana Revised Statute 39:1311 requires a budget amendment if anticipated revenues are less than budgetary goals by five percent (5%) or more or anticipated expenditures are in excess of budgetary goals by five percent (5%) or more.

A budgetary comparison schedule showing the Parish's originally adopted budget and the final amended budget compared with actual results for all major funds is provided in the report that follows. The Parish's year end actual results were better than budgeted, as conservative budgetary practices are customary. Revenues are forecasted conservatively and expenditures are budgeted in anticipation of all possible costs and projects.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets: The St. Martin Parish Government's investment in capital assets for its governmental and activities as of December 31, 2006 amounts to \$ 40.0 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, machinery and equipment, and roads and highways.

Table 3

ST. MARTIN PARISH GOVERNMENT
Capital Assets
(Net of Depreciation)
December 31, 2006 and 2005

	<u>2006</u>	<u>2005</u>
Land	\$ 1,688,465	\$ 1,623,465
Buildings and Improvement	9,186,024	9,476,054
Equipment	4,792,117	4,652,564
Infrastructure	19,503,749	17,314,619
Construction in progress	<u>4,865,533</u>	<u>1,583,465</u>
Total	<u>\$ 40,035,888</u>	<u>\$ 34,650,167</u>

During the year \$6.5 million of capital assets were added. Depreciation for the year ended December 31, 2006, was \$1,612,264. Construction and renovation projects will continue during the 2007 fiscal year which will be funded by the sales taxes and bonds approved by the voters. Major capital asset events during the current fiscal year included the completion of major segments of the ongoing road construction project, and renovations to the parish courthouse. Construction in process at this time includes expenditures incurred for the parishwide road improvement project, and the Cade Community Center project.

Long-term Debt: At the end of the current fiscal year, the Parish had total bonded debt outstanding of \$29.2 million. The following table details the total outstanding governmental debt of the Parish.

Table 4

ST. MARTIN PARISH GOVERNMENT
 Summary of Outstanding Debt at Year-end
 December 31, 2006 and 2005

	<u>2006</u>	<u>2005</u>
Capital Lease Obligations	\$ 1,042,631	\$ 1,023,470
Compensated Absences	47,486	46,555
General Obligation Bonds	28,003,000	21,192,000
Certificates of Indebtedness	1,224,167	1,434,167
Intergovernmental payables	<u> --</u>	<u> --</u>
Total all notes and bonds	<u>\$ 30,317,284</u>	<u>\$ 23,696,192</u>

The St. Martin Parish Government's total bonded debt increased during the year by \$6.6 million. This is a result of the issuance of \$7.9 million in general obligation bonds to be used for renovations and additions to the existing parish courthouse.

As of December 31, 2006, Parish bonds are rated by Standard and Poors as BBB+.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

ST. MARTIN PARISH GOVERNMENT
St. Martinville, Louisiana

Statement A

STATEMENT OF NET ASSETS

December 31, 2006

	<u>Governmental Activities</u>
<u>ASSETS</u>	
Cash and interest bearing deposits	\$23,159,851
Receivables	6,355,657
Prepaid items	-
Capital assets, net of accumulated depreciation	40,035,888
Bond issue costs, net of accumulated amortization	240,268
Due from other governments	273,269

TOTAL ASSETS	\$70,064,933 =====
<u>LIABILITIES</u>	
Accounts payable	\$ 646,779
Accrued interest payable	299,847
Deferred revenues	289,644
Other liabilities	371,127
Long-term liabilities:	
Bonds payable, due within one year	1,631,000
Bonds payable, due in more than one year	27,596,167
Capital leases payable, due within one year	332,582
Capital leases payable, due in more than one year	710,049
Compensated absences payable	47,486

TOTAL LIABILITIES	\$31,924,681 -----
<u>NET ASSETS</u>	
Invested in capital assets, net of related debt	\$ 9,466,243
Reserved for debt retirement	2,162,503
Reserved for incomplete contracts	9,288,329
Unreserved-undesignated	17,223,177

TOTAL NET ASSETS	\$38,140,252 -----

TOTAL LIABILITIES AND NET ASSETS	\$70,064,933 =====

The accompanying notes are an integral part of these financial statements.

FUND FINANCIAL STATEMENTS

ST. MARTIN PARISH GOVERNMENT
St. Martinville, Louisiana
ALL GOVERNMENTAL FUNDS

Statement C

BALANCE SHEET

December 31, 2006

	<u>GENERAL</u> <u>FUND</u>	DIST. #1 SALES TAX REVENUE <u>FUND</u>	FIRE MAINTENANCE PROTECTION <u>FUND</u>	COURTHOUSE RENOVATION <u>FUND</u>
<u>ASSETS</u>				
Cash and interest bearing deposits	\$1,489,787	\$2,403,003	\$1,533,821	\$7,837,884
Receivables	515,079	196,454	876,339	-
Prepaid expenses	-	-	-	-
Due from other funds	725,666	-	294,865	46,609
Due from other governments	273,269	-	-	-
	-----	-----	-----	-----
TOTAL ASSETS	\$3,003,801	\$2,599,457	\$2,705,025	\$7,885,471
	=====	=====	=====	=====
<u>LIABILITIES AND FUND BALANCES</u>				
Accounts payable	\$ 93,691	\$ 977	\$ 15,800	
Accrued liabilities	13,757		2,849	
Due to other funds	329,617		7,220	
Other liabilities	116,047		30,576	
Deferred revenues	-		-	
	-----	-----	-----	-----
Total liabilities	\$ 553,112	\$ 977	\$ 56,445	NONE
	-----	-----	-----	-----
<u>FUND BALANCES</u>				
Reserved for debt service				
Reserved for incomplete contracts				\$7,885,471
Unreserved-undesignated	\$2,450,689	\$2,598,480	\$2,648,580	-
	-----	-----	-----	-----
Total fund balances	\$2,450,689	\$2,598,480	\$2,648,580	\$7,885,471
	-----	-----	-----	-----
TOTAL LIABILITIES & FUND BALANCES	\$3,003,801	\$2,599,457	\$2,705,025	\$7,885,471
	=====	=====	=====	=====

The accompanying notes are an integral part of these financial statements.

Statement C

<u>CAPITAL OUTLAY FUND</u>	<u>DISTRICT #1 SALES TAX CONSTRUCTION FUND</u>	<u>DISTRICT #2 SALES TAX CONSTRUCTION FUND</u>	<u>NONMAJOR GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
\$ 5,777	\$1,127,852	\$2,050,074	\$ 6,711,653	\$ 23,159,851
156,232	-	-	4,610,575	6,355,657
-	-	-	-	-
-	39,344	-	2,423,728	3,530,212
-	-	-	-	273,269
-----	-----	-----	-----	-----
\$ 162,009	\$1,167,196	\$2,050,074	\$13,745,956	\$ 33,318,989
=====	=====	=====	=====	=====
\$ 20,490	\$ 1,744	\$ 327,579	\$ 186,498	\$ 646,779
-	-	-	59,352	75,958
165,430	-	1,485,089	1,542,856	3,530,212
-	-	-	148,546	295,169
-	-	-	289,644	289,644
-----	-----	-----	-----	-----
\$ 185,920	\$ 1,744	\$1,812,668	\$ 2,226,896	\$ 4,837,762
-----	-----	-----	-----	-----
			\$ 2,162,503	\$ 2,162,503
	\$1,165,452	\$ 237,406		9,288,329
\$ (23,911)	-----	-----	9,356,557	17,030,395
\$ (23,911)	\$1,165,452	\$ 237,406	\$11,519,060	\$ 28,481,227
-----	-----	-----	-----	-----
\$ 162,009	\$1,167,196	\$2,050,074	\$13,745,956	\$ 33,318,989
=====	=====	=====	=====	=====

ST. MARTIN PARISH GOVERNMENT
 St. Martinville, Louisiana

Statement D

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
 TO THE STATEMENT OF NET ASSETS
 December 31, 2006

Total fund balances-governmental funds \$28,481,227

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

Cost of capital assets	\$51,228,590
Accumulated depreciation	<u>(11,192,702)</u>
Net capital assets	

40,035,888

Bond issue costs which are reported as expenditures in the year incurred in the governmental funds are deferred and amortized in the Statement of Activities. Bond issue costs, net of accumulated amortization at year-end total \$198,203.

240,268

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

Bonds payable	\$(29,227,167)
Accrued interest payable	(299,847)
Compensated absences payable	(47,486)
Capital leases payable	<u>(1,042,631)</u>
Total long-term liabilities	

(30,617,131)

Net assets of governmental activities

\$38,140,252

=====

The accompanying notes are an integral part of this statement.

ST. MARTIN PARISH GOVERNMENT
St. Martinville, Louisiana
ALL GOVERNMENTAL FUNDS

Statement E

**STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES**

Year Ended December 31, 2006

	<u>GENERAL</u> <u>FUND</u>	<u>DIST. #1</u> <u>SALES TAX</u> <u>REVENUE</u> <u>FUND</u>	<u>FIRE</u> <u>PROTECTION</u> <u>MAINTENANCE</u> <u>FUND</u>	<u>COURT</u> <u>HOUSE</u> <u>RENOV.</u> <u>FUND</u>
<u>REVENUES</u>				
Taxes - ad valorem	\$ 344,856		\$ 846,857	
Sales taxes/Hotel taxes		\$2,265,957		
Licenses and permits	567,369			
Intergovernmental revenues:				
<u>Federal funds:</u>				
Federal grants	13,598		174,107	
<u>State funds:</u>				
Parish transportation funds				
State revenue sharing	106,341		57,900	
Parish royalty funds	773,929			
Other state funds	189,637		159,007	
Fees, charges, commissions for svc.	265,237			
Use of money and property	71,936	82,325	51,870	\$235,077
Other revenues	406,759		4,078	
	-----	-----	-----	-----
Total Revenues	\$2,739,662	\$2,348,282	\$1,293,819	\$235,077
	-----	-----	-----	-----
<u>EXPENDITURES</u>				
General government:				
Legislative	\$ 269,403			
Judicial	34,025			
Elections	37,515			
Finance and administrative	645,901	\$ 956	\$ 36,356	
Other general government	14,559		8,447	
Public safety	835,483		694,114	
Public works	-	66,477		
Health and welfare	70,095			
Culture and recreation	-			
Economic development and assistance	101,575			
Capital Outlay	-		230,861	
Debt Service	28,566			
Other expenditures	9,147			
	-----	-----	-----	-----
Total Expenditures	\$2,046,269	\$ 67,433	\$ 969,778	NONE
	-----	-----	-----	-----
EXCESS/(Deficiency) OF REVENUES OVER EXPENDITURES	\$ 693,393	\$2,280,849	\$ 324,041	\$235,077
	-----	-----	-----	-----

The accompanying notes are an integral part of these financial statements.

Statement E

<u>CAPITAL OUTLAY FUND</u>	<u>DISTRICT #1 SALES TAX CONSTRUCTION FUND</u>	<u>DISTRICT #2 SALES TAX CONSTRUCTION FUND</u>	<u>NONMAJOR GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
			\$ 4,055,033	\$ 5,246,746
			712,875	2,978,832
				567,369
\$ 351,914			1,783,741	2,323,360
			500,356	500,356
			209,317	373,558
			-	773,929
362,868			1,339,395	2,050,907
			706,835	972,072
	\$ 72,256	\$ 75,591	190,374	779,429
6,997		1,000	494,076	912,910
-----	-----	-----	-----	-----
\$ 721,779	\$ 72,256	\$ 76,591	\$ 9,992,002	\$17,479,468
-----	-----	-----	-----	-----
				\$ 269,403
			\$ 642,043	676,068
				37,515
\$ 83	\$ 1,744	\$ 281	154,309	839,630
			678,592	701,598
			1,600	1,531,197
		330,072	2,221,960	2,618,509
			1,984,580	2,054,675
			157,260	157,260
			698,359	799,934
3,326,502	2,838,371		602,251	6,997,985
			2,710,152	2,738,718
			-	9,147
-----	-----	-----	-----	-----
\$3,326,585	\$ 2,840,115	\$ 330,353	\$ 9,851,106	\$19,431,639
-----	-----	-----	-----	-----
(2,604,806)	\$(2,767,859)	\$(253,762)	\$ 140,896	\$(1,952,171)
-----	-----	-----	-----	-----

ST. MARTIN PARISH GOVERNMENT
 St. Martinville, Louisiana
 ALL GOVERNMENTAL FUNDS
 Statement of Revenues, Expenditures,
 and Changes in Fund Balances, 2006

Statement E
 (Continued)

	<u>GENERAL</u> <u>FUND</u>	DIST. #1 SALES TAX <u>REVENUE</u> <u>FUND</u>	FIRE PROTECTION MAINTENANCE <u>FUND</u>
<u>OTHER FINANCING SOURCES/(Uses)</u>			
Operating transfers in	\$ 77,712		
Operating transfers out	(531,916)	\$(1,238,203)	\$ (138,456)
Proceeds from capital leases	-	-	-
Proceeds from sale of fixed assets	-	-	-
Proceeds from issuance of debt	-	-	-
Bond issue costs	-	-	-
Transfers to/from other gov't. units	-	-	-
	-----	-----	-----
Total Other Financing Sources/(Uses)	\$ (454,204)	\$(1,238,203)	\$ (138,456)
	-----	-----	-----
EXCESS/(Deficiency) OF REVENUES & OTHER SOURCES OVER EXPENDIT. & OTHER USES	\$ 239,189	\$ 1,042,646	\$ 185,585
FUND BALANCES AT BEGINNING OF YEAR	2,211,500	1,555,834	2,462,995
	-----	-----	-----
FUND BALANCES AT END OF YEAR	\$2,450,689	\$ 2,598,480	\$2,648,580
	=====	=====	=====

The accompanying notes are an integral part of these financial statements.

Statement E
(Continued)

<u>COURTHOUSE RENOVATION FUND</u>	<u>CAPITAL OUTLAY FUND</u>	<u>DISTRICT #1 SALES TAX CONSTRUCTION FUND</u>	<u>DISTRICT #2 SALES TAX CONSTRUCTION FUND</u>	<u>NONMAJOR GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
\$ (210,107)	\$2,774,161	\$ 780,000	\$ (2,166,763)	\$ 2,349,363 (1,695,791) 337,400 29,086	\$ 5,981,236 (5,981,236) 337,400 29,086
7,913,322 (52,821)			(20,512)	- -	7,913,322 (73,333)
-----	-----	-----	-----	-----	-----
\$7,650,394	\$2,774,161	\$ 780,000	\$ (2,187,275)	\$ 1,020,058	\$ 8,206,475
-----	-----	-----	-----	-----	-----
\$7,885,471	\$ 169,355	\$ (1,987,859)	\$ (2,441,037)	\$ 1,160,954	\$ 6,254,304
-	(193,266)	3,153,311	2,678,443	10,358,106	22,226,923
-----	-----	-----	-----	-----	-----
\$7,885,471	\$ (23,911)	\$ 1,165,452	\$ 237,406	\$11,519,060	\$28,481,227
=====	=====	=====	=====	=====	=====

ST. MARTIN PARISH GOVERNMENT
St. Martinville, Louisiana

Statement F

RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
Year ended December 31, 2006

Net change in fund balances-total governmental funds \$ 6,254,304

Governmental funds report capital outlays as expenditures, However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay expenditures exceeded depreciation expense in the current period.

Capital outlay expenditures	\$ 6,997,985	
Depreciation expense	<u>(1,612,264)</u>	
Excess of capital outlays over depreciation		5,385,721

In the Statement of Activities, compensated absences are measured by the amounts earned during the year. In governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially the amounts actually paid). In the current year, vacation and sick time earned exceeded the amounts used by \$1,354.

(931)

In the Statement of Activities some expenses do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.

The current year accrued interest payable amount of \$(299,847) exceeded the prior year payable amount of \$(199,072) by \$100,775.

(100,775)

The amount of bond issue cost amortization expense recorded in the Statement of Activities \$(31,268) was less than the amount of bond issue costs for the current year recognized as expenditures in the governmental funds \$(73,333) by \$42,065.

42,065

ST. MARTIN PARISH GOVERNMENT
St. Martinville, Louisiana

Statement F
(Continued)

RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
Year ended December 31, 2006
(Continued)

Bond proceeds and capital lease proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Assets. Repayment of bond principal and capital lease obligations is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. This is the amount by which repayments exceeded proceeds.

Bond proceeds	\$ (7,900,000)	
Principal repayments	1,299,000	
Capital lease proceeds	(337,400)	
Capital lease repayments	<u>318,239</u>	
Excess of repayments over proceeds		<u>(6,620,161)</u>
Change in net assets of governmental activities		\$ 4,960,223 =====

The accompanying notes are an integral part of these financial statements.

AGENCY FUNDS

Deferred Compensation Fund

The Deferred Compensation Fund accounts for the contributions and withdrawals by parish employees who participate in the deferred compensation plan created and organized in accordance with Internal Revenue Service Code Section 457. The plan is administered by a third party-Nationwide Retirement Solutions. The plan, which is available to all employees, permits employees to defer the income tax on a portion of their salaries until future years.

ST. MARTIN PARISH GOVERNMENT
St. Martinville, Louisiana
AGENCY FUND

Statement G

Statement of Assets and Liabilities
December 31, 2006

<u>ASSETS</u>	DEFERRED COMPENSATION <u>FUND</u>
Cash and interest bearing deposits	
Restricted Assets:	
Property and Rights Held Under Deferred Compensation Plan	\$ 848,000 -----
TOTAL ASSETS AND OTHER DEBITS	\$ 848,000 =====
<u>LIABILITIES AND FUND BALANCES</u>	
Obligations to Employees Under Deferred Compensation Plan	\$ 848,000 -----
Total Liabilities	\$ 848,000 -----
FUND BALANCES	NONE -----
TOTAL LIABILITIES AND FUND BALANCES	\$ 848,000 =====

The accompanying notes are an integral part of these financial statements.

NOTES TO BASIC FINANCIAL STATEMENTS

**ST. MARTIN PARISH GOVERNMENT
ST. MARTINVILLE LOUISIANA**

Notes to the Basic Financial Statements
As of and for the Year Ended December 31, 2006

NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The St. Martin Parish Government is the governing authority for St. Martin Parish and is a political subdivision of the State of Louisiana. The Parish Government is comprised of a parish president and a parish council made up of nine (9) members who represent the various districts within the parish. The parish councilmen serve four-year terms that expire in January of 2008.

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

In accomplishing its objectives, the Parish Government also has the authority to create special districts (component units) within the parish. The districts perform specialized functions, such as fire protection, library facilities and healthcare facilities.

Except for the omission of all component units from the financial statements, as more fully described below, the accompanying financial statement of the Parish Government have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the Parish Government are described below:

A. REPORTING ENTITY

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

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

1. Appointing a voting majority of an organization's governing body, and:
 - a The ability of the Parish Government 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 Parish Government.
2. Organizations for which the Parish Government does not appoint a voting majority but are fiscally dependent on the Parish Government.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

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

Component Unit	Fiscal Year Ended	Criteria Used
St. Martin Parish Library	December 31	1 and 3
St. Martin Parish Water and Sewerage Commission No. 1	December 31	1 and 3
St. Martin Parish Hospital Service District No. 2	December 31	1 and 3
St. Martin Parish Water and Sewerage District No. 3	December 31	1 and 3
St. Martin Parish Waterworks District No. 4	June 30	1 and 3
St. Martin Parish Economic Development Authority	June 30	1 and 3

The Parish government has chosen to issue financial statements of the primary government only; therefore, none of the previously listed component units are included in the accompanying statements. Separate financial statements for each of these component units can be obtained by contacting the component unit.

GASB Statement No. 14 provides for the issuance of primary government financial statements that are separate from those of the reporting entity. However, the primary government's financial statements are not a substitute for the reporting entity's financial statements. The accompanying primary government financial statements have been prepared in conformity with generally accepted accounting principles as applied to governmental units. These financial statements are not intended to and do not report on the reporting entity, but rather are intended to reflect only the financial statements of the primary government (Parish Government).

Considered in the determination of component units of the reporting entity were the St. Martin Parish Sheriff, the St. Martin Parish Assessor, the St. Martin Parish Clerk of Court, the St. Martin Parish School Board and the various municipalities in the parish. It was determined that these governmental entities are not component units of the St. Martin Parish Government reporting entity because they have separately elected governing bodies, are legally separate and are fiscally independent of the St. Martin Parish Government.

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 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.

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.

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.

C. FUND ACCOUNTING

The Parish Government uses funds account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities. The minimum number of funds maintained by the Parish Government is consistent with legal and managerial requirements.

A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues, and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the restrictions, if any, on the spending activities.

The basic financial statements of the St. Martin Parish Government include both government-wide (reporting the primary government of the Parish Government as a whole) and fund financial statements (reporting the Parish Government's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The Parish Government's public safety, culture and recreation, public works, and general administrative services are classified as governmental activities. The Parish Government does not have any business-type activities.

D. GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government wide financial statements include a Statement of Net Assets and Statement of Activities. These statements report financial information about the primary government of the Parish. In the process of aggregating data for the Statement of Net Assets and the Statement of Activities some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivable and payables were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column. In the Statement of Net Assets the governmental type activities column (1) is presented on a consolidated basis by column, and (2) is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Parish Government's net assets are reported in three parts: (1) invested in capital assets, net of related debt – consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets; (2) restricted net assets—consists of net assets with constraints placed on the use either by (a) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or (b) law through constitutional provisions or enabling legislation; and (3) unrestricted net assets—all other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt". The Parish Government first utilizes restricted resources to finance qualifying activities.

The Statement of Activities reports the expenses of a given function offset by program revenues, directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees, fines, and forfeitures, and other charges to users of the Parish Government's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets and include fees to developers. Taxes and other revenue sources not properly included with program revenues are reported as general revenues.

The Parish Government reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Depreciation expense is specifically identified by function and is included as a direct expense of each function. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities. An administrative service fee is charged by the General Fund to the other operating funds to recover the direct costs of General Fund services provided (finance, personnel, purchasing, legal, technology management, etc.). An elimination is made to remove the service fee transactions from the reported revenue and expense.

This government-wide focus is more on the sustainability of the Parish Government as an entity and the change in the Parish Government's net assets resulting from the current year's activities.

E. FUND FINANCIAL STATEMENTS

Fund financial statements are provided for governmental funds. The emphasis of fund financial statements is on major individual governmental funds, each reported in a separate column. All remaining governmental funds are aggregated and reported as non-major funds.

The Parish Government reports the following major governmental funds:

General Fund – used to account for all financial resources traditionally associated with governments that are not required to be accounted for in another fund.

District No. 1- Sales Tax – accounts for the receipt and expenditure of tax monies derived from the Parish Government's 1% sales and use tax assessed within the unincorporated areas of St. Martin Parish, excluding those areas located within the confines of District 2 of St. Martin Parish, Louisiana.

Fire Maintenance Protection Fund—used to account for the maintenance and operation of fire protection stations, which are centrally located across the parish, to provide fire protection services to residents of the parish. Major means of financing is provided by ad valorem taxes, state revenue sharing, and the state's remittance of a portion of fire insurance premiums paid within the state.

Capital Outlay Fund—accounts for capital expenditures for state and federally assisted projects, and parish financed projects of limited scope and duration.

District No. 1- Construction Fund – used to account for capital improvements financed by the proceeds of the District No. 1 sales tax.

District No. 2 Construction Fund – used to account for capital improvements financed by the proceeds of the District No. 2 sales tax.

F. CASH AND INTEREST BEARING DEPOSITS

The Parish Government's cash and interest bearing deposits 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 Parish Government's investment policy allow the Parish Government to invest in collateralized certificates of deposits, government back securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities. Investments for the Parish Government, are reported at cost, which approximates fair market value.

G. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

During the course of operations, numerous transactions occur between individual funds for goods and services rendered. These receivables and payables are classified as due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

H. PREPAID ITEMS

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

I. CAPITAL ASSETS AND DEPRECIATION

The accounting treatment over property, plant, and equipment (fixed assets) depends on whether the assets are reported in the government-wide or fund financial statements.

Government-wide financial statements:

The Parish Government's property, equipment, and infrastructure with useful lives of more than one year are stated at historical costs and comprehensively reported in the government-wide financial statements as capital assets. The Parish Government maintains a threshold level of \$1,000 or more for capitalizing capital assets. Donated assets are stated at fair value at the date donated. The Parish Government has no donated assets. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When

capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations. Estimated useful lives, in years, for depreciable assets are as follows:

Description	Estimated Lives
Roads, bridges, and infrastructure	20-50 years
Land improvements	20-30 years
Buildings and building improvements	10-40 years
Furniture and fixtures	5-15 years
Vehicles	5-15 years
Equipment	5-15 years

Fund financial statements:

In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures of the government fund upon acquisition.

J. COMPENSATED ABSENCES

Employees of the parish government accrue unlimited amounts of annual and sick leave at varying rates according to years of service. Upon termination or resignation, unused annual leave up to a maximum of \$ 800 is paid to the employee at the employee's current rate of pay; however, all unused sick leave is forfeited. Upon retirement, all unused annual leave and a portion of unused sick leave (per formula of the Parochial Employees Retirement System) are used in the retirement benefit computation as earned service.

In the government-wide financial statements, the Parish Government accrues accumulated unpaid annual and sick leave and associated related costs when earned (or estimated to be earned) by the employee. At December 31, 2006, employees of the Parish Government have accumulated and vested \$ 47,486 of compensated absence benefits, which are recorded as a current liability in the government-wide financial statements. In accordance with GASB Interpretation No. 6, Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements, no compensated absences liability is recorded in the governmental fund financial statements.

K. DEFERRED REVENUES

Deferred revenues arise when potential revenues do not meet both the "measurable" and "available" criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met the liability for deferred revenues is removed and the revenues are recognized.

L. LONG TERM OBLIGATIONS

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, 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.

M. 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.

N. INTERFUND TRANSFERS

Quasi-external transactions are accounted for as revenues and expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. Legally authorized interfund transactions, except quasi-external transactions and reimbursements, are treated as operating transfers and are included in the results of operations.

O. 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.

P. BUDGETS AND BUDGETARY ACCOUNTING

Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP). The budget is employed as a management control device during the year that assists its users in financial activity analysis. All budget appropriations lapse at year end. The budgets presented are the originally adopted budget and the final amended budget. Actual amounts may not vary more than 5% from the final amended budget at the individual fund level.

NOTE 2-SALES AND USE TAXES

The St. Martin Parish Government is authorized and has levied the following sales and use taxes:

May 1, 1999 – 1%

District #2 Sales and Use Tax-To be used for the maintenance of roads, bridges, drainage and recreation facilities within District #2 of St. Martin Parish, Louisiana.

October 1, 2002 – 1%

District #1 Sales and Use Tax-To be used for the maintenance of roads, bridges and drainage facilities in all unincorporated areas of St. Martin Parish, Louisiana, exclusive of District #2.

NOTE 3-PROPERTY TAXES

The following is a summary of ad valorem taxes levied for the year 2006:

	2006 Levied Millage
Parish-wide taxes:	
Parish	3.84
Road Maintenance	4.26
Courthouse	2.05
Drainage	6.05
Recreation & Operation	1.20
Fire Protection	5.60
Health Unit	3.07
Industrial Park	1.78
Bond Sinking Fund	4.50
District taxes:	
Sub-Road Dist. No. 1 of Road Dist. No. 1 Maintenance	6.27
Sub-Road Dist. No. 3 of Road Dist. No. 1 Maintenance	5.19
Road Dist. No. 2 Maintenance	13.00
Recreation Dist. No. 1: Maintenance	2.50
Recreation Dist. No. 1: Bonds	4.00

Details of the parish's tax calendar are as follows:

Lien Date: January 1, (Subsequent Year)
Levy Date: September 1, (Current Year)
Due Date: December 31, (Current Year)
Collection Date: On or prior to December 31, (Current Year)

Total taxes levied for 2006 were \$ 5,398,328. Ad valorem tax receivables as of December 31, 2006 were \$ 5,130,830.

The financial statements of the St. Martin Parish Government contain an allowance for uncollectible ad valorem tax accounts equivalent to 2% of the gross ad valorem tax billed for the current calendar year. The total provision for uncollectible ad valorem taxes for fiscal year ended December 31, 2006 is \$118,770.

NOTE 4-CASH AND CASH EQUIVALENTS

At December 31, 2006, the Parish Government has cash and cash equivalents (book balances) totaling \$ 23,159,851 as follows:

Demand deposits	\$ 4,860,536
Time deposits	<u>18,299,315</u>
Total	<u>\$ 23,159,851</u>

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

At December 31, 2006, the Parish Government has \$ 23,377,250 in deposits (collected bank balances). These deposits are secured from risk by \$ 400,000 of federal deposit insurance and \$ 25,768,908 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 Parish Government that the fiscal agent has failed to pay deposited funds upon demand.

NOTE 5-RECEIVABLES

The following is a summary of receivables at December 31, 2006.

<u>Class of Receivable</u>	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Funds</u>	<u>Capital Project Funds</u>	<u>Total</u>
Taxes-ad valorem	\$ 337,749	\$ 4,126,151	\$ 666,930		\$ 5,130,830
Taxes-sales/hotel	--	270,649	--		270,649
Grants:					
Federal	--	--	--		--
State	74,828	426,318	--		501,146
Other Receivables	<u>102,502</u>	<u>193,320</u>	<u>--</u>	\$ 157,210	<u>453,032</u>
Total	<u>\$ 515,079</u>	<u>\$ 5,016,438</u>	<u>\$ 666,930</u>	<u>\$ 157,210</u>	<u>\$ 6,355,657</u>

NOTE 6-CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended December 31, 2006, for the primary government is as follows:

	Beginning Balance	Acquisitions	Dispositions	Ending Balance
Governmental activities:				
Capital assets, not being depreciated				
Land	\$ 1,623,465	\$ 65,000	\$ -	\$ 1,688,465
Construction in progress	1,583,465	6,188,437	2,906,369	4,865,533
Total capital assets, not being depreciated	\$ 3,206,930	\$ 6,253,437	\$ 2,906,369	\$ 6,553,998
Capital assets being depreciated				
Buildings and Improvements	\$ 12,803,159	\$ --	\$ -	\$ 12,803,159
Machinery and equipment	10,200,652	744,548	423,180	10,522,020
Improvements, other than buildings	512,070	--	-	512,070
Roads and bridges	17,930,974	2,906,369	-	20,837,343
Total capital assets being depreciated	\$ 41,446,855	\$ 3,650,917	\$ 423,180	\$ 44,674,592
Less accumulated depreciation for:				
Buildings	\$ 3,818,201	\$ 275,750	\$ -	\$ 4,093,951
Machinery and equipment	5,548,088	604,995	423,180	5,729,903
Improvements, other than buildings	20,974	14,280	-	35,254
Roads and bridges	616,355	717,239	-	1,333,594
Total accumulated depreciation	\$ 10,003,618	\$ 1,612,264	\$ 423,180	\$ 11,192,702
Total capital assets being depreciated, net	\$ 31,443,237	\$ 2,038,653	\$ -	\$ 33,481,890
Government activities capital assets, net	\$ 34,650,167	\$ 8,292,090	\$ 2,906,369	\$ 40,035,888

Depreciation expense of \$ 1,612,264 for the year ended December 31, 2006, was charged to the following governmental functions:

General Government	\$ 53,205
Public Safety	95,124
Public Works	1,354,785
Economic development and assistance	22,570
Health and welfare	56,430
Culture and recreation	30,150
Total Depreciation Expense	\$ 1,612,264

NOTE 7-CAPITAL LEASES

The Parish Government records items under capital leases as an asset and an obligation in the accompanying financial statements. The Parish entered into numerous capital lease agreements for public works equipment with varying lease terms and amounts.

The future minimum lease payments under capital lease obligations outstanding at December 31, 2006 are as follows:

<u>Year End:</u>	<u>Principal/ (Present Value)</u>	<u>Interest</u>	<u>Total Obligation</u>
2007	\$ 332,582	\$ 36,346	\$ 368,928
2008	309,127	22,940	332,067
2009	227,943	11,445	239,388
2010	105,822	5,156	110,978
2011	67,157	1,451	68,608
Total minimum Lease payments	<u>\$ 1,042,631</u>	<u>\$ 77,338</u>	<u>\$ 1,119,969</u>

Assets under capital leases reported in the governmental activities of the Parish Government total \$1,610,007 at December 31, 2006. Depreciation of leased capital assets reported under the governmental activities of the Parish Government totaled \$161,002 for the fiscal year then ended.

NOTE 8-LONG-TERM OBLIGATIONS

The following is a summary of the long-term obligation transactions for the year ended December 31, 2006:

	<u>Compensated Absences</u>	<u>Capital Leases</u>	<u>Long-Term Bonded Debt</u>	<u>Total</u>
Long-term obligations at January 1, 2006	\$ 46,555	\$ 1,023,470	\$ 22,626,167	\$ 23,696,192
Additions-2006	931	337,400	7,900,000	8,238,331
Reductions-2006	--	(318,239)	(1,299,000)	(1,617,239)
Long-term obligations at December 31, 2006	<u>\$ 47,486</u>	<u>\$ 1,042,631</u>	<u>\$ 29,227,167</u>	<u>\$ 30,317,284</u>

Compensated absences payable consists of the portion of accumulated sick leave of the governmental funds that is not expected to require current resources. The liability for compensated absences is computed only at the end of the fiscal year. The increase of \$931 reflected above as an addition to compensated absences is the net of leave benefits paid and accrued.

The parishwide general obligation bonds are payable from the Parishwide Bond Sinking Fund (debt service fund), while the road district general obligation refunding bonds are payable from the respective road district debt service funds.

Long-term bonded debt is comprised of the following individual issues at December 31, 2006.

Parishwide bonds:	
General obligation refunding bonds-\$904,000 issue of February 1, 2002, due in annual installments of \$ 72,000 to \$ 153,000 through August 1, 2008; interest at 3.625 per cent	\$ 300,000
Certificates of Indebtedness-\$1,000,000 issue of June 1, 2003 , due in annual installments of \$ 70,000 to \$ 125,000 through March 1, 2013; interest at 3.25 per cent	755,000
Certificates of Indebtedness-\$ 450,000 issue of July 29, 2002 , due in annual installments of \$ 50,000 through July 20, 2012; interest at 0.00 per cent	279,167
Certificates of Indebtedness-\$ 250,000 issue of March 1, 2004 , due in annual installments of \$ 20,000 to \$ 30,000 through August 1, 2013; interest at 2.20 per cent to 4.72 per cent.	190,000
General obligation refunding bonds-\$640,000 issue of May 1, 2004, due in annual installments of \$ 80,000 to \$ 105,000 through March 1, 2011; interest at 2.80 per cent	475,000
General obligation courthouse renovation bonds-\$7,900,000 issue of March 1, 2006, due in annual installments of \$265,000 to \$360,000, through March 1, 2016; interest at 4.90 per cent to 4.50 per cent.	7,900,000
District general obligation bonds:	
Road District No. 5- \$ 272,000 issue of March 1, 1995 due in annual installments of \$ 9,000 to \$ 27,000 through March 1, 2010; interest at 8.00 per cent	98,000
Sub-Road District No. 1 of Road District No. 1- Refunding Bonds \$ 373,000 issue of August 23, 2005 due in annual installments of \$ 71,000 to \$ 77,000 through February 1, 2010; interest at 3.45 per cent	302,000
Road District No. 9- \$ 226,000 issue of August 1, 1997 due in annual installments of \$ 16,000 to \$ 28,000 through April 1, 2007 interest at 5.25 per cent	28,000
Recreation District No. 1- \$ 520,000 issue of November 1, 2003 due in annual installments of \$ 10,000 to \$ 40,000 through March 1, 2023; interest at 4.00 per cent to 7.00 per cent	480,000
District public improvement sales tax bonds:	
Sales Tax District No. 1- \$ 10,000,000 issue of April 1, 2003 due in annual installments of \$ 325,000 to \$ 790,000 through October 1, 2022; interest at 3.80 per cent to 4.80 per cent	8,970,000
Sales Tax District No. 2- \$ 2,000,000 issue of January 1, 2003 due in annual installments of \$ 60,000 to \$ 155,000 through January 1, 2023; interest at 4.70 per cent to 5.70 per cent	1,745,000
Sales District No. 1- \$ 5,400,000 issue of April 1, 2004 due in annual installments of \$ 115,000 to \$ 375,000 through October 1, 2022; interest at 4.00 per cent to 5.00 per cent	4,855,000
Sales District No. 2- \$ 1,000,000 issue of March 1, 2005 due in annual installments of \$ 20,000 to \$ 75,000 through January 1, 2025; interest at 4.00 per cent to 6.00 per cent	950,000
Sales District No. 1- \$ 2,000,000 issue of December 1, 2005 due in annual installments of \$ 100,000 to \$ 180,000 through August 1, 2020; interest at 4.45 per cent	1,900,000
Total Bonded Debt	<u>\$ 29,227,167</u>

The annual requirements to amortize all bonds and/or certificates outstanding at December 31, 2006, are as follows:

<u>Year End</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total</u>
2007	\$ 1,631,000	\$ 1,216,501	2,847,501
2008	1,679,000	1,147,679	2,826,679
2009	1,584,000	1,076,406	2,660,406
2010	1,659,000	1,007,775	2,666,775
2011	1,715,000	941,411	2,656,411
2012-2025	<u>20,959,167</u>	<u>6,147,849</u>	<u>27,107,016</u>
Total	<u>\$ 29,227,167</u>	<u>\$ 11,537,621</u>	<u>\$ 40,764,788</u>

General obligation bonds are secured by an annual ad valorem tax levy. The Parish Government is in compliance with the requirements of Louisiana Revised Statute 39:562 relating to the legal restrictions on incurring long-term bonded debt in relation to the assessed value of taxable property in the parish.

NOTE 9-RETIREMENT SYSTEMS

Plan Description: Substantially all employees of the Parish Government are members of the Parochial Employees' Retirement System of Louisiana (the "System"), a cost-sharing, multiple-employer public employee retirement system (PERS), controlled and administered by a separate Board of Trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. Employees of the Parish Government are members of Plan A.

All permanent employees working at least 28 hours per week who are paid wholly or in part by the Parish Government 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 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3% of their final compensation multiplied by the employee's years of creditable service. However, for those employees who were members of the supplemental plan only prior to January 1, 1980, the benefit is equal to 1% of final compensation, plus \$24, for each year of service credited prior to January 1, 1980, and 3% of final compensation for each year of service credited after January 1, 1980. Final compensation is the employee's monthly earnings during the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated previously and who do not withdraw their employee contributions, may retire at the ages specified previously and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by State statute.

The Parochial Employees' Retirement System issues a publicly available report that includes financial statements and required supplemental information. That report may be obtained by writing to Parochial Employees' Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619.

Funding Policy: Contributions to the System include ¼ to 1% of the amount of the tax shown to be collectible by the tax roll of St. Martin Parish. These tax dollars are divided between Plans A and B, based proportionately on the salaries of the active members of each Plan.

Under Plan A, members are required by State statute to contribute 9.5% of their annual covered salary and the Parish Government is required to contribute at an actuarially determined rate. The current employer contribution rate is 12.75% of annual covered payroll. The contribution requirements of Plan members and the Parish Government are established and may be amended by the System's Board of Trustees. The Parish Government's contributions to the System under Plan A for the years ended December 31, 2006, 2005, and 2004, were approximately \$252,616, \$235,387, and \$ 322,830, respectively, equal to the required contributions for each year.

NOTE 10-CHANGES IN AGENCY FUNDS

The Parish offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. A third party, Nationwide Retirement Solutions, administers the plan. The plan, which is available to all employees, permits employees to defer a portion of their salaries until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

The deferred compensation liability and asset are equal to the total cash balances for each participant's account as of December 31, 2006. The Parish has no liability for losses under the plan, but does have the duty of due care that would be required of an ordinary prudent investor. The Parish intends to honor its moral obligation to the participants implicit in the program. Investments under the plan total \$848,000. The plan is accounted for by the Parish as an agency fund.

A summary of changes in agency fund assets and liabilities for the year ended December 31, 2006 is as follows:

<u>Description</u>	<u>Balance at Beginning of Year</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance at End of Year</u>
Assets:				
Cash	\$ --	\$ --	\$ --	\$ --
Investments	<u>833,454</u>	<u>130,862</u>	<u>(116,316)</u>	<u>848,000</u>
Total Assets	\$ <u>833,454</u>	\$ <u>130,862</u>	\$ <u>(116,316)</u>	\$ <u>848,000</u>
Liabilities:				
Deposits Due Others	\$ 833,454	\$ 130,862	\$ (116,316)	\$ 848,000
Other liabilities	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total Liabilities	\$ <u>833,454</u>	\$ <u>130,862</u>	\$ <u>(116,316)</u>	\$ <u>848,000</u>

NOTE 11-INTERFUND TRANSFERS

The following is a summary of interfund transfers during 2006:

Fund	Operating Transfers In	Operating Transfers Out
Major Funds:		
General Fund	\$ 77,712	\$ 531,916
Capital Outlay	2,774,161	
Courthouse Renovation		210,107
Dist. #1 Sales Tax Revenue		1,238,203
Dist. #1 Sales Tax Construction	780,000	
Dist. #2 Sales Tax Construction		2,166,763
Fire Protection Maintenance		138,456
Total Major funds interfund transfers	\$ 3,631,873	\$ 4,285,445
Nonmajor Funds:		
Dist. #2 Sales Tax Revenue		\$ 52,441
Recreation Dist. #1 Revenue	5,000	37,505
Video Poker		275,151
Excess Video Poker	112,251	442,216
Road and Bridge Maintenance	200,000	210,000
Recreation Maintenance	10,000	38,706
Health Unit Maintenance		274,260
Road Dist. Maintenance	1,560	116,798
Judicial Fund	333,001	
Drainage Maintenance		56,580
Recycling		710
Breaux Bridge/Cecilia Health	158,038	2,157
Housing Vouchers-Sec. 8		8,461
Dist. #1 Sales Tax Bond Sinking	458,203	
Certificates of Indebtedness 1991 Sinking	155,950	
Dist. #2 Sales Tax Bond Sinking	52,441	
Recreation Dist. # 1 Bond Sinking	37,505	
Equipment Technology	350,000	
Animal Control	34,900	929
Cecilia Tech Center	11,090	
Risk Management	90,539	52,999
Courthouse Maintenance	54,911	
Road Districts Sinking	248,101	
Road Dist. #6 Bond Sinking		102
Sinking - Hwy 90 Ind. Pk.	33,007	
Regional Economic Development		5,252
LCDBG Street Improvements	2,846	
LCDBG-Arrow Aviation		620
Jurors/Witness Fees		105,346
Tourist Commission		1,000
Industrial Park	20	1,790
Ozenne Road		12,168
Total nonmajor funds interfund transfers	\$ 2,349,363	\$ 1,695,791
Total Interfund transfers	\$ 5,981,236	\$ 5,981,236

NOTE 12-INTERFUND RECEIVABLES AND PAYABLES

Interfund balances at December 31, 2006 consisted of the following individual fund receivables and payables:

Fund	Interfund Receivables	Interfund Payables
Major Funds:		
General Fund	\$ 725,666	\$ 329,617
Dist. #1 Sales Tax Revenue	39,344	
Fire Protection Maintenance	294,865	7,220
Dist. #2 Sales Tax – Construction		1,485,089
Capital Outlay		165,430
Courthouse Renovation	46,609	
Total major Funds interfund balances	\$ 1,106,484	\$ 1,987,356
Nonmajor Funds:		
Recreation District #1	\$ 2,099	\$ 15,076
Drainage Maintenance		180,346
Road and Bridge Maintenance	57,015	
Road Districts Maintenance		99,677
Courthouse Maintenance		63,065
Drug Court		53,776
Recreation Maintenance		28,936
Health Unit Maintenance	203,520	
Regional Economic Development		5,252
Davis Park Fund		505
Property & Casualty	25,781	
Coroners Fund		3,685
Housing Vouchers – Section 8		29,889
Judicial Fund	189,992	
Excess Video Poker	462,399	
Summer Nutrition	916	
Animal Control		29,790
Sugarland Wastewater		13,267
Industrial Park Water/Waste	176,869	
Recycling	35,632	
Breaux Bridge/Cecilia Health		12,677
FEMA Hurricane Assistance	23,361	
LCDBG Cecilia Technology	11,090	7,458
Mosquito Control		746
Dist. #2 Sales Tax Sinking		61,901
Recreation District #1 Sinking	15,076	
Parishwide Bond Sinking	8,977	
Hwy. 90 Industrial Park Sinking	120,606	
Dist. #1 Sales Tax Sinking		569,207
Video Poker Revenue		25,864
Equipment Technology		28,919
Tourist Commission	267,463	
Road Districts Debt Service		5,611
Recreation Dist. #1 Construction	81,228	
Dist. #2 Road Project		215,169
Henderson Levee Road	24,962	
LCDBG Street Improvements		68,562
Road Dist. #1 Construction	1,646	
Dist. #2 Sales Tax Revenue	715,096	
Ozenne Road Donation		23,478
Total nonmajor funds interfund balances	\$ 2,423,728	\$ 1,542,856
Total interfund balances	\$ 3,530,212	\$ 3,530,212

All interfund balances resulted from the time lag between the dates that reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made.

NOTE 13-RISK MANAGEMENT

The Parish Government is exposed to risks of loss in the areas of health care, workers' compensation, general and auto liability, and property hazards. These risks are handled by purchasing commercial insurance. There have been no significant reductions in these insurance coverages during the current fiscal year, nor have settlements exceeded insurance coverage for the current or prior two fiscal years.

NOTE 14-PENDING LITIGATION AND CONTINGENT LIABILITIES

At December 31, 2006, the Parish Government is involved as a defendant in several lawsuits. In the opinion of management and legal counsel for the Parish Government, there is adequate insurance coverage on all cases where monetary damages are sought, and that these suits will not have an adverse material effect on the Parish Government's financial position. Due to the uncertain nature of these claims, in the opinion of legal counsel, no accurate estimate of the possible aggregate loss to be born by the parish government is possible. Claims and litigation cost of \$80,716 were incurred in the current year, and have been recorded as a current expenditure in the property/casualty/risk management fund.

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Parish Government expects such amounts, if any, to be immaterial

OTHER REQUIRED SUPPLEMENTARY INFORMATION

BUDGETARY COMPARISON SCHEDULES

GENERAL FUND AND MAJOR SPECIAL REVENUE FUNDS WITH LEGALLY ADOPTED BUDGETS

GENERAL FUND - To account for all financial resources traditionally associated with governments which are not required to be accounted for in another fund.

MAJOR SPECIAL REVENUE FUNDS - To account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

DISTRICT NO. 1 SALES TAX REVENUE FUND - To account for the collection and disbursement of the Parish Government's 1% sales and use tax levied, which is dedicated to repairing, constructing, improving and maintaining roads and bridges within the unincorporated areas of St. Martin Parish, exclusive of the confines of District No. 2.

FIRE PROTECTION MAINTENANCE FUND - To account for the maintenance and operation of fire protection stations, which are centrally located across the parish, to provide fire protection services to residents of the parish. Major means of financing are provided by ad valorem taxes, state revenue sharing, and the state's remittance of a portion of fire insurance premiums paid within the state.

ST. MARTIN PARISH GOVERNMENT
St. Martinville, Louisiana
GOVERNMENTAL FUND TYPE-GENERAL FUND

(Schedule 1)

Combined Statement of Revenues, Expenditures,
and Changes in Fund Balance-Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2006

	<u>BUDGETED AMOUNTS</u>			<u>FAVORABLE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>(UNFAVORABLE)</u>
<u>REVENUES</u>				
Ad valorem taxes	\$1,128,211	\$ 273,927	\$ 344,856	\$ 70,929
Licenses and permits	353,981	378,500	567,369	188,869
Intergovernmental revenues:				
Federal grants	79,429	87,914	13,598	(74,316)
State Funds:				
State revenue sharing	26,000	106,341	106,341	-
Parish royalty funds	-	773,929	773,929	-
Other state funds	-	150,000	189,637	39,637
Fees, charges for services	165,909	119,106	265,237	146,131
Use of money and property	-	21,500	71,936	50,436
Other revenues	234,900	552,600	406,759	(145,841)
	-----	-----	-----	-----
TOTAL REVENUES	\$1,988,430	\$2,463,817	\$2,739,662	\$ 275,845
	-----	-----	-----	-----
<u>EXPENDITURES</u>				
General government	\$1,064,468	\$1,020,846	\$1,001,403	\$ 19,443
Public safety	598,140	758,160	835,483	(77,323)
Health and welfare	83,092	81,599	70,095	11,504
Economic development/assistance	89,264	96,213	101,575	(5,362)
Debt service	58,152	28,566	28,566	-
Other expenditures	54,766	66,612	9,147	57,465
	-----	-----	-----	-----
TOTAL EXPENDITURES	\$1,947,882	\$2,051,996	\$2,046,269	\$ 5,727
	-----	-----	-----	-----
EXCESS/(Deficiency) OF REVENUES OVER EXPENDITURES	\$ 40,548	\$ 411,821	\$ 693,393	\$ 281,572
	-----	-----	-----	-----
<u>OTHER FINANCING SOURCES (USES)</u>				
Operating transfers (net)	\$ (114,832)	\$ (232,872)	\$ (454,204)	\$ (221,332)
Proceeds from issuance of debt	-	-	-	-
Transfers to other gov't units	-	-	-	-
	-----	-----	-----	-----
TOTAL OTHER SOURCES/USES	\$ (114,832)	\$ (232,872)	\$ (454,204)	\$ (221,332)
	-----	-----	-----	-----
EXCESS/(Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	\$ (74,284)	\$ 178,949	\$ 239,189	\$ 60,240
FUND BALANCES-BEGINNING OF YEAR	2,211,500	2,211,500	2,211,500	-
	-----	-----	-----	-----
FUND BALANCES-END OF YEAR	\$2,137,216	\$2,390,449	\$2,450,689	\$ 60,240
	=====	=====	=====	=====

The accompanying notes are an integral part of this statement.

ST. MARTIN PARISH GOVERNMENT
St. Martinville, Louisiana
GOVERNMENTAL FUND TYPE-DISTRICT NO. 1
SALES TAX REVENUE FUND

(Schedule 2)

Combined Statement of Revenues, Expenditures,
and Changes in Fund Balance -
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2006

	<u>BUDGETED AMOUNTS</u>			<u>VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>FAVORABLE</u> <u>(UNFAVORABLE)</u>
<u>REVENUES</u>				
Sales taxes	\$1,500,000	\$1,850,000	\$2,265,957	\$ 415,957
Use of money and property	7,500	70,000	82,325	12,835
Other revenues	-0-	-0-	-	-
	-----	-----	-----	-----
TOTAL REVENUES	\$1,507,500	\$1,920,000	\$2,348,282	\$ 428,282
	-----	-----	-----	-----
<u>EXPENDITURES</u>				
General government	\$ 1,000	\$ 1,000	\$ 956	\$ 44
Public works	75,000	110,000	66,477	43,523
	-----	-----	-----	-----
TOTAL EXPENDITURES	\$ 76,000	\$ 111,000	\$ 67,433	\$ 43,567
	-----	-----	-----	-----
EXCESS/(Deficiency) OF REVENUES OVER EXPENDITURES	\$1,431,500	\$1,809,000	\$2,280,849	\$ 471,849
	-----	-----	-----	-----
<u>OTHER FINANCING SOURCES/(USES)</u>				
Transfers out	\$ (757,864)	(2,188,369)	(1,238,203)	\$ 950,166
	-----	-----	-----	-----
EXCESS/(Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	\$ 673,636	\$ (379,369)	\$1,042,646	1,422,015
	-----	-----	-----	-----
FUND BALANCES-BEGINNING OF YEAR	1,555,834	1,555,834	1,555,834	-
	-----	-----	-----	-----
FUND BALANCES-END OF YEAR	\$2,229,470	\$1,117,465	\$2,598,480	1,422,015
	=====	=====	=====	=====

The accompanying notes are an integral part of this statement.

ST. MARTIN PARISH GOVERNMENT
 St. Martinville, Louisiana
GOVERNMENTAL FUND TYPE
FIRE PROTECTION MAINTENANCE FUND

(Schedule 2a)

Combined Statement of Revenues, Expenditures,
 and Changes in Fund Balance -Budget (GAAP Basis) and Actual
 For the Year Ended December 31, 2006

	<u>BUDGETED AMOUNTS</u>		<u>VARIANCE</u>	
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>(UNFAVORABLE)</u>
<u>REVENUES</u>				
Ad valorem taxes	\$ 723,300	\$ 731,300	\$ 846,857	\$115,557
Federal/State funds	202,800	226,207	391,014	164,807
Use of money and property	27,500	40,000	51,870	11,870
Other revenues	-0-	1,050	4,078	3,028
	-----	-----	-----	-----
TOTAL REVENUES	\$ 953,600	\$ 998,557	\$1,293,819	\$295,262
	-----	-----	-----	-----
<u>EXPENDITURES</u>				
General government	\$ 60,000	\$ 1,000	\$ 44,803	\$(43,803)
Public safety	658,152	751,690	694,114	57,576)
Capital outlay	-	230,861	230,861	-
	-----	-----	-----	-----
TOTAL EXPENDITURES	\$ 718,152	\$ 983,551	\$ 969,778	\$ 13,773
	-----	-----	-----	-----
EXCESS/(Deficiency) OF REVENUES OVER EXPENDITURES	\$ 235,448	\$ 15,006	\$ 324,041	\$309,035
	-----	-----	-----	-----
<u>OTHER FINANCING SOURCES/(USES)</u>				
Transfers out	\$ (63,010)	\$ (50,006)	\$ (138,456)	\$(88,450)
	-----	-----	-----	-----
EXCESS/(Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	\$ 172,438	\$ (35,000)	\$ 185,585	\$220,585
	-----	-----	-----	-----
FUND BALANCES-BEGINNING OF YEAR	2,462,995	2,462,995	2,462,995	-
	-----	-----	-----	-----
FUND BALANCES-END OF YEAR	\$1,059,	\$2,427,995	\$2,648,580	\$220,585
	=====	=====	=====	=====

The accompanying notes are an integral part of this statement.

OTHER SUPPLEMENTARY INFORMATION

ST. MARTIN PARISH GOVERNMENT
St. Martinville, Louisiana

Schedule 3

ALL NONMAJOR GOVERNMENTAL FUNDS-BY FUND TYPE
Combining Balance Sheet, December 31, 2006

	SPECIAL REVENUE FUNDS	CAPITAL PROJECT FUNDS	DEBT SERVICE FUNDS	TOTAL NONMAJOR GOVERNMENT FUNDS
<u>ASSETS</u>				
Cash and interest bearing deposits	\$ 4,569,527	\$ 179,667	\$1,962,459	\$ 6,711,653
Receivables	3,943,645	-	666,930	4,610,575
Due from other funds	2,171,233	107,836	144,659	2,423,728
	-----	-----	-----	-----
TOTAL ASSETS	\$10,684,405	\$ 287,503	\$2,774,048	\$13,745,956
	=====	=====	=====	=====
<u>LIABILITIES AND FUND EQUITY</u>				
LIABILITIES:				
Accounts payable	\$ 182,468	\$ 1,115	\$ 2,915	\$ 186,498
Accrued liabilities	59,352	-	-	59,352
Due to other funds	622,406	283,731	636,719	1,542,856
Other liabilities	123,975	-	24,571	148,546
Deferred revenues	289,644	-	-	289,644
	-----	-----	-----	-----
Total Liabilities	\$ 1,277,845	\$ 284,846	\$ 664,205	\$ 2,226,896
	-----	-----	-----	-----
FUND BALANCES				
Reserved for debt service	-	-	\$2,162,503	\$ 2,162,503
Unreserved-undesignated/ (deficit)	\$ 9,406,560	\$ 2,657	(52,660)	9,356,557
	-----	-----	-----	-----
Total fund balances	\$ 9,406,560	\$ 2,657	\$2,109,843	\$11,519,060
	-----	-----	-----	-----
TOTAL LIABILITIES AND FUND BALANCES	\$10,684,405	\$ 287,503	\$2,774,048	\$13,745,956
	=====	=====	=====	=====

ST. MARTIN PARISH GOVERNMENT
St. Martinville, Louisiana
ALL NONMAJOR GOVERNMENTAL FUNDS-BY FUND TYPE

Schedule 4

Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended December 31, 2006

	<u>SPECIAL</u> <u>REVENUE</u> <u>FUNDS</u>	<u>CAPITAL</u> <u>PROJECT</u> <u>FUNDS</u>	<u>DEBT</u> <u>SERVICE</u> <u>FUNDS</u>	<u>TOTAL</u> <u>NONMAJOR</u> <u>GOVERNMENT</u> <u>FUNDS</u>
<u>REVENUES</u>				
Taxes - ad valorem	\$3,374,159		\$ 680,874	\$ 4,055,033
Sales tax/Hotel tax	712,875			712,875
Intergovernmental revenues:				
<u>Federal Funds:</u>				
Federal grants	1,783,741			1,783,741
<u>State funds:</u>				
Parish transportation funds	500,356			500,356
State revenue sharing (net)	209,317			209,317
Other state funds	1,320,006	\$ 19,389		1,339,395
Fees, charges, and commissions for service	706,835			706,835
Use of money and property	134,525	6,044	49,805	190,374
Other revenues	207,960		286,116	494,076
	-----	-----	-----	-----
TOTAL REVENUES	\$8,949,774	\$ 25,433	1,016,795	\$ 9,992,002
	-----	-----	-----	-----
<u>EXPENDITURES</u>				
General government:				
Judicial	\$ 642,043			\$ 642,043
Elections				
Finance and administrative	148,410	\$ 1,378	\$ 4,521	154,309
Other general government	678,592			678,592
Public safety	1,600			1,600
Public works	2,221,960			2,221,960
Health and welfare	1,984,580			1,984,580
Culture and recreation	157,260			157,260
Economic development and assistance	698,359			698,359
Capital outlay	513,687	88,564		602,251
Debt service:				
Principal	318,239		1,279,000	1,597,239
Interest and bank charges	35,321		1,077,592	1,112,913
	-----	-----	-----	-----
TOTAL EXPENDITURES	\$7,400,051	\$ 89,942	2,361,113	\$ 9,851,106
	-----	-----	-----	-----
EXCESS/(Deficiency) OF REVENUES OVER EXPENDITURES	\$1,549,723	\$(64,509)	(1,344,318)	\$ 140,896
	-----	-----	-----	-----

ST. MARTIN PARISH GOVERNMENT
 St. Martinville, Louisiana
 ALL NONMAJOR GOVERNMENTAL FUNDS-BY FUND TYPE
 Combining Schedule of Revenues, Expenditures,
 and Changes in Fund Balances, 2006

Schedule 4
 (Continued)

	SPECIAL REVENUE FUNDS	CAPITAL PROJECT FUNDS	DEBT SERVICE FUNDS	TOTAL NONMAJOR GOVERNMENT FUNDS
<u>OTHER FINANCING SOURCES/(Uses)</u>				
Operating transfers in	\$1,361,310	\$ 2,846	\$ 985,207	\$ 2,349,363
Operating transfers out	(1,695,069)	(620)	(102)	(1,695,791)
Proceeds from bonds issued				
Bond issue costs				
Proceeds from sale of fixed assets	29,086			29,086
Proceeds from capital leases	337,400			337,400
Transfers from other gov'ts.	-			-
	-----	-----	-----	-----
TOTAL OTHER FINANCING SOURCES/(Uses)	\$ 32,727	\$ 2,226	\$ 985,105	\$ 1,020,058
	-----	-----	-----	-----
EXCESS/(Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPEN- DITURES AND OTHER USES	\$1,582,450	\$(62,283)	\$(359,213)	\$ 1,160,954
FUND BALANCES AT BEGINNING OF YEAR	7,824,110	64,940	2,469,056	10,358,106
	-----	-----	-----	-----
FUND BALANCES AT END OF YEAR	\$9,406,560	\$ 2,657	2,109,843	\$11,519,060
	=====	=====	=====	=====

ST. MARTIN PARISH GOVERNMENT
St. Martinville, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULES
December 31, 2006

NONMAJOR SPECIAL REVENUE FUNDS

ROAD AND BRIDGE MAINTENANCE FUND

The Road and Bridge Maintenance Fund accounts for expenditures in connection with maintenance and upkeep of the parish road system. Major means of financing is provided by ad valorem taxes, state revenue sharing, and the State of Louisiana Parish Transportation Fund. Use of funds is restricted by Louisiana Revised Statute 48:753.

ROAD DISTRICTS MAINTENANCE FUNDS

The Road Districts Maintenance Funds account for maintenance and upkeep of parish roads and bridges within the respective road districts. Major means of financing for the districts are ad valorem taxes, which are levied against properties within the districts.

PARISHWIDE DRAINAGE MAINTENANCE FUND

The Parishwide Drainage Maintenance Fund accounts for expenditures for maintenance of the parish drainage system. Major means of financing is provided by ad valorem taxes and state revenue sharing funds.

VIDEO POKER REVENUE FUND

The Video Poker Revenue Fund accounts for the the collection and expenditure of the parish share of revenues from video poker licensees located within St. Martin Parish.

DRUG COURT FUND

The Drug Court Fund accounts for the revenues and expenditures associated with the conduct of the 16th Judicial District drug court situated within the Parish of St. Martin. Major means of financing is a grant from the State of Louisiana Judicial Fund, coupled with funding from the 16th Judicial District Court.

COURTHOUSE MAINTENANCE FUND

The Courthouse Maintenance Fund accounts for the maintenance of the St. Martin Parish courthouse and grounds. Major means of financing is provided by ad valorem taxes and state revenue sharing funds.

HEALTH UNIT MAINTENANCE FUND

The Health Unit Maintenance Fund accounts for the maintenance of a health unit which provides health and welfare services to the citizens of the parish. Major means of financing is provided by ad valorem taxes, state revenue sharing, and interest earned on investments.

RECREATION MAINTENANCE FUND

The Recreation Maintenance Fund accounts for the cost of providing recreational facilities for residents of the parish. Major means of financing is provided by ad valorem taxes and state revenue sharing funds.

REGIONAL ECONOMIC DEVELOPMENT FUND

The Regional Economic Development Fund accounts for the expenditure of funding received to promote economic growth within St. Martin Parish.

EQUIPMENT TECHNOLOGY FUND

The Equipment Technology Fund accounts for the accumulation and expenditure of funds to update information technology and equipment to better serve the information needs of the St. Martin Parish Government.

TOURIST COMMISSION FUND

The Tourist Commission Fund accounts for the expenditure of funds for the promotion of parishwide tourism, and the dissemination of information pertaining to the cultural attractions present in St. Martin Parish.

OZENNE ROAD DONATION FUND

The Ozenne Road Donation Fund accounts for the proceeds of a donation to the parish road system by Atlantic Richfield Co. to compensate the parish for damages to the Aubrey Ozenne Road resulting from the excessive transportation of heavy equipment to an oil and gas well location situated adjacent to said road.

DAVIS PARK FUND

The Davis Park Fund accounts for the fees collected and maintenance costs associated with the "Uncle Dick Davis Park" located at Butte La Rose in St. Martin Parish, Louisiana

HOUSING VOUCHERS SECTION 8 GRANT FUND

The Housing Vouchers Section 8 Grant Fund accounts for supplemental federal grant funds provided to the parish government for the payment of additional rental subsidies to low income families in accordance with criteria established under the parish government's initial housing assistance grant. Financing is provided directly by the United States Department of Housing and Urban Development.

PROPERTY/CASUALTY/RISK MANAGEMENT FUND

The Property/Casualty/Risk Management Fund is set up to account for the claims, litigation and insurance costs associated with insuring the property and activities of the St. Martin Parish Government.

JURORS/WITNESS FEES FUND

The Jurors/Witness Fees Fund accounts for fees paid to jurors and witnesses associated with the operation of the 16th Judicial District Court.

DISTRICT NO. 2-SALES TAX

The District No. 2-Sales Tax Fund accounts for the receipt and expenditure of tax monies derived from the Parish Government's 1/2 cent sales and use tax assessed within the confines of St. Martin Parish District 2.

JUDICIAL FUND

The Judicial Fund accounts for monies used to fund the parish government's share of operational costs associated with the sixteenth judicial district court.

CORONER'S FUND

The Coroner's Fund accounts for monies used to fund the operations of the St. Martin Parish Coroner's Office.

SUMMER NUTRITION FUND

The Summer Nutrition Fund accounts for grant funds obtained from the State of Louisiana-Department of Education for a summer nutrition program targeted at certain specific socio-economic groups within St. Martin Parish, Louisiana.

MOSQUITO ABATEMENT FUND

The Mosquito Abatement Fund accounts for monies collected and expended to fund the maintenance of a mosquito abatement and control program in lower St. Martin Parish, Louisiana.

EXCESS VIDEO POKER

The Excess Video Poker Fund accounts for the accumulation of supplemental video poker revenues by the Parish Government which have not been dedicated to any specific governmental program or purpose.

RECYCLING FUND

The Recycling Fund accounts for monies used to fund the Parish Government's recycling program.

BREAUX BRIDGE/CECILIA HEALTH FUND

The Breaux Bridge/Cecilia Health Fund accounts for the costs associated with, and the fees derived from the parish's operation of the health units in Breaux Bridge and Cecilia.

ANIMAL CONTROL FUND

The Animal Control Fund accounts for expenditures associated with the operation of an animal control facility to serve rural St. Martin Parish, Louisiana.

INDUSTRIAL PARK WATER/WASTE FUND

The Industrial Park Water/Waste Fund accounts for the operations and maintenance of the St. Martin Parish Industrial Park and associated water treatment plant.

RECREATION DISTRICT NO. 1

The Recreation District No. 1 Fund accounts for the receipt and expenditure of ad valorem tax revenues dedicated to cultural and recreation activities within the parish.

HURRICANE LILY/ISADORE CLEANUP FUND

The Hurricane Lily/Isadore Cleanup Fund accounts for the revenues and expenditures attributable to the cleanup of storm damages associated with the passage of tropical storm Isadore and hurricane Lily in the fall of 2002. Revenues are derived principally from Federal Emergency Management Assistance, funding, together with interfund governmental transfers from other parish government funds.

LCDBG-CECILIA TECH CENTER FUND

The LCDBG-Cecilia Tech Center Fund accounts for the proceeds of community development block grant funding to operate the technology education center in the community of Cecilia, Louisiana.

ST. MARTIN PARISH GOVERNMENT
St. Martinville, Louisiana
ALL NONMAJOR SPECIAL REVENUE FUNDS

Combining Balance Sheet, December 31, 2006

	<u>ROAD AND BRIDGE MAINTENANCE</u>	<u>ROAD DISTRICTS MAINTENANCE</u>	<u>EQUIPMENT TECHNOLOGY</u>	<u>PARISHWIDE DRAINAGE MAINTENANCE</u>
<u>ASSETS</u>				
Cash and interest bearing deposits	\$ 141,887	\$ 668,635	\$ 3	\$ 147,354
Receivables	781,473	484,999		946,751
Prepaid expenses	-	-		-
Due from other funds	57,015	-		-
	-----	-----	-----	-----
TOTAL ASSETS	\$ 980,375	\$1,153,634	\$ 3	\$1,094,105
	=====	=====	=====	=====
<u>LIABILITIES AND FUND BALANCES</u>				
LIABILITIES:				
Accounts payable	\$ 22,202	\$ 2,199	\$ 2,566	\$ 20,333
Accrued liabilities	15,565	3,411		15,122
Due to other funds	-	99,677	28,919	180,346
Other liabilities	23,260	17,850		33,033
Deferred revenues	-	-		-
	-----	-----	-----	-----
Total Liabilities	\$ 61,027	\$ 123,137	\$ 31,485	\$ 248,834
	-----	-----	-----	-----
FUND BALANCES:				
Unreserved-undesignated	\$ 919,348	\$1,030,497	\$(31,482)	\$ 845,271
	-----	-----	-----	-----
Total Fund Balances	\$ 919,348	\$1,030,497	\$(31,482)	\$ 845,271
	-----	-----	-----	-----
TOTAL LIABILITIES AND FUND BALANCES	\$ 980,375	\$1,153,634	\$ 3	\$1,094,105
	=====	=====	=====	=====

<u>VIDEO POKER REVENUE</u>	<u>DRUG COURT</u>	<u>CECILIA TECH CENTER</u>	<u>COURTHOUSE MAINTENANCE</u>	<u>HEALTH UNIT MAINTENANCE</u>	<u>REGIONAL ECONOMIC DEVELOPMENT</u>	<u>RECREATION MAINTENANCE</u>
\$131,616	\$ 33,649		\$ 418	\$ 833,474	\$ 5,252	\$125,114
12,561	15,837		324,130	484,995		197,587
-	-		-	-		-
-	-	\$ 11,090	-	203,520		-
-----	-----	-----	-----	-----	-----	-----
\$144,177	\$ 49,486	\$ 11,090	\$ 324,548	\$1,521,989	\$ 5,252	\$322,701
=====	=====	=====	=====	=====	=====	=====
\$ 3,355	\$ 23,867	\$ 1,599	\$ 18,326	\$ 2,100		\$ 4,930
1,492	4,034	-	2,761	1,849		593
25,864	53,776	7,458	63,065	-	\$ 5,252	28,936
-	-	-	11,193	16,762		6,552
-	-	-	-	-		-
-----	-----	-----	-----	-----	-----	-----
\$ 30,711	\$ 81,677	\$ 9,057	\$ 95,345	\$ 20,711	\$ 5,252	\$ 41,011
-----	-----	-----	-----	-----	-----	-----
\$113,466	\$ (32,191)	\$ 2,033	\$ 229,203	\$1,501,278	NONE	\$281,690
-----	-----	-----	-----	-----	-----	-----
\$113,466	\$ (32,191)	\$ 2,033	\$ 229,203	\$1,501,278	NONE	\$281,690
-----	-----	-----	-----	-----	-----	-----
\$144,177	\$ 49,486	\$ 11,090	\$ 324,548	\$1,521,989	\$ 5,252	\$322,701
=====	=====	=====	=====	=====	=====	=====

ST. MARTIN PARISH GOVERNMENT
St. Martinville, Louisiana
ALL NONMAJOR SPECIAL REVENUE FUNDS

Combining Balance Sheet, December 31, 2006

	DISTRICT NO. 2- <u>SALES TAX</u>	TOURIST <u>COMMISSION</u>	JUDICIAL <u>FUND</u>	CORONER'S <u>FUND</u>
<u>ASSETS</u>				
Cash and interest bearing deposits	\$ 910,166	\$ 64,001	\$ 36,400	\$ 9,885
Receivables	69,527	4,668	22,770	6,747
Prepaid expenses	-	-	-	-
Due from other funds	715,096	267,463	189,992	-
	-----	-----	-----	-----
TOTAL ASSETS	\$1,694,789	\$336,132	\$249,162	\$ 16,632
	=====	=====	=====	=====
<u>LIABILITIES AND FUND BALANCES</u>				
<u>LIABILITIES:</u>				
Accounts payable	\$ 563	\$ 4,854	\$ 4,793	\$ 5,765
Accrued liabilities				
Due to other funds			-	3,685
Other liabilities				
Deferred revenues				
	-----	-----	-----	-----
Total Liabilities	\$ 563	\$ 4,854	\$ 4,793	\$ 9,450
	-----	-----	-----	-----
<u>FUND BALANCES:</u>				
Unreserved-undesignated	\$1,694,226	\$331,278	\$244,369	\$ 7,182
	-----	-----	-----	-----
Total Fund Balances	\$1,694,226	\$331,278	\$244,369	\$ 7,182
	-----	-----	-----	-----
TOTAL LIABILITIES AND FUND BALANCES	\$1,694,789	\$336,132	\$249,162	\$ 16,632
	=====	=====	=====	=====

Schedule 5
(Continued)

SUMMER NUTRITION FUND	MOSQUITO ABATEMENT FUND	EXCESS VIDEO POKER	RECYCLING FUND	BB/CECILIA HEALTH FUND	ANIMAL CONTROL FUND	SUGARLAND WASTEWATER FUND
\$ 30	\$2,005	\$ 680,153	\$ 53,005	\$ 38,873	\$ 10,592	\$ 1,344
	2,843	111,766	19,204	13,284		1,997
		-	-			
916		462,399	35,632			
-----	-----	-----	-----	-----	-----	-----
\$ 946	\$4,848	\$1,254,318	\$107,841	\$ 52,157	\$ 10,592	\$ 3,341
=====	=====	=====	=====	=====	=====	=====
\$ 112	\$6,250	\$ 563	\$ 1,551	\$ 4,887	\$ 3,766	\$ 223
	746		1,297	6,230	1,770	
				12,677	29,790	13,267
-----	-----	-----	-----	-----	-----	-----
\$ 112	\$6,996	\$ 563	\$ 2,848	\$ 23,794	\$ 35,326	\$13,490
-----	-----	-----	-----	-----	-----	-----
\$ 834	(2,148)	\$1,253,755	\$104,993	\$ 28,363	\$ (24,734)	(10,149)
-----	-----	-----	-----	-----	-----	-----
\$ 834	(2,148)	\$1,253,755	\$104,993	\$ 28,363	\$ (24,734)	(10,149)
-----	-----	-----	-----	-----	-----	-----
\$ 946	\$4,848	\$1,254,318	\$107,841	\$ 52,157	\$ 10,592	\$ 3,341
=====	=====	=====	=====	=====	=====	=====

ST. MARTIN PARISH GOVERNMENT
 St. Martinville, Louisiana
 ALL NONMAJOR SPECIAL REVENUE FUNDS
 Combining Balance Sheet, December 31, 2006

Schedule 5
 (Continued)

	OZENNE ROAD DONATION	DAVIS PARK FUND	HOUSING VOUCHERS SECTION 8 GRANT	PROPERTY/ CASUALTY/ RISK MANAGEMENT	JUROR/ WITNESS FEES
<u>ASSETS</u>					
Cash and interest bearing deposits	\$ 72,935	\$ 3,788	\$ 331,636	\$ 3,703	
Receivables	8,645			9,700	
Prepaid expenses	-			-	
Due from other funds	-			25,781	
	-----	-----	-----	-----	-----
TOTAL ASSETS	\$ 81,580	\$ 3,788	\$ 331,636	\$ 39,184	NONE
	=====	=====	=====	=====	=====
<u>LIABILITIES AND FUND BALANCE</u>					
LIABILITIES:					
Accounts payable	\$ 56	\$ 56	\$ 8,795	\$ 13,827	
Accrued liabilities			3,308	-	
Due to other funds	23,478	505	29,889	-	
Other liabilities			-	-	
Deferred revenue			289,644	-	
	-----	-----	-----	-----	-----
Total Liabilities	\$ 23,534	\$ 561	\$ 331,636	\$ 13,827	NONE
	-----	-----	-----	-----	-----
FUND BALANCES:					
Unreserved-undesignated	\$ 58,046	\$ 3,227	\$ -	\$ 25,357	NONE
	-----	-----	-----	-----	-----
Total Fund Balances	\$ 58,046	\$ 3,227	\$ -	\$ 25,357	NONE
	-----	-----	-----	-----	-----
TOTAL LIABILITIES AND FUND BALANCES	\$ 81,580	\$ 3,788	\$ 331,636	\$ 39,184	NONE
	=====	=====	=====	=====	=====

ST. MARTIN PARISH GOVERNMENT
St. Martinville, Louisiana
ALL NONMAJOR SPECIAL REVENUE FUNDS

Schedule 5
(Continued)

Combining Balance Sheet, December 31, 2006

	<u>IND. PARK WATER/WASTE FUND</u>	<u>RECREATION DIST. # 1 FUND</u>	<u>FEMA HURRICANE ASSISTANCE</u>	<u>TOTALS</u>
<u>ASSETS</u>				
Cash and interest bearing deposits	\$ 66,389	\$131,631	\$ 65,589	\$ 4,569,527
Receivables	340,794	83,367		3,943,645
Prepaid expenses	-	-		-
Due from other funds	176,869	2,099	23,361	2,171,233
	-----	-----	-----	-----
TOTAL ASSETS	\$584,052	\$217,097	\$ 88,950	\$10,684,405
	=====	=====	=====	=====
<u>LIABILITIES AND FUND BALANCES</u>				
LIABILITIES:				
Accounts payable	\$ 24,649	\$ 112	\$ 169	\$ 182,468
Accrued liabilities	1,920			59,352
Due to other funds	-	15,076		622,406
Other liabilities	9,719	5,606		123,975
Deferred revenues	-			289,644
	-----	-----	-----	-----
Total Liabilities	\$ 36,288	\$ 20,794	\$ 169	\$ 1,277,845
	-----	-----	-----	-----
FUND BALANCES:				
Unreserved-undesignated	\$547,764	\$196,303	\$ 88,781	\$ 9,406,560
	-----	-----	-----	-----
Total Fund Balances	\$547,764	\$196,303	\$ 88,781	\$ 9,406,560
	-----	-----	-----	-----
TOTAL LIABILITIES AND FUND BALANCES	\$584,052	\$217,097	\$ 88,950	\$10,684,405
	=====	=====	=====	=====

ST. MARTIN PARISH GOVERNMENT
St. Martinville, Louisiana
ALL NONMAJOR SPECIAL REVENUE FUNDS

Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended December 31, 2006

	<u>ROAD AND BRIDGE MAINTENANCE</u>	<u>ROAD DISTRICTS MAINTENANCE</u>	<u>EQUIPMENT TECHNOLOGY</u>	<u>PARISHWIDE DRAINAGE MAINTENANCE</u>
<u>REVENUES</u>				
Taxes - ad valorem	\$ 644,215	\$ 503,031		\$ 916,395
Sales tax/Hotel tax				
Intergovernmental revenues:				
<u>Federal Funds:</u>				
Federal grants				
<u>State funds:</u>				
Parish transportation funds	500,356			
State revenue sharing (net)	62,143	729		61,592
Other state funds				-
Fees, charges, and commissions for service				
Use of money and property	8,672	18,037	\$ 1,123	4,311
Other revenues	39,931			-
	-----	-----	-----	-----
TOTAL REVENUES	\$1,255,317	\$ 521,797	\$ 1,123	\$ 982,298
	-----	-----	-----	-----
<u>EXPENDITURES</u>				
General government:				
Judicial				
Elections				
Finance and administrative	\$ 26,125	\$ 8,100	\$ 337	\$ 34,017
Other general government	51,785	12,380		48,390
Public safety				
Public works	1,037,384	184,619		882,351
Health and welfare				
Culture and recreation				
Economic development and assistance				
Capital outlay			512,687	
Debt service:				
Principal			318,239	
Interest and bank charges			35,321	
	-----	-----	-----	-----
TOTAL EXPENDITURES	\$1,115,294	\$ 205,099	\$ 866,584	\$ 964,758
	-----	-----	-----	-----
EXCESS/(Deficiency) OF REVENUES OVER EXPENDITURES	\$ 140,023	\$ 316,698	\$(865,461)	\$ 17,540
	-----	-----	-----	-----

<u>VIDEO POKER REVENUE</u>	<u>DRUG COURT</u>	<u>CECILIA TECH CENTER</u>	<u>COURTHOUSE MAINTENANCE</u>	<u>HEALTH UNIT MAINTENANCE</u>	<u>REGIONAL ECONOMIC DEVELOPMENT</u>	<u>RECREATION MAINTENANCE</u>
			\$310,015	\$ 464,260		\$ 181,463
	\$236,621	\$295,623				
\$ 290,000			25,090	37,444		22,319
	26,230		794			7,694
4,939			695	29,437		3,793
45,793	24,075	34	15			1,615
<u>\$ 340,732</u>	<u>\$286,926</u>	<u>\$295,657</u>	<u>\$336,609</u>	<u>\$ 531,141</u>	<u>NONE</u>	<u>\$ 216,884</u>
	\$285,340					
\$ 337	6,000	\$ 788	\$ 281	\$ 19,718		\$ 12,500
4,924	9,166		394,099	6,934		86
1,600						
56,038						
38,019				236,713		
						151,290
81,698		269,072				
<u>\$ 182,616</u>	<u>\$300,506</u>	<u>\$269,860</u>	<u>\$394,380</u>	<u>\$ 263,365</u>	<u>NONE</u>	<u>\$ 163,876</u>
<u>\$ 158,116</u>	<u>\$(13,580)</u>	<u>\$ 25,797</u>	<u>\$(57,771)</u>	<u>\$ 267,776</u>	<u>NONE</u>	<u>\$ 53,008</u>

ST. MARTIN PARISH GOVERNMENT
 St. Martinville, Louisiana
ALL NONMAJOR SPECIAL REVENUE FUNDS
 Combining Schedule of Revenues, Expenditures,
 and Changes in Fund Balances, 2006

	<u>ROAD AND BRIDGE MAINTENANCE</u>	<u>ROAD DISTRICTS MAINTENANCE</u>	<u>EQUIPMENT TECHNOLOGY</u>	<u>PARISHWIDE DRAINAGE MAINTENANCE</u>
<u>OTHER FINANCING SOURCES/(USES)</u>				
Operating transfers in	\$ 200,000	\$ 1,560	\$ 350,000	
Operating transfers out	(210,000)	(116,798)		\$ (56,580)
Proceeds of refunding bonds				
Proceeds from sale of fixed assets			29,086	
Proceeds from capital leases			337,400	
Transfers from other gov'ts.				
	-----	-----	-----	-----
TOTAL OTHER FINANCING SOURCES/(Uses)	\$ (10,000)	\$ (115,238)	\$ 716,486	\$ (56,580)
	-----	-----	-----	-----
EXCESS/(Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPEN- DITURES AND OTHER USES	\$ 130,023	\$ 201,460	\$ (148,975)	\$ (39,040)
FUND BALANCES AT BEGINNING OF YEAR	789,325	829,037	117,493	884,311
	-----	-----	-----	-----
FUND BALANCES AT END OF YEAR	\$ 919,348	\$1,030,497	\$ (31,482)	\$ 845,271
	=====	=====	=====	=====

Schedule 6
(Continued)

<u>VIDEO POKER REVENUE</u>	<u>DRUG COURT</u>	<u>CECILIA TECH CENTER</u>	<u>COURTHOUSE MAINTENANCE</u>	<u>HEALTH UNIT MAINTENANCE</u>	<u>REGIONAL ECONOMIC DEVELOPMENT</u>	<u>RECREATION MAINTENANCE</u>
\$ (275,151)		\$ 11,090	\$ 54,911	\$ (274,260)	\$ (5,252)	\$ 10,000 (38,706)
-----	-----	-----	-----	-----	-----	-----
\$ (275,151)	NONE	\$ 11,090	\$ 54,911	\$ (274,260)	\$ (5,252)	\$ (28,706)
-----	-----	-----	-----	-----	-----	-----
\$ (117,035)	\$ (13,580)	\$ 36,887	\$ (2,860)	\$ (6,484)	\$ (5,252)	\$ 24,302
230,501	(18,611)	(34,854)	232,063	1,507,762	\$ 5,252	257,388
-----	-----	-----	-----	-----	-----	-----
\$ 113,466	\$ (32,191)	\$ 2,033	\$229,203	\$1,501,278	\$ -	\$ 281,690
=====	=====	=====	=====	=====	=====	=====

ST. MARTIN PARISH GOVERNMENT
St. Martinville, Louisiana
ALL NONMAJOR SPECIAL REVENUE FUNDS

Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended December 31, 2006

	DISTRICT NO. 2- <u>SALES TAX</u>	TOURIST <u>COMMISSION</u>	JUDICIAL <u>FUND</u>	CORONER'S <u>FUND</u>
<u>REVENUES</u>				
Taxes - ad valorem				
Sales tax/Hotel tax	\$641,126			
Intergovernmental revenues:		\$ 71,749		
<u>Federal Funds:</u>				
Federal grants				
<u>State funds:</u>				
Parish transportation funds				
State revenue sharing (net)				
Other state funds		65,000		
Fees, charges, and commissions for service			\$236,831	\$70,948
Use of money and property	26,056	3,326	1,736	403
Other revenues				
	-----	-----	-----	-----
TOTAL REVENUES	\$667,182	\$140,075	\$238,567	\$71,351
	-----	-----	-----	-----
<u>EXPENDITURES</u>				
General government:				
Judicial			\$356,703	
Elections				
Finance and administrative	\$ 597	\$ 3,113	338	\$ 3,169
Other general government			16,308	1,109
Public safety				
Public works				
Health and welfare				103,318
Culture and recreation				
Economic development and assistance		91,113		
Capital outlay				
Debt service:				
Principal				
Interest and bank charges				
	-----	-----	-----	-----
TOTAL EXPENDITURES	\$ 597	\$ 94,226	\$373,349	107,596
	-----	-----	-----	-----
EXCESS/(Deficiency) OF REVENUES OVER EXPENDITURES	\$666,585	\$ 45,849	(134,782)	(36,245)
	-----	-----	-----	-----

Schedule 6
(Continued)

<u>SUMMER NUTRITION FUND</u>	<u>MOSQUITO ABATEMENT FUND</u>	<u>EXCESS VIDEO POKER</u>	<u>RECYCLING FUND</u>	<u>BB/CECILIA HEALTH FUND</u>	<u>ANIMAL CONTROL FUND</u>	<u>SUGARLAND WASTEWATER FUND</u>
\$78,504				\$155,786		
		\$ 965,006				
203	\$17,004		\$ 77,117	20,641	\$ 52,376	\$ 9,160
225		12,858	1,369	2,400		
		39,013	24,476		1,567	
-----	-----	-----	-----	-----	-----	-----
\$78,932	\$17,004	\$1,016,877	\$102,962	\$178,827	\$ 53,943	\$ 9,160
-----	-----	-----	-----	-----	-----	-----
\$ 112	\$ 23	\$ 563	\$ 5,169	\$ 112	\$ 169	\$ 112
		1,266	4,244	25,030	4,071	
		61,400				
86,495	20,506		68,504	303,886	107,422	14,562
			1,000			
-----	-----	-----	-----	-----	-----	-----
\$86,607	\$20,529	\$ 63,229	\$ 78,917	\$329,028	\$111,662	\$14,674
-----	-----	-----	-----	-----	-----	-----
\$(7,675)	\$(3,525)	\$ 953,648	\$ 24,045	(150,201)	\$(57,719)	\$(5,514)
-----	-----	-----	-----	-----	-----	-----

ST. MARTIN PARISH GOVERNMENT
 St. Martinville, Louisiana
 ALL NONMAJOR SPECIAL REVENUE FUNDS
 Combining Schedule of Revenues, Expenditures,
 and Changes in Fund Balances, 2006

	DISTRICT NO. 2- <u>SALES TAX</u>	TOURIST <u>COMMISSION</u>	JUDICIAL <u>FUND</u>	CORONER'S <u>FUND</u>
<u>OTHER FINANCING SOURCES/(Uses)</u>				
Operating transfers in			\$333,001	
Operating transfers out	\$ (52,441)	\$ (1,000)		
Proceeds of refunding bonds				
Proceeds from sale of fixed assets				
Proceeds from capital leases				
Transfers from other gov'ts.				
	-----	-----	-----	-----
TOTAL OTHER FINANCING SOURCES/(Uses)	\$ (52,441)	\$ (1,000)	\$333,001	NONE
	-----	-----	-----	-----
EXCESS/(Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPEN- DITURES AND OTHER USES	\$ 614,144	\$ 44,849	\$198,219	\$(36,245)
FUND BALANCES AT BEGINNING OF YEAR	1,080,082	286,429	46,150	43,427
	-----	-----	-----	-----
FUND BALANCES AT END OF YEAR	\$1,694,226	\$331,278	\$244,369	\$ 7,182
	=====	=====	=====	=====

Schedule 6
(Continued)

<u>SUMMER NUTRITION FUND</u>	<u>MOSQUITO ABATEMENT FUND</u>	<u>EXCESS VIDEO POKER</u>	<u>RECYCLING FUND</u>	<u>BB/CECILIA HEALTH FUND</u>	<u>ANIMAL CONTROL FUND</u>	<u>SUGARLAND WASTEWATER FUND</u>
		\$ 112,251 (442,216)	\$ (710)	\$158,038 (2,157)	\$ 34,900 (929)	
-----	-----	-----	-----	-----	-----	-----
NONE	NONE	\$ (329,965)	\$ (710)	\$155,881	\$ 33,971	NONE
-----	-----	-----	-----	-----	-----	-----
\$ (7,675)	\$ (3,525)	\$ 623,683	\$ 23,335	\$ 5,680	\$ (23,748)	\$ (5,514)
8,509	1,377	630,072	81,658	22,683	(986)	(4,635)
-----	-----	-----	-----	-----	-----	-----
\$ 834	\$ (2,148)	\$1,253,755	\$104,993	\$ 28,363	\$ (24,734)	\$ (10,149)
=====	=====	=====	=====	=====	=====	=====

ST. MARTIN PARISH GOVERNMENT
 St. Martinville, Louisiana
 ALL NONMAJOR SPECIAL REVENUE FUNDS
 Combining Schedule of Revenues, Expenditures,
 and Changes in Fund Balances, 2006

Schedule 6
 (Continued)

	<u>OZENNE ROAD DONATION</u>	<u>DAVIS PARK FUND</u>	<u>HOUSING VOUCHERS SECTION 8 GRANT</u>	<u>PROPERTY/ CASUALTY/ RISK MANAGEMENT</u>	<u>JUROR/ WITNESS FEES</u>
Taxes - ad valorem					
Sales tax/Hotel tax					
Intergovernmental revenues:					
<u>Federal funds:</u>					
Federal grants			\$1,017,207		
<u>State funds:</u>					
Parish transportation funds					
State revenue sharing (net)					
Other state funds					
Fees, charges, and commissions for services		\$ 3,438			\$(7,325)
Use of money and property	\$ 2,048			\$ 3,996	
Other revenues			12,979	18,462	
TOTAL REVENUES	\$ 2,048	\$ 3,438	\$1,030,186	\$ 22,458	\$(7,325)
<u>EXPENDITURES</u>					
General government:					
Judicial					
Elections					
Finance and administrative	\$ 56	\$ 56	\$ 5,000	\$ 113	
Other general government			11,570	80,716	
Public safety					
Public works					
Health and welfare					
Culture and recreation		48	1,005,155		
Economic development and assistance					
Capital outlay					
Debt service:					
Principal					
Interest and bank charges					
TOTAL EXPENDITURES	\$ 56	\$ 104	\$1,021,725	\$ 80,829	NONE
EXCESS/(Deficiency) OF REVENUES OVER EXPENDITURES	\$ 1,992	\$ 3,334	\$ 8,461	\$ (58,371)	\$(7,325)

ST. MARTIN PARISH GOVERNMENT
 St. Martinville, Louisiana
ALL NONMAJOR SPECIAL REVENUE FUNDS
 Combining Schedule of Revenues, Expenditures,
 and Changes in Fund Balances, 2006

Schedule 6
 (Continued)

	<u>OZENNE</u> <u>ROAD</u> <u>DONATION</u>	<u>DAVIS</u> <u>PARK</u> <u>FUND</u>	<u>HOUSING</u> <u>VOUCHERS</u> <u>SECTION 8</u> <u>GRANT</u>	<u>PROPERTY/</u> <u>CASUALTY/</u> <u>RISK</u> <u>MANAGEMENT</u>	<u>JUROR/</u> <u>WITNESS</u> <u>FEEES</u>
<u>OTHER FINANCING SOURCES/ (Uses)</u>					
Operating transfers in				\$ 90,539	
Operating transfers out	\$ (12,768)		\$ (8,461)	(52,999)	\$ (105,346)
Proceeds of refunding bonds					
Proceeds from sale of fixed assets					
Proceeds from capital leases					
Transfers to/from other gov'ts					
	-----	-----	-----	-----	-----
TOTAL OTHER FINANCING SOURCES/ (Uses)	\$ (12,768)	NONE	\$ (8,461)	\$ 37,540	\$ (105,346)
	-----	-----	-----	-----	-----
EXCESS/ (Deficiency) OF REVENUE AND OTHER SOURCES OVER EXPEN DITURES AND OTHER USES	\$ (10,776)	\$ 3,334	\$ -0-	\$ (20,831)	\$ (112,671)
FUND BALANCES AT BEGINNING OF YEAR	68,822	(107)	NONE	46,188	112,671
	-----	-----	-----	-----	-----
FUND BALANCES AT END OF YEAR	\$ 58,046	\$3,227	NONE	\$ 25,357	\$ -
	=====	=====	=====	=====	=====

ST. MARTIN PARISH GOVERNMENT
St. Martinville, Louisiana
ALL NONMAJOR SPECIAL REVENUE FUNDS

Schedule 6
(Continued)

Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended December 31, 2006

	<u>IND. PARK</u> <u>WATER/WASTE</u> <u>FUND</u>	<u>RECREATION</u> <u>DIST. #1</u> <u>FUND</u>	<u>FEMA</u> <u>HURRICANE</u> <u>ASSISTANCE</u>	<u>TOTALS</u>
<u>REVENUES</u>				
Taxes - ad valorem	\$269,178	\$ 85,602		\$ 3,374,159
Sales tax/Hotel tax				712,875
Intergovernmental revenues:				
<u>Federal Funds:</u>				
Federal grants				1,783,741
<u>State funds:</u>				
Parish transportation funds				500,356
State revenue sharing (net)				209,317
Other state funds				1,320,006
Fees, charges, and commissions for service	191,724			706,835
Use of money and property	4,955	3,888	\$ 258	134,525
Other revenues				207,960
	-----	-----	-----	-----
TOTAL REVENUES	\$465,857	\$ 89,490	\$ 258	\$ 8,949,774
	-----	-----	-----	-----
<u>EXPENDITURES</u>				
General government:				
Judicial				\$ 642,043
Elections				
Finance and administrative	\$ 21,394	\$ 112		148,410
Other general government	6,513			678,592
Public safety				1,600
Public works			\$ 168	2,221,960
Health and welfare				1,984,580
Culture and recreation		5,922		157,260
Economic development and assistance	256,476			698,359
Capital outlay				513,687
Debt service:				
Principal				318,239
Interest and bank charges				35,321
	-----	-----	-----	-----
TOTAL EXPENDITURES	\$284,383	\$ 6,034	\$ 168	\$ 7,400,051
	-----	-----	-----	-----
EXCESS/(Deficiency) OF REVENUES OVER EXPENDITURES	\$181,474	\$ 83,456	\$ 90	\$ 1,549,723
	-----	-----	-----	-----

ST. MARTIN PARISH GOVERNMENT
 St. Martinville, Louisiana
ALL NONMAJOR SPECIAL REVENUE FUNDS
 Combining Schedule of Revenues, Expenditures,
 and Changes in Fund Balances, 2006

Schedule 6
 (Continued)

	IND. PARK WATER/WASTE <u>FUND</u>	RECREATION DIST. #1 <u>FUND</u>	FEMA HURRICANE <u>ASSISTANCE</u>	<u>TOTALS</u>
<u>OTHER FINANCING SOURCES/(Uses)</u>				
Operating transfers in	\$ 20	\$ 5,000		\$ 1,361,310
Operating transfers out	(1,790)	(37,505)		(1,695,069)
Proceeds of refunding bonds				
Proceeds from sale of fixed assets				29,086
Proceeds from capital leases				337,400
Transfers from other gov'ts.				
	-----	-----	-----	-----
TOTAL OTHER FINANCING SOURCES/(Uses)	\$ (1,770)	\$ (32,505)	NONE	\$ 32,727
	-----	-----	-----	-----
EXCESS/(Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPEN- DITURES AND OTHER USES	\$179,704	\$ 50,951	\$ 90	\$ 1,582,450
FUND BALANCES AT BEGINNING OF YEAR	368,060	145,352	88,691	7,824,110
	-----	-----	-----	-----
FUND BALANCES AT END OF YEAR	\$547,764	\$196,303	\$ 88,781	\$ 9,406,560
	=====	=====	=====	=====

ST. MARTIN PARISH GOVERNMENT
St. Martinville, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULES
December 31, 2006

NONMAJOR CAPITAL PROJECTS FUNDS

RECREATION DISTRICT #1 CONSTRUCTION FUND

The Recreation District #1 Construction Fund is used to account for capital improvements to parks within upper St. Martin Parish.

LCDBG-ARROW AVIATION ROAD PROJECT FUND

The LCDBG-Arrow Aviation Road Project Fund is used to account for the receipt and expenditure of grant funds received to fund improvements to commercial access roads within upper St. Martin Parish.

DISTRICT NO. 2 ROAD PROJECT FUND

The District No. 2 Road Project Fund is used to account for construction and improvements to roads and bridges within the confines of District No. 2 of St. Martin Parish.

HENDERSON LEVEE ROAD REPAIR FUND

The Henderson Levee Road Repair Fund accounts for monies appropriated to effect emergency repairs to the Atchafalaya Levee Basin roadway adjacent to the Town of Henderson, Louisiana.

ROAD DISTRICT NO. 1 CONSTRUCTION FUND

The Road District No. 1 Construction Fund is used to account for the remnants of bond proceeds issued for the purpose of constructing roads and bridges within the confines of Road District No. 1.

LCDBG-ARROW AVIATION ROAD PROJECT FUND

The LCDBG-Arrow Aviation Road Project Fund is used to account for the receipt and expenditure of grant funds received to fund improvements to commercial access roads within upper St. Martin Parish.

LCDBG FY-04/05 STREET IMPROVEMENTS FUND

The LCDBG FY-04/05 Street Improvements Fund is set up to account for the receipt and expenditure of grant funds received for improvements and renovations to roads/streets in unincorporated areas of St. Martin Parish.

ST. MARTIN PARISH GOVERNMENT
St. Martinville, Louisiana
ALL NONMAJOR CAPITAL PROJECTS FUNDS

Combining Balance Sheet, December 31, 2006

	RECREATION DISTRICT #1 CONSTRUCTION <u>FUND</u>	LCDBG ARROW AVIATION ROAD <u>FUND</u>	DIST. #2 ROAD PROJECT <u>FUND</u>	HENDERSON LEVEE ROAD <u>FUND</u>
<u>ASSETS</u>				
Cash and interest bearing deposits	\$ 167,737		\$ 40	\$ 56
Due from other funds	81,228		-	24,962
Receivables	-		-	-
	-----	-----	-----	-----
TOTAL ASSETS	\$ 248,965	NONE	\$ 40	\$25,018
	=====	=====	=====	=====
<u>LIABILITIES AND FUND BALANCES</u>				
LIABILITIES:				
Accounts payable	\$ 506		\$ 394	\$ 23
Due to contractors/agents				
Due to other funds			215,169	
	-----	-----	-----	-----
Total Liabilities	\$ 506	NONE	\$ 215,563	\$ 23
	-----	-----	-----	-----
FUND BALANCES:				
Unreserved-undesignated	\$ 248,459	NONE	\$(215,523)	\$24,995
	-----	-----	-----	-----
Total Fund Balances	\$ 248,459	NONE	\$(215,523)	\$24,995
	-----	-----	-----	-----
TOTAL LIABILITIES AND FUND BALANCES	\$ 248,965	NONE	\$ 40	\$25,018
	=====	=====	=====	=====

Schedule 7

ROAD DIST #1 CONSTR. <u>FUND</u>	LCDBG- FY 04/05 STREET IMPROVMT. <u>FUND</u>	<u>TOTALS</u>
\$ 11,833	\$ 1	\$ 179,667
1,646		107,836
-		-
-----	-----	-----
\$ 13,479	\$ 1	\$ 287,503
=====	=====	=====
\$ 23	\$ 169	\$ 1,115
	68,562	-
-----	-----	283,731

\$ 23	\$ 68,731	\$ 284,846
-----	-----	-----
\$ 13,456	\$ (68,730)	\$ 2,657
-----	-----	-----
\$ 13,456	\$ (68,730)	\$ 2,657
-----	-----	-----
\$ 13,479	\$ 1	\$ 287,503
=====	=====	=====

ST. MARTIN PARISH GOVERNMENT
St. Martinville, Louisiana
ALL NONMAJOR CAPITAL PROJECTS FUNDS

Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balance
For the Year Ended December 31, 2006

	RECREATION DISTRICT #1 CONSTRUCTION <u>FUND</u>	LCDBG ARROW AVIATION ROAD <u>FUND</u>	DIST. #2 ROAD PROJECT <u>FUND</u>	HENDERSON LEVEE ROAD <u>FUND</u>
<u>REVENUES</u>				
Intergovernmental revenues:				
Federal Grants				
State Grants	\$ 19,389			
Use of money and property	5,487			\$ 269
Miscellaneous				
	-----	-----	-----	-----
TOTAL REVENUES	\$ 24,876	NONE	NONE	\$ 269
	-----	-----	-----	-----
<u>EXPENDITURES</u>				
Finance and administrative	\$ 506		\$ 658	\$ 22
Public works				
Capital Outlay	17,318			
	-----	-----	-----	-----
TOTAL EXPENDITURES	\$ 17,824	NONE	\$ 658	\$ 22
	-----	-----	-----	-----
EXCESS/(Deficiency) OF				
REVENUES OVER EXPENDITURES	\$ 7,052	-	\$ (658)	\$ 247
	-----	-----	-----	-----
<u>OTHER FINANCING SOURCES</u>				
Operating transfers out		\$ (620)		
Operating transfers in		-		
Proceeds from issue of debt		-		
Bond issue cost		-		
Accrued interest		-		
	-----	-----	-----	-----
TOTAL OTHER FINANCING SOURCES	NONE	\$ (620)	NONE	NONE
	-----	-----	-----	-----
EXCESS/(Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	\$ 7,052	\$ (620)	\$ (658)	\$ 247
FUND BALANCES AT BEGINNING OF YEAR	241,407	620	(214,865)	24,748
	-----	-----	-----	-----
FUND BALANCES AT END OF YEAR	\$ 248,459	\$ -	\$ (215,523)	\$24,995
	=====	=====	=====	=====

Schedule 8

ROAD DIST #1 CONSTR. <u>FUND</u>	LCDBG FY 04/05 STREET IMPROVMT <u>FUND</u>	<u>TOTALS</u>
		\$ 19,389
\$ 288		6,044
-----	-----	-
\$ 288	NONE	\$ 25,433
-----	-----	-----
\$ 23	\$ 169	\$ 1,378
	-	-
	71,246	88,564
-----	-----	-----
\$ 23	\$ 71,415	\$ 89,942
-----	-----	-----
\$ 265	\$ (71,415)	\$ (64,509)
-----	-----	-----
		\$ (620)
	\$ 2,846	2,846
		-
		-
		-
-----	-----	-----
NONE	\$ 2,846	\$ 2,226
-----	-----	-----
\$ 265	\$ (68,569)	\$ (62,283)
13,191	(161)	64,940
-----	-----	-----
\$13,456	\$ (68,730)	\$ 2,657
=====	=====	=====

ST. MARTIN PARISH GOVERNMENT
 St. Martinville, Louisiana
 SUPPLEMENTAL INFORMATION SCHEDULES
 December 31, 2006

NONMAJOR DEBT SERVICE FUNDS

PARISHWIDE BOND FUND

The Parishwide Bond Fund is used to accumulate monies for the payment of parishwide refunding bonds issued in the amount of \$640,000. The bonds were issued for the purpose of refunding existing parishwide bonds. The Parishwide Bond Fund also accumulates funds used for the retirement of parishwide courthouse renovation bonds issued in 2006, in the aggregate amount of \$7,900,000. Financing is provided by annual ad valorem tax levies, and interest earned on time deposits.

ROAD DISTRICTS DEBT SERVICE FUNDS

The road districts debt service funds are used to account for the accumulation of monies for the payment of bonds issued by the various road districts for the purpose of constructing and maintaining roads and bridges within the respective road districts, as follows:

	<u>Date of Issue</u>	<u>Original Bond Issue Amount</u>
Sub-Road Dist. No 1 of No. 1(Refunding)	August 23, 2005	\$ 373,000
Road District No. 5	March 1, 1995	272,000
Road District No. 9 Refunding Issue	August 1, 1998	226,000
Road District No. 2 Cert. of Indebtedness	June 1, 2003	1,000,000

		\$ 1,871,000
		=====

Financing is provided by video poker revenues and/or sales tax revenues generated within the respective road districts.

RECREATION DISTRICT NO.1 SINKING FUND

The Recreation District No. 1 Sinking Fund is used to accumulate monies for the payment of recreation bonds issued November 1, 2003 in the amount of \$520,000. The bonds were issued for the purpose of funding cultural and recreational projects withing the parish. Financing is provided by annual ad valorem tax levies, and interest earned on time deposits.

2004 CERTIFICATES OF INDEBTEDNESS SINKING

The 2004 Certificate of Indebtedness Sinking Fund is used to accumulate monies for the payment of Certificates of Indebtedness issued March 1, 2004 in the amount of \$250,000. The certificates were issued to fund improvements to the Parish's voting machine warehouse. Financing is provided by annual appropriations from the General Fund.

SALES TAX NO. 1 SINKING FUND

The Sales Tax #1 Sinking Fund accounts for the accumulation of sales tax revenue transfers required to extinguish the 2003 public improvement sales tax bonds of the Sales Tax District No. 1 of St. Martin Parish, Louisiana, in the principal amount of \$10,000,000, the 2004 public improvement sales tax bonds issued April 1, 2004 with the original principal amount of \$5,400,000, and the 2005 public improvement sales tax bonds issued December 1, 2005 with the original principal amount of \$2,000,000.

SALES TAX #2 SINKING FUND

The Sales Tax #2 Sinking Fund accounts for the accumulation of sales tax revenue transfers required to retire the 2003 public improvement sales tax bonds of the Sales Tax District No. 2 of St. Martin Parish, Louisiana, in the original issue amount of \$2,000,000, together with the March 1, 2005 issue of additional public improvement sales tax bonds with an original issue amount of \$1,000,000.

SINKING HWY. 90 INDUSTRIAL PARK FUND

The Sinking-Highway 90 Industrial Park Fund accounts for the accumulation of interfund revenue transfers used to retire non-interest bearing certificates of indebtedness issued in 2003 to fund improvements to the Highway 90 Industrial Park. The original issue amount of these certificates is \$450,000.

ST. MARTIN PARISH GOVERNMENT
St. Martinville, Louisiana

ALL NONMAJOR DEBT SERVICE FUNDS
Combining Balance Sheet, December 31, 2006

	<u>PARISHWIDE</u> <u>BOND</u>	<u>ROAD</u> <u>DISTRICTS</u> <u>DEBT</u> <u>SERVICE</u>	<u>RECREATION</u> <u>DIST. #1</u> <u>SINKING</u>
<u>ASSETS</u>			
Cash and interest bearing deposits	\$ 921,158	\$ 10,925	\$ 1
Receivables	666,930	-	-
Due from other funds	8,977	-	15,076
	-----	-----	-----
TOTAL ASSETS	\$1,597,065	\$ 10,925	\$ 15,077
	=====	=====	=====
<u>LIABILITIES AND FUND BALANCES</u>			
<u>LIABILITIES:</u>			
Accounts payable	\$ 619	\$ 113	\$ 338
Due to other funds	-	5,611	
Other liabilities	24,578		
Matured bonds and interest payable	-		
	-----	-----	-----
Total Liabilities	\$ 25,190	\$ 5,724	\$ 338
<u>FUND BALANCES:</u>			
Reserved for debt service	\$1,571,875	\$ 5,201	\$ 14,739
Unreserved/undesignated(deficit)	-	-	-
	-----	-----	-----
Total Fund Balances	\$1,571,875	\$ 5,201	\$ 14,739
	-----	-----	-----
TOTAL LIABILITIES AND FUND BALANCES	\$1,597,065	\$ 10,925	\$ 15,077
	=====	=====	=====

<u>SALES TAX #1 SINKING</u>	<u>SALES TAX #2 SINKING</u>	<u>1991 CERT OF INDEBT.</u>	<u>SINKING HWY. 90 INDUS. PARK</u>	<u>TOTAL</u>
\$ 910,992	\$ 10,124	\$ 128	\$ 109,131	\$1,962,459
-	-	-	-	666,930
-	-	-	120,606	144,659
-----	-----	-----	-----	-----
\$ 910,992	\$ 10,124	\$ 128	\$ 229,737	\$2,774,048
=====	=====	=====	=====	=====
\$ 338	\$ 842	\$ 169	\$ 496	\$ 2,915
569,207	61,901			636,719
				24,571
				-
-----	-----	-----	-----	-----
\$ 569,545	\$ 62,743	\$ 169	\$ 496	\$ 664,205
\$ 341,447			\$ 229,241	\$2,162,503
-	\$(52,619)	\$ (41)	-	(52,660)
-----	-----	-----	-----	-----
\$ 341,447	\$(52,619)	\$ (41)	\$ 229,241	\$2,109,843
-----	-----	-----	-----	-----
\$ 910,992	\$ 10,124	\$ 128	\$ 229,737	\$2,774,048
=====	=====	=====	=====	=====

ST. MARTIN PARISH GOVERNMENT
St. Martinville, Louisiana
ALL NONMAJOR DEBT SERVICE FUNDS

Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances
For The Year Ended December 31, 2006

	<u>PARISHWIDE</u> <u>BOND</u>	<u>ROAD</u> <u>DISTRICTS</u> <u>DEBT</u> <u>SERVICE</u>	<u>RECREATION</u> <u>DIST. #1</u> <u>SINKING</u>
<u>REVENUES</u>			
Taxes - ad valorem	\$ 680,874		
Use of money and property	27,108		
Other revenues	-	\$ 5,336	
	-----	-----	-----
TOTAL REVENUES	\$ 707,982	\$ 5,336	NONE
	-----	-----	-----
<u>EXPENDITURES</u>			
Debt service:			
Principal	\$ 85,000	\$ 209,000	\$ 15,000
Interest and bank charges	186,055	46,223	22,505
Other expenditures	619	481	338
	-----	-----	-----
TOTAL EXPENDITURES	\$ 271,674	\$ 255,704	\$ 37,843
	-----	-----	-----
EXCESS/(Deficiency) OF REVENUES OVER EXPENDITURES	\$ 436,308	\$ (250,368)	\$ (37,843)
	-----	-----	-----
<u>OTHER FINANCING SOURCES/(Uses)</u>			
Operating transfers in		\$ 248,101	\$ 37,505
Operating transfers out		(102)	
Proceeds from the sale of refunding bonds		-	-
Payments to refunded bond escrow agent		-	-
	-----	-----	-----
TOTAL OTHER FINANCING SOURCES/(Uses)	NONE	\$ 247,999	\$ 37,505
	-----	-----	-----
EXCESS/(Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	\$ 436,308	\$ (2,369)	\$ (338)
	-----	-----	-----
FUND BALANCES AT BEGINNING OF YEAR	1,135,567	7,570	15,077
	-----	-----	-----
FUND BALANCES AT END OF YEAR	\$1,571,875	\$ 5,201	\$ 14,739
	=====	=====	=====

<u>SALES TAX #1 SINKING</u>	<u>SALES TAX #2 SINKING</u>	<u>1991 CERT OF INDEBT.</u>	<u>SINKING HWY. 90 INDUS. PARK</u>	<u>TOTAL</u>
\$ 5,144	\$ 17,028	\$ -	\$ 525	\$ 680,874
-	-	-	280,780	49,805
-----	-----	-----	-----	-----
\$ 5,144	\$ 17,028	\$ -	\$281,305	\$ 1,016,795
-----	-----	-----	-----	-----
\$ 680,000	\$ 100,000	\$ 138,000	\$ 50,000	\$ 1,279,000
667,358	138,501	20,953	1,000	1,077,592
338	338	161	2,238	4,521
-----	-----	-----	-----	-----
\$ 1,347,696	\$ 238,839	\$ 156,119	\$ 53,238	\$ 2,361,113
-----	-----	-----	-----	-----
\$(1,342,552)	\$(221,811)	\$(156,119)	\$228,067	\$(1,344,318)
-----	-----	-----	-----	-----
\$ 458,203	\$ 52,441	\$ 155,950	\$ 33,007	\$ 985,207
				(102)
				-
-----	-----	-----	-----	-----
\$ 458,203	\$ 52,441	\$ 155,950	\$ 33,007	\$ 985,105
-----	-----	-----	-----	-----
\$ (884,349)	\$(169,370)	\$ (169)	\$261,074	\$ (359,213)
-----	-----	-----	-----	-----
1,225,796	116,751	128	(31,833)	2,469,056
-----	-----	-----	-----	-----
\$ 341,447	\$(52,619)	\$ (41)	\$229,241	\$ 2,109,843
=====	=====	=====	=====	=====

ST. MARTIN PARISH POLICE JURY
St. Martinville, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULES
December 31, 2006

COMPENSATION PAID PARISH COUNCILMEN

The schedule of compensation paid to parish councilmen is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the parish councilmen is included in the legislative expenditures of the General Fund. In accordance with Louisiana Revised Statute 33:1233, the Parish Government has elected the monthly payment method of compensation. Under this method, the chairman received \$800 per month in 2005, and the other councilmen received \$800 per month in 2006.

ST. MARTIN PARISH POLICE JURY
St. Martinville, Louisiana

Schedule 11

Schedule of Compensation Paid Parish Councilmen
For the Year Ended December 31, 2006

<u>PARISH COUNCILMEN</u>	<u>2006</u>
Mike Huval*	\$ 9,600
Lisa Nelson	800
Ursula Nelson	4,000
Thomas Nelson	4,800
Fred Mills	9,600
Odell Trahan	9,600
Lloyd Higginbotham	9,600
Dean Dore	9,600
Pat Cluse	9,600
James Hebert	9,600
Carroll Delahoussaye	9,600

	\$ 86,400
	=====

*Chairman 1/1/06 - 12/31/06

ST. MARTIN PARISH GOVERNMENT
St. Martinville, Louisiana

Schedule 12

Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2006

<u>FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE</u>	<u>CFDA NUMBER</u>	<u>REVENUE RECOGNIZED</u>	<u>EXPENDITURES INCURRED</u>
<u>DIRECT ASSISTANCE</u>			
United States Dept. of Housing and Urban Development-Section 8 Housing Choice Vouchers	14.871	\$1,017,207	\$1,017,207
United States Dept. of Commerce- Public Works and Economic Development Program	11.300	100,000	100,000
Federal Emergency Management Agency-Assistance to Fire Fighters Grant Program	83.554	174,107	174,107
United States Dept. of Housing and Urban Development-Emergency Shelter Grants	14.231	6,708	6,708
United States Dept. of Interior- Bureau of Land Management- Payments in Lieu of Taxes	15.226	6,890	6,890
<u>INDIRECT ASSISTANCE</u>			
United States Dept. of Justice- Passed through the Louisiana Judicial Branch-Drug Court	93.558	236,621	236,621
Federal Emergency Management Agency-Passed through the Louisiana Interim Emergency Bd.	83.554	251,914	251,914
United States Dept. of Housing and Urban Development-Louisiana Division of Administration-Pass Through Community Development Block Grant-State's Program	14.228	295,623	295,623
		<u>\$2,089,070</u>	<u>\$2,089,070</u>

The accompanying notes are an integral part of this schedule.

ST. MARTIN PARISH GOVERNMENT
St. Martinville, Louisiana

Schedule 12
(Continued)

Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2006
(Continued)

<u>FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE</u>	<u>CFDA NUMBER</u>	<u>REVENUE RECOGNIZED</u>	<u>EXPENDITURES INCURRED</u>
<u>INDIRECT ASSISTANCE</u> (Continued)			
United States Dept. of Health and Human Services-Louisiana Department of Health and Hospitals-Medicaid, Title XIX- Kid Med Program	13.714	75,801	75,801
United States Dept. of Agriculture- Louisiana Department of Health & Hospitals-Special Supplemental Nutrition Program for Women, Infants and Children	10.557	79,985	79,985
United States Dept. of Agriculture- State of Louisiana Department of Education-Summer Food Service Program	10.559	<u>78,504</u>	<u>78,504</u>
Total Federal Financial Assistance		\$2,323,360 =====	\$2,323,360 =====

The accompanying notes are an integral part of this schedule.

ST. MARTIN PARISH GOVERNMENT
St. Martinville, Louisiana

Notes to Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2006

Note 1-Basis of Presentation

The accompanying schedule of expenditures of Federal awards includes the Federal grant activity of the Parish Government and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

MARAIST & MARAIST

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SOCIETY OF
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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON INTERNAL
CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

To Mr. Guy Cormier, Parish President
and the Members of the St. Martin
Parish Council
St. Martinville, Louisiana

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the St. Martin Parish Government as of December 31, 2006 and for the year then ended, which collectively comprise the basic financial statements of the St. Martin Parish Government's primary government, and have issued our report thereon dated July 25, 2007. 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.

Compliance

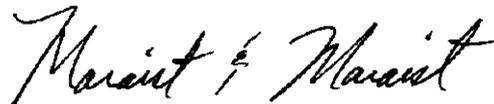
As part of obtaining reasonable assurance about whether the St. Martin Parish Government's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of non-compliance that are required to be reported under *Government Auditing Standards*, which is described in the accompanying schedule of findings, questioned costs, and management's corrective action plan as item #06/1.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the St. Martin Parish Government's 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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be a material weakness. 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 misstatements 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. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

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



MARAIST AND MARAIST
CERTIFIED PUBLIC ACCOUNTANTS

July 25, 2007

MARAIST & MARAIST

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

To Mr. Guy Cormier, Parish President
and the Members of the St. Martin
Parish Council
St. Martinville, Louisiana

Compliance

We have audited the compliance of the St. Martin Parish Government 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 its major federal programs for the year ended December 31, 2006. The major federal programs of the St. Martin Parish Government are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the St. Martin Parish Government's management. Our responsibility is to express an opinion on the St. Martin Parish Government'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 the provisions of Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Nonprofit 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 St. Martin Parish Government'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 St. Martin Parish Government's compliance with those requirements.

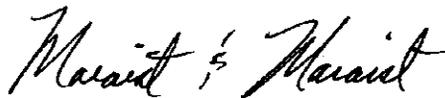
In our opinion, the St. Martin Parish Government complied, in all material respects, with the requirements referred to above that are applicable to its major federal programs for the year ended December 31, 2006.

Internal Control Over Compliance

The management of the St. Martin Parish Government 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 St. Martin Parish Government'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 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 and use of management, the Legislative Auditor, 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.



MARAIST AND MARAIST
CERTIFIED PUBLIC ACCOUNTANTS

July 25, 2007

ST. MARTIN PARISH GOVERNMENT

Schedule of Findings and Questioned Costs

Year Ended December 31, 2006

Section I. Summary of Audit Results

1. The auditors' report expresses an unqualified opinion on the basic financial statements of the St. Martin Parish Council's primary government.
2. A reportable condition in internal control was not disclosed by the audit of the financial statements.
3. One instances of noncompliance material to the primary government financial statements of the St. Martin Parish Council were disclosed during the audit.
4. No reportable conditions in internal control over any of the major programs was disclosed by the audit of the financial statements.
5. An unqualified opinion was issued on compliance for the major programs.
6. The audit disclosed no audit findings required to be reported under Section 510(a) of Circular A-133.
7. The major program was:

U. S. Department of Housing and Urban Development-Lower Income Housing Assistance Program(CFDA No. 14.871)
8. The dollar threshold used to distinguish between Type A and Type B programs, as described in Section 520(b) of Circular A-133 was \$300,000.
9. The auditee did not qualify as a low-risk auditee under Section 530 of Circular A-133.

ST. MARTIN PARISH GOVERNMENT

Schedule of Findings and Questioned Costs (Continued)

Year Ended December 31, 2006

Section II: Financial Statement Findings

Item 06/1-Noncompliance with (LSA-R.S. 33:463)

Finding:

The St. Martin Parish Government did not comply with the requirements of Louisiana Revised Statute 33:463. Annual audited financial reports for parish governmental entities, in accordance with LSA-RS 33:463, must be filed with the Louisiana Legislative Auditor's Office within six months after the close of the fiscal year.

Cause:

Noncompliance in this area was primarily due to reliance on professional external audit personnel, relative to the extension of time for audit report submission afforded by Act 36 of the 2005 Extraordinary Session of the Louisiana Legislature. Auditee applied for, and was denied an extension of time for audit report submission.

Recommendation and Response:

We recommend, and management agrees, that in the future, compliance with the six month report submission deadline be effected, to avoid reliance on acceptance or nonacceptance of extended reporting relief provisions.

Section III: Federal Award Findings and Questioned Costs

There are no matters relating to reportable conditions, material weaknesses, instances of noncompliance, or questioned costs related to Federal awards for the year ended December 31, 2006.

ST. MARTIN PARISH GOVERNMENT

**Summary Schedule of Prior Audit Findings
Year Ended December 31, 2006**

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

There were no findings involving internal control and compliance material to the financial statements for the year ended December 31, 2005.

Section II: Internal Control and Compliance Material to Federal Awards

There were no findings involving federal awards for the year ended December 31, 2005.

Section III: Management Letter

There were no matters reported in a separate management letter for the year ended December 31, 2005.

ST. MARTIN PARISH GOVERNMENT

**Management's Corrective Action Plan
Year Ended December 31, 2006**

**Section I: Internal Control and Compliance Material to the Financial
Statements**

Item 06/1-Noncompliance with (LSA-R.S. 33:463)

Management will make every effort to ensure that the information needed for the completion of the engagement will be made available in a timely manner.

Section II: Internal Control and Compliance Material to Federal Awards

There were no matters relating to reportable conditions, material weaknesses, instances of noncompliance, or questioned costs related to Federal awards for the year ended December 31, 2006.

Section III: Management Letter

There were no matters reported in a separate management letter for the year ended December 31, 2006.