

GRANT PARISH POLICE JURY
Colfax, Louisiana

Annual Financial Report
For the year ended December 31, 2010

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

Release Date 7/13/11

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June 14, 2011

INDEPENDENT AUDITORS' REPORT

The Grant Parish Police Jury
Colfax, Louisiana 71417

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Grant Parish Police Jury, as of and for the year ended December 31, 2010, which collectively comprise the basic financial statements of the Parish's primary government as listed in the table of contents. These financial statements are the responsibility of the Grant Parish Police Jury management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

The financial statements referred to above include only the primary government of the Grant Parish Police Jury, which consists of all funds, organizations, institutions, agencies, departments, and offices in the Parish's legal entity. The financial statements do not include financial data for the Parish'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 Parish'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 reporting entity of the Grant Parish Police Jury, as of December 31, 2010, and the changes in its financial position and its cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America. The effect on the financial statements of the omitted component unit information is not known.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major

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Grant Parish Police Jury

June 14, 2011

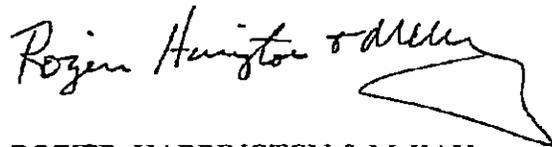
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fund, and the aggregate remaining fund information for the primary government of the Grant Parish Police Jury, as of December 31, 2010, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 14, 2011 on our consideration of the Grant Parish Police Jury, Louisiana 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 listed in the accompanying table of contents are not a required part of the financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and presentation of the required supplemental information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of the primary government of the Grant Parish Police Jury, Louisiana. The combining financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements of the primary government. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the primary government financial statements of the Grant Parish Police Jury, Louisiana. The combining financial statements and the schedule of expenditures of federal awards have been subjected to the auditing procedures applied in the audit of the basic financial statements of the primary government and, in our opinion, are fairly stated in all material respect in relation to the basic financial statements of the primary government taken as a whole.



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June 14, 2011

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

The Grant Parish Police Jury
Colfax, Louisiana 71417

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the primary government of the Grant Parish Police Jury, Louisiana, as of and for the year ended December 31, 2010, which collectively comprise the basic financial statements and have issued our report thereon dated June 14, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

INTERNAL CONTROL OVER FINANCIAL REPORTING

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses.

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Grant Parish Police Jury

June 14, 2011

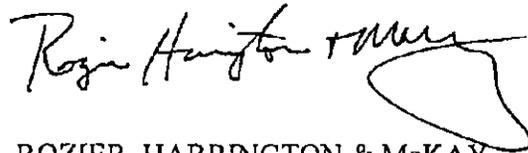
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We did not identify any deficiencies in internal control over financial reporting that we considered to be material weaknesses, as defined above.

COMPLIANCE

As part of obtaining reasonable assurance about whether the Grant Parish Police Jury's primary government 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended for the information of management. However, this report is a matter of public record and its distribution is not limited.



ROZIER, HARRINGTON & McKAY
Certified Public Accountants

Grant Parish Police Jury

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2010

This section of the Grant Parish Police Jury's annual financial report presents our discussion and analysis of the Parish's financial performance during the fiscal year ended December 31, 2010.

OVERVIEW OF FINANCIAL STATEMENTS

The basic financial statements include government-wide financial statements and fund financial statements. These two types of financial statements present the Parish's financial position and results of operations from differing perspectives, which are described as follows:

Government –Wide Financial Statements

The government-wide financial statements report information about the Parish as a whole using accounting methods similar to those used by private-sector companies. These report all revenues and expenses regardless of when cash is received or paid. Furthermore, the government-wide statements include all of the Parish's assets and all of the Parish's liabilities (including long-term debt).

The government-wide financial statements are divided into two categories, which are described as follows:

- **Governmental Activities** – Expenses incurred in connection with providing basic services including general government; public safety; public works; health and human services are reported as governmental activities. The governmental activities are financed by taxes and intergovernmental revenues, including federal and state grants and other shared revenues.
- **Business-Type Activities** – Expenses associated with providing utility services are recovered through fees paid by the customers that utilize these services. These activities are operated in a manner similar to commercial enterprises. Accordingly, activities associated with these services are reported as business type activities.

Fund Financial Statements

Fund financial statements provide detailed information regarding the Parish's most significant activities and are not intended to provide information for the Parish as a whole. Funds are accounting devices that are used to account for specific sources of funds. The Parish has two types of funds that are described as follows:

- **Governmental Funds** – These funds are used to account for essentially the same functions that are reported as governmental activities in the government-wide financial statements. However, unlike government-wide financial statements, the governmental funds use a modified accrual basis of accounting that provides a short-term view of the Parish's finances. Assets reported by governmental funds are limited to amounts that are available for current needs. In addition, liabilities are limited to amounts that are expected to be paid from currently available assets.

Grant Parish Police Jury

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2010

- **Proprietary Fund** – These funds are used to account for activities that function in a manner similar to commercial enterprises, including activities associated with the Parish's utility services. Proprietary fund financial statements typically provide a more detailed presentation of the information reported in the business-type activities portion of the government-wide financial statements.

FINANCIAL ANALYSIS OF THE PARISH AS A WHOLE

Net Assets

A condensed version of the government-wide Statement of Net Assets is presented as follows:

	<u>For the Year Ended December 31, 2010</u>			<u>For the</u>
	<u>Govern-</u>	<u>Business-</u>		<u>Year Ended</u>
	<u>mental</u>	<u>Type</u>		<u>December</u>
	<u>Activities</u>	<u>Activities</u>	<u>Total</u>	<u>31, 2009</u>
<u>Assets:</u>				
Current and Other Assets	\$ 3,596,204	\$ 352,952	\$ 3,949,156	\$ 3,409,337
Capital Assets	2,875,742	468,281	3,344,023	3,027,020
Total Assets	6,471,946	821,233	7,293,179	6,436,357
<u>Liabilities:</u>				
Current and Other Liabilities	607,887	120,655	728,542	559,702
Long-term Liabilities				
Compensated Absences	51,092	3,642	54,734	57,811
Net Other Post Employment Benefits	7,692	----	7,692	8,794
Long-Term Debt	86,519	----	86,519	88,757
Total Liabilities	753,190	124,297	877,487	715,064
<u>Net Assets:</u>				
Invested in Capital Assets (Net)	2,789,223	468,281	3,257,504	2,857,656
Restricted	1,542,538	-	1,542,538	1,464,652
Unrestricted	1,386,995	228,655	1,615,650	1,398,985
Total Net Assets	\$ 5,718,756	\$ 696,936	\$ 6,415,692	\$ 5,721,293

As the presentation appearing above demonstrates, the largest portion of the net assets (50.8%) are invested in capital assets. Net assets invested in capital assets consist of land, buildings, equipment, and infrastructure less any debt used to acquire the assets that remains outstanding. The Parish uses these capital assets to provide services to its citizens; consequently, these amounts are not available for future spending.

An additional portion of the net assets (24.0%) represent resources that are subject to restrictions that are imposed by agreements with the Parish's taxpayers or requirements imposed by various revenue sources.

Grant Parish Police Jury

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2010

The remaining balance of unrestricted assets may be used to meet the Parish's ongoing obligations to citizens and creditors.

Changes in Net Assets

A condensed version of the government-wide Statement of Changes in Net Assets is presented as follows:

	For the Year Ended December 31, 2010			For the
	Govern- mental Activities	Business- Type Activities	Total	Year Ended December 31, 2009
Revenues:				
Program Revenue:				
Charges for Services	\$ 247,733	\$ 696,886	\$ 944,619	\$ 851,916
Operating Grants and Contributions	1,093,407	---	1,093,407	1,219,986
Capital Grants and Contributions	471,661	---	471,661	303,797
General Revenue:				
Property Taxes	1,141,920	---	1,141,920	1,093,284
Sales Taxes	936,891	---	936,891	883,495
Severance Taxes	506,772	---	506,772	385,518
Other Taxes	126,381	---	126,381	112,995
Revenue Sharing	116,975	---	116,975	116,189
Other	150,394	1,804	152,198	200,863
Total Revenue	4,792,134	698,690	5,490,824	5,168,043
Program Expenses:				
General Government	1,182,379	---	1,182,379	1,159,378
Public Safety	463,364	---	463,364	453,695
Public Works	2,049,622	---	2,049,622	2,192,725
Health & Welfare	56,492	---	56,492	57,966
Culture and Recreation	468,484	---	468,484	505,480
Utility Service	---	576,084	576,084	512,997
Total Expenses	4,220,341	576,084	4,796,425	4,882,241
Change in Net Assets	571,793	122,606	694,399	285,802
Net Assets Beginning	5,146,963	574,330	5,721,293	5,435,491
Net Assets Ending	\$ 5,718,756	\$ 696,936	\$ 6,415,692	\$ 5,721,293

Governmental activities increased the Parish's net assets by \$571,793. This increase is not only due to the Parish receiving large grants for improvements to the courthouse but also due to the prudent expenditure of resources.

Grant Parish Police Jury

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2010

Business-type activities increased the Parish's net assets by \$122,606. This increase is due to efforts by the District to fix leaks and replace old meters.

FINANCIAL ANALYSIS OF THE PARISH'S FUNDS

An analysis of significant matters affecting the Parish's funds is presented as follows:

- The Parish's governmental funds reported combined fund balances of \$2,988,317, which represents an increase of \$167,685 in comparison to the previous balance. This increase is attributable to a prudent expenditure of the Parish's resources.
- In addition, the Parish's general fund, reported a fund balance of \$1,445,779. The general fund balance increased by \$89,799. The increase is primarily due to a significant increase in severance taxes. Only \$620,020 of the fund balance is unreserved and available for spending at the Parish's discretion. The remaining funds of \$825,759 are reserved for advances between funds.
- Amounts reported for business-type activities in the Parish's individual funds are identical to the business-type activities reported in the government-wide presentation.

GENERAL FUND BUDGET HIGHLIGHTS

The Parish's general fund and each special revenue fund are required to adopt budgets. Budgets are amended as necessary and significant changes resulting from budget amendments are described as follows:

- The general fund experienced a significant increase in budgeted revenues and expenditures. The increase is directly related to the increase in federal funds received and related expenditures.
- Road fund appropriations were decreased due to a decrease in budgeted revenues. The Road Fund experienced a decrease in the parish transportation funds and in the national forest receipts. Therefore, budgeted expenditures were decreased to compensate for the decreased revenues.

CAPITAL ASSET ADMINISTRATION

Capital asset activity for the year ended December 31, 2010 is summarized as follows:

	Governmental Activities	Business- Type Activities	Total
Additions:			
Construction in Process	\$ 373,421	\$ —	\$ 373,421
Buildings	105,441	—	105,441
Equipment and Vehicle Purchases	41,558	47,676	89,234
Total Additions	520,420	47,676	568,096
Depreciation	(202,641)	(48,452)	(251,093)
Net Increase (Decrease)	317,779	(776)	317,003
Beginning Capital Asset (Net)	2,557,963	469,057	3,027,020
Ending Net Assets (Net)	\$ 2,875,742	\$ 468,281	\$ 3,344,023

Grant Parish Police Jury

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2010

Highlights of the Parish's capital asset administration are provided as follows:

- Construction in process is due to the Parish receiving a FEMA grant for a new courthouse roof. The roof was under construction at the end of the year.
- Buildings additions include:
 - New air conditioning and heat units for various government agencies within the courthouse, at the community center, and the medical clinic. The total cost of all of the units is \$72,406.
 - New acoustical tiles for the courthouse of \$33,035.
- Equipment purchases for governmental activities included a new truck for the health unit, a new drum roller for the road fund and three computers for the health unit. Equipment for the business-type activities included a new truck and trailer, a line locator, and new computers and billing software.

DEBT ADMINISTRATION

No new debt was issued during the current year. The only debt activity was limited to payment of principal and interest as these amounts become due.

FACTORS EXPECTED TO EFFECT FUTURE OPERATIONS

There are no events or conditions that are expected to have a significant influence on future operations.

Grant Parish Police Jury

STATEMENT OF NET ASSETS

December 31, 2010

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 1,853,896	\$ 241,669	\$ 2,095,565
Receivables (net)	1,740,576	113,015	1,853,591
Interfund Receivable	1,732	(1,732)	-
Capital assets			
Non depreciable capital assets			
Construction in Process	373,421	-	373,421
Land	177,250	-	177,250
Depreciable capital assets, net	<u>2,325,071</u>	<u>468,281</u>	<u>2,793,352</u>
Total assets	<u>6,471,946</u>	<u>821,233</u>	<u>7,293,179</u>
LIABILITIES			
Accounts and Other Payables	578,087	43,590	621,677
Deposits Due Others	-	77,065	77,065
Deferred Revenues	29,800	-	29,800
Long-term liabilities			
Net Other Post Employment Benefits	7,692	-	7,692
Compensated Absences	51,092	3,642	54,734
Notes Payable			
Due within one year	74,472	-	74,472
Due in more than one year	<u>12,047</u>	<u>-</u>	<u>12,047</u>
Total liabilities	<u>753,190</u>	<u>124,297</u>	<u>877,487</u>
NET ASSETS			
Invested in capital assets, net of related debt	2,789,223	468,281	3,257,504
Restricted:			
Capital Projects	51,266	-	51,266
Other Purposes	1,491,272	-	1,491,272
Unrestricted	<u>1,386,995</u>	<u>228,655</u>	<u>1,615,650</u>
Total net assets (deficit)	<u>\$ 5,718,756</u>	<u>\$ 696,936</u>	<u>\$ 6,415,692</u>

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

Grant Parish Police Jury

STATEMENT OF ACTIVITIES

December 31, 2010

	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expenses) Revenue</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants & Contributions</u>	
<u>Governmental Activities:</u>					
General Government					
Legislative	\$ 205,646	\$ -	\$ -	\$ -	\$ (205,646)
Judicial	572,676	229,926	150,071	-	(192,679)
Finance & Administrative	230,312	-	-	-	(230,312)
Other General Government	173,745	-	-	-	(173,745)
Courthouse Improvements	-	-	-	471,661	471,661
Public Safety	463,364	-	239,108	-	(224,256)
Public Works					
Road Maintenance	1,014,293	-	647,173	-	(367,120)
Landfill Maintenance	981,701	-	-	-	(981,701)
Other Public Works	53,628	-	33,167	-	(20,461)
Health & Welfare	56,492	-	-	-	(56,492)
Culture & Recreation	468,484	17,807	23,888	-	(426,789)
Total Governmental Activities	<u>4,220,341</u>	<u>247,733</u>	<u>1,093,407</u>	<u>471,661</u>	<u>(2,407,540)</u>
<u>Business-Type Activities:</u>					
Utility System	576,084	696,886	-	-	120,802
Total Business-Type Activities	<u>576,084</u>	<u>696,886</u>	<u>-</u>	<u>-</u>	<u>120,802</u>
Total	<u>\$ 4,796,425</u>	<u>\$ 944,619</u>	<u>\$ 1,093,407</u>	<u>\$ 471,661</u>	<u>\$ (2,286,738)</u>

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

Grant Parish Police Jury

STATEMENT OF ACTIVITIES (continued)

December 31, 2010

	Governmental Activities	Business- Type Activities	Total
Net (Expense) Revenue (Continued From Previous Page)	\$ (2,407,540)	\$ 120,802	\$ (2,286,738)
General Revenues:			
Taxes:			
Ad Valorem	1,141,920	-	1,141,920
Sales	936,891	-	936,891
Severance	506,772	-	506,772
Other	126,381	-	126,381
Revenue Sharing	116,975	-	116,975
Other	150,394	1,804	152,198
Total General Revenues	<u>2,979,333</u>	<u>1,804</u>	<u>2,981,137</u>
Change in Net Assets	571,793	122,606	694,399
Net Assets Beginning	<u>5,146,963</u>	<u>574,330</u>	<u>5,721,293</u>
Net Assets Ending	<u>\$ 5,718,756</u>	<u>\$ 696,936</u>	<u>\$ 6,415,692</u>

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

Grant Parish Police Jury

Balance Sheet

Governmental Funds - December 31, 2010

	General Fund	Parish Road Maintenance	Sanitary Landfill Maintenance	FEMA Courthouse Improvements	Other Governmental Funds	Total Governmental Funds
Assets						
Cash and Cash Equivalents	\$ 479,467	\$ 549,015	\$ 165,333	\$ 5,997	\$ 670,303	\$ 1,870,115
Receivables (net)	339,380	381,926	162,190	150,113	706,967	1,740,576
Interfund Receivables	825,759	-	42,727	-	32,161	900,647
Total assets	\$ 1,644,606	\$ 930,941	\$ 370,250	\$ 156,110	\$ 1,409,431	\$ 4,511,338
Liabilities and Fund Balance						
Liabilities						
Accounts payable	\$ 162,332	\$ 75,515	\$ 58,979	\$ 131,116	\$ 125,151	\$ 553,093
Bank overdraft	-	-	-	-	16,219	16,219
Retainage Payable	-	-	-	24,994	-	24,994
Interfund Payables	6,695	465,100	324,433	-	102,687	898,915
Deferred Revenues	29,800	-	-	-	-	29,800
Total liabilities	\$ 198,827	\$ 540,615	\$ 383,412	\$ 156,110	\$ 244,057	\$ 1,523,021
Fund Balance						
Unreserved - Reported In						
General Fund	620,020	-	-	-	-	620,020
Special Revenue Funds	-	390,326	(13,162)	-	1,114,108	1,491,272
Capital Project Funds	-	-	-	-	51,266	51,266
Reserved for Long-Term Advances	825,759	-	-	-	-	825,759
Total Fund Balances	\$ 1,445,779	\$ 390,326	\$ (13,162)	\$ -	\$ 1,165,374	\$ 2,988,317
Total Liabilities and Fund Balance	\$ 1,644,606	\$ 930,941	\$ 370,250	\$ 156,110	\$ 1,409,431	\$ 4,511,338

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

Grant Parish Police Jury

Reconciliation of Fund Balances on the Balance Sheet for Governmental Funds to Net Assets of Governmental Activities on the Statement of Net Assets

Year Ended December 31, 2010

Total Fund Balances - Governmental Funds	\$ 2,988,317
Amounts reported for governmental activities in the statement of net assets are different because:	
Long term liabilities are not due and payable in the current period and therefore they are not reported in the Governmental Fund Balance Sheet	(145,303)
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	<u>2,875,742</u>
Net Assets of Governmental Activities	<u>\$ 5,718,756</u>

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

Grant Parish Police Jury

Statement of Revenues, Expenditures, and Changes in Fund Balance Governmental Funds - Year Ended December 31, 2010

	General Fund	Parish Road Maintenance	Sanitary Landfill Maintenance	FEMA Courthouse Improvements	Other Governmental Funds	Total Governmental Funds
Revenues:						
Taxes:						
Ad Valorem	\$ 174,499	\$ 323,109	-	-	\$ 644,312	\$ 1,141,920
Sales	-	-	936,891	-	-	936,891
Other	55,759	-	-	-	70,622	126,381
Federal Funds	286,037	324,840	-	373,421	103,240	1,087,538
State Funds:						
Parish Transportation Funds	-	261,290	-	-	-	261,290
State Revenue Sharing	18,889	34,868	-	-	63,218	116,975
Severance Taxes	506,772	-	-	-	-	506,772
Other State Funds	55,043	61,043	-	-	13,656	129,742
Local Funds	72,368	-	-	-	50,827	123,195
Fees and Charges for Service	114,179	-	-	-	-	114,179
Fines and Forfeitures	43,700	-	-	-	186,226	229,926
Rental of Properties	16,693	-	-	-	43,751	60,444
Other	30,119	16,625	4,009	-	14,245	64,998
Total Revenues	1,374,058	1,021,775	940,900	373,421	1,190,097	4,900,251
Expenditures:						
Current:						
General Government						
Legislative	205,646	-	-	-	-	205,646
Judicial	338,713	-	-	-	233,551	572,264
Finance & Administrative	231,402	-	-	-	-	231,402
Other General Government	80,680	-	-	-	89,199	169,879
Public Safety	441,693	-	-	-	-	441,693
Public Works						
Road Maintenance	-	968,936	-	-	-	968,936
Landfill Maintenance	-	-	975,482	-	-	975,482
Other Public Works	40,414	-	-	-	13,214	53,628

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

Grant Parish Police Jury

Statement of Revenues, Expenditures, and Changes in Fund Balance (continued) **Governmental Funds - Year Ended December 31, 2010**

	General Fund	Parish Road Maintenance	Sanitary Landfill Maintenance	FEMA Courthouse Improvements	Other Governmental Funds	Total Governmental Funds
Expenditures (Continued):						
Current:						
Health & Welfare	-	-	-	-	47,914	47,914
Culture & Recreation	18,035	-	-	-	437,600	455,635
Capital Expenditures	-	16,500	-	373,421	130,498	520,419
Debt Service	-	29,213	60,455	-	-	89,668
Total Expenditures	1,356,583	1,014,649	1,035,937	373,421	951,976	4,732,566
Excess (Deficiency) of Revenues Over Expenditures	17,475	7,126	(95,037)	-	238,121	167,685
Other Financing Sources (Uses):						
Proceeds from Debt	-	-	-	-	-	-
Operating Transfers In	77,324	62,654	-	-	5,000	144,978
Operating Transfers Out	(5,000)	-	-	-	(139,978)	(144,978)
Total other financing sources (uses)	72,324	62,654	-	-	(134,978)	-
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses and Special Items	89,799	69,780	(95,037)	-	103,143	167,685
Fund Balance (Deficit) - Beginning	1,355,980	320,546	81,875	-	1,062,231	2,820,632
Fund Balance (Deficit) - Ending	\$ 1,445,779	\$ 390,326	\$ (13,162)	\$ -	\$ 1,165,374	\$ 2,988,317

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

Grant Parish Police Jury

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities

Year Ended December 31, 2010

Net change in fund balances of Governmental Funds \$ 167,685

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

Capital outlays are reported in the Governmental Funds as expenditures; however, in the Government-Wide Statement of Activities, the cost is reported as an asset and allocated over estimated useful lives as depreciation expense. Amounts reported as capital expenditures and depreciation expense are provided as follows:

Capital expenditures reported by the Governmental Funds	520,419	
Depreciation expense reported on a government-wide basis	<u>(202,640)</u>	317,779

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures by governmental funds. 3,484

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. This is the amount by which repayment exceeded new debt. 82,845

Change in net assets of governmental activities \$ 571,793

Grant Parish Police Jury

Statement of Net Assets

Proprietary Funds - December 31, 2010

	<u>Business-Type Activities</u>
	<u>Utility System</u>
<u>ASSETS:</u>	
Current Assets:	
Cash and cash equivalents	\$ 241,669
Receivables (net)	<u>113,015</u>
Total current assets	354,684
 Depreciable capital assets, net	 <u>468,281</u>
 Total assets	 <u>822,965</u>
 <u>LIABILITIES:</u>	
Current Assets:	
Accounts and other payables	43,590
Due to other funds	1,732
Compensated absences	3,642
Deposits due others	<u>77,065</u>
 Total liabilities	 <u>126,029</u>
 <u>NET ASSETS:</u>	
Invested in capital assets, net of related debt	468,281
Unrestricted	<u>228,655</u>
 Total net assets (deficit)	 <u>\$ 696,936</u>

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

Grant Parish Police Jury

Statement of Revenues, Expenses and Changes in Fund Net Assets Proprietary Funds - December 31, 2010

	Business-Type Activities
	<u>Utility System</u>
<u>Operating Revenues:</u>	
Service Fees	\$ 678,292
Other	18,594
Total Operating Revenues	<u>696,886</u>
<u>Operating Expenses:</u>	
Purchases of Natural Gas	236,633
Salaries	107,447
Employee Benefits & Payroll Taxes	58,960
Legal and Professional	23,291
Insurance	5,536
Depreciation	48,452
Repairs & Maintenance - Distribution System	46,791
Equipment Maintenance and Rental	20,028
Telephone & Utilities	9,737
Office Supplies and Expense	9,748
Other	9,461
Total Operating Expenses	<u>576,084</u>
Operating Income (Loss)	120,802
<u>Nonoperating Revenues (Expenses):</u>	
Interest Revenue	<u>1,804</u>
Change in net assets	122,606
Total net assets - beginning	<u>574,330</u>
Total net assets - ending	<u>\$ 696,936</u>

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

Grant Parish Police Jury

Statement of Cash Flows

Proprietary Funds - Year Ended December 31, 2010

	<u>Business-Type Activities</u>
	<u>Utility System</u>
<u>Cash flow from operating activities:</u>	
Cash received from customers	\$ 694,025
Cash payments to suppliers of goods and services	(428,734)
Cash payments to employees for services	(108,142)
Net cash provided (used) by operating activities	<u>157,149</u>
<u>Cash flows from capital and related financing activities:</u>	
Acquisition of capital assets	<u>(47,676)</u>
Net cash provided (used) by non-capital financing activities	<u>(47,676)</u>
<u>Cash flows from investing activities:</u>	
Interest and other income	<u>1,804</u>
Net cash provided (used) by investing activities	<u>1,804</u>
Net increase (decrease) in cash	111,277
Beginning cash balance	<u>130,392</u>
Ending cash balance	<u>\$ 241,669</u>
<u>Reconciliation of operating income (loss) to net cash</u>	
Operating income (loss)	\$ 120,802
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	48,452
(Increase) decrease in accounts receivable	(1,828)
(Decrease) increase in accounts and other payables	(8,549)
(Decrease) increase in compensated absences	(695)
(Decrease) increase in meter deposits	<u>(1,033)</u>
Net cash provided (used) by operating activities	<u>\$ 157,149</u>

Supplemental disclosures of cash flow information:

During the year ended December 31, 2010, there were no investing, capital, or financing activities that did not result in cash receipts or payments.

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

Grant Parish Police Jury

Notes to Financial Statements

December 31, 2010

NOTE 1 – INTRODUCTION AND SIGNIFICANT ACCOUNTING POLICIES:

The Grant Parish Police Jury is the governing authority for Grant Parish and is a political subdivision of the State of Louisiana. The Police Jury is governed by eight jurors representing the various districts within the parish. The jurors serve four-year terms which expire on January 1, 2012.

State Law gives the Police Jury various powers in regulating and directing the affairs of the parish and its inhabitants. The more notable of these are the powers to pass regulations affecting parish 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 primarily by ad valorem taxes, sales and use taxes, state revenue sharing, various state and federal grants, and interest earnings.

Reporting Entity

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

The accompanying financial statements are not intended to present financial position, results of operation and proprietary fund cash flows for the reporting entity as a whole. Data of component units that are financially accountable to the Police Jury has been excluded from the financial statements. Due to the absence of component unit data, the financial statements do not address the entire reporting entity.

The accompanying financial statements present data that is limited to the primary government. All funds, organizations, institutions, agencies, departments, and offices that are managed by the Grant Parish Police Jury are included in the primary government.

Basic Financial Statements

The basic financial statements include both government-wide and fund financial statements. Both government-wide and fund financial statements categorize activities as either governmental activities or business-type activities, which are described as follows:

- Governmental activities involve government services that are normally supported by taxes and intergovernmental revenues.
- Business-type activities rely on fees and charges for support and operate in a manner similar to private sector enterprises. Since proprietary funds operate in a manner similar to business

Grant Parish Police Jury

Notes to Financial Statements

December 31, 2010

enterprises, these funds follow certain pronouncements that are developed by the Financial Accounting Standards Board (FASB) for business enterprises. However, the Parish only applies those FASB pronouncements that were issued on or before November 30, 1989.

The government-wide and fund financial statements present the Parish's financial position and results of operations from differing perspectives which are described as follows:

Government-Wide Financial Statements

The Statement of Net Assets and the Statement of Activities display information about the Parish as a whole. The effect of most interfund activity is eliminated from these financial statements. Furthermore, government-wide financial statements exclude any fiduciary activities that may be reported in the fund financial statements.

Program revenues reported in the Statement of Activities consist of amounts that are directly associated with a governmental service or business-type activity. Program revenues include charges for services, contributions associated with a particular function and most grants.

Fund Financial Statements

Funds are separate accounting entities that are designed to assist with demonstrating legal compliance and segregating transactions by activity. Separate financial statements are provided for governmental funds and business-type (enterprise) funds. In addition, separate financial statements are presented for any fiduciary activities. Major individual funds are reported as separate columns in the fund financial statements. The Parish's major funds are described as follows:

Major Governmental Funds

General Fund – The general fund is the primary operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

Parish Road Maintenance – The road fund is a special revenue fund used to account for the proceeds of funds received dedicated to the repair and maintenance of parish roads.

Sanitary Landfill Fund – The landfill fund is a special revenue fund used to account for the proceeds dedicated to the pick up and disposal of garbage within the Parish boundaries.

Major Business-Type Funds

Utility System – The utility fund is used to account for the operation of the Parish's natural gas system, which are supported by user charges.

Business-Type funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing goods and services in connection with the funds ongoing operations. Principal operating revenues are charges to customers for natural gas.

Grant Parish Police Jury

Notes to Financial Statements

December 31, 2010

Basis Of Accounting and Measurement Focus

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The basis of accounting and measurement focus used for various financial statement presentations are described as follows:

<u>Financial Statement Presentation</u>	<u>Basis of Accounting</u>	<u>Measurement Focus</u>
Government-Wide Financial Statements	Accrual Basis	Economic Resources
Fund Financial Statements:		
Governmental Funds	Modified Accrual Basis	Current Financial Resources
Proprietary Funds	Accrual Basis	Economic Resources

Under the accrual basis of accounting and the economic resources measurement focus, revenues are recorded when earned and expenses are recorded when a liability is incurred.

Under the modified accrual basis of accounting and the current financial resources measurement focus revenue is recognized when it is considered measurable and available. Revenue is considered available if it is collected within 60 days of year-end. In addition, expenses are generally recorded when a liability has been incurred; however, debt service, compensated absences, claims and judgements are recorded as expenses when payment is made. Furthermore, when the current financial resources measurement focus is used, amounts recorded as assets exclude capital assets and the acquisition of capital assets is treated as an expenditure. In addition, long-term debts are excluded from amounts reported as liabilities. Proceeds from issuing long-term debt is reported as an other financing source and repayment of long-term debt is reported as an expenditure.

Nonexchange transactions, in which the Police Jury receives value without directly giving equal value in return, include property taxes, sales taxes, and grants. On the accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied. Revenue from sales taxes is recognized in the period in which the sales are made. Revenue from grants is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the Parish must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the Police Jury on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Use Of Estimates

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

Grant Parish Police Jury

Notes to Financial Statements

December 31, 2010

Restricted Assets

Any amounts reported as restricted assets, represent resources that must be expended in a specific manner. Restrictions of this nature can be imposed by tax propositions and various contractual obligations including grant agreements and bond covenants. Whenever restricted assets can be used to satisfy an obligation, the restricted assets are typically consumed before utilizing any unrestricted resources.

Budget Practices

Budgets, including any amendments, are prepared in the manner prescribed by Louisiana revised statutes. Police Jury budgets present revenue and expenditures on a basis which is consistent with generally accepted accounting principles. Budgets are adopted annually for the general fund and each special revenue fund. Furthermore, the budgets are amended as necessary in the manner prescribed by Louisiana revised statutes. The remaining funds are not required to adopt budgets.

Capital Assets

Capital assets, which include property, equipment, and infrastructure, are reported as assets in the applicable governmental or business-type columns in the government-wide financial statements and in the fund financial statements for proprietary funds. Assets reported in the fund financial statements for governmental funds exclude capital assets. Instead, the governmental funds report the acquisition of capital assets as expenditures rather than asset acquisitions.

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their fair market value when received by the Police Jury.

Capital assets are depreciated using the straight-line method and estimated useful lives ranging from 4 to 50 years. Useful lives are selected depending on the expected durability of the particular asset.

As permitted by generally accepted accounting principles, collections maintained by the Grant Parish Library have not been capitalized.

Cash and Cash Equivalents

Amounts reported as cash and cash equivalents (restricted and unrestricted) include all cash on hand, cash in bank accounts, certificates of deposit, and highly liquid investments. Credit risk associated with bank deposits is limited by requiring fiscal agent banks to pledge securities as required by State Law. Furthermore, interest rate risk associated with certificates of deposits is typically mitigated by purchasing instruments that mature in one year or less.

Internal Activity

Resources belonging to particular funds are commonly shared with other funds that need access to additional resources. When resources are provided without expectation of repayment, the transaction is reported as a transfer. Transfers are treated as a source of income by the recipient and as an

Grant Parish Police Jury

Notes to Financial Statements

December 31, 2010

expense or expenditure by the provider. If repayment is eventually expected to occur, interfund receivables and payables are recorded.

In preparing the government-wide financial statements, transfers are eliminated to present net transfers for governmental activities and business-type activities. In addition, interfund receivables and payables are eliminated to present a net internal balance for each type of activity.

Compensated Absences

Full time and regular part-time employees earn vacation at rates that vary depending on length of service. Unused vacation that employees are allowed to carryforward is reported as long-term debt. Amounts attributable to the utility fund are reported as an expense during the year when leave is earned. Amounts attributable to governmental funds are reported as expenditures when the unused vacation is actually liquidated.

Statement Of Cash Flows

For the purpose of reporting cash flows, cash and cash equivalents includes all cash on hand, cash in banks, and certificates of deposit.

NOTE 2 – TAXES:

Ad Valorem Taxes

Ad valorem taxes are assessed by the Grant Parish Assessor and collected for the Police Jury by the Grant Parish Sheriff's Office. The following is a summary of adjusted authorized and levied ad valorem tax millage:

	Adjusted Authorized Millage	Levied Millage	<u>Expiration Date</u>
General Alimony	4.74	4.65	None
Parish Road Maintenance	8.61	8.61	2017
Courthouse and Jail Maintenance	3.22	3.22	2017
Library Maintenance	10.90	10.90	2019
Hospital Service District No. 1	2.50	2.50	2012
Health Unit Maintenance	2.07	2.07	2017

Sales and Use Tax

On September 29, 1984, voters of the parish approved a one per cent sales and use tax with no expiration date, which is dedicated to paying the cost of constructing, acquiring, improving, maintaining, and operating solid waste collection and disposal facilities for the parish, including the cost of enforcing litter laws and the payment of the cost of closing garbage dumps owned or operated by the parish at the time the sales and use tax proposition was passed. In addition, proceeds

Grant Parish Police Jury

Notes to Financial Statements

December 31, 2010

from the sales and use tax can be used to fund bonds to pay related capital costs. Sales taxes are collected on behalf of the Policy Jury by the Grant Parish Sheriff's Office.

NOTE 3 - CASH AND CASH EQUIVALENTS:

Deposits are stated at cost, which approximates market value. Under state law, these deposits 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, 2010, the Police Jury has \$2,199,954 in deposits (collected bank balance). These deposits are secured from risk by \$563,763 of federal deposit insurance and \$1,971,635 of pledged securities held by the custodial bank in the name of the fiscal agent bank. State law imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified that the fiscal agent has failed to pay deposited funds upon demand.

NOTE 4 - RECEIVABLES:

The following is a summary of receivables at December 31, 2010:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<u>Accounts Receivable</u>			
Utility Accounts	\$ ----	\$ 113,015	\$ 113,015
Other	29,516	----	29,516
Total Accounts Receivable	<u>29,516</u>	<u>113,015</u>	<u>142,531</u>
<u>Due From Other Governmental Units</u>			
Ad Valorem Taxes	1,076,270	----	1,076,270
Salcs Taxes	162,190	----	162,190
State of Louisiana	294,826	----	294,826
Federal Funds	174,140	----	174,140
Other	3,634	----	3,634
Total Due From Other Governments	<u>1,711,060</u>	<u>----</u>	<u>1,711,060</u>
Total Receivables	<u>\$ 1,740,576</u>	<u>\$ 113,015</u>	<u>\$ 1,853,591</u>

Management considers the amounts listed above to be fully collectible. There is no allowance for doubtful accounts.

NOTE 5 - INTERFUND BALANCES:

In the ordinary course of business, advances are made to various funds in order to provide needed resources on a temporary basis. Balances resulting from transactions of this nature are summarized as follows:

Grant Parish Police Jury

Notes to Financial Statements

December 31, 2010

<u>Governmental Activities</u>	<u>Receivable</u>	<u>(Payable)</u>	<u>Net</u>
General	\$ 825,759	\$ (6,695)	\$ 819,064
Road Fund	---	(465,100)	(465,100)
Landfill	42,727	(324,433)	(281,706)
Non-major Funds	32,161	(102,687)	(70,526)
Total Governmental Activities	<u>\$ 900,647</u>	<u>\$ (898,915)</u>	<u>\$ 1,732</u>
<u>Business-type Activities</u>			
Utility System	\$ ---	\$ (1,732)	\$ (1,732)
 Total	 <u>\$ 900,647</u>	 <u>\$ (900,647)</u>	 <u>\$ ---</u>

NOTE 6 – TRANSFERS:

In the ordinary course of business, the Parish routinely transfers resources between its funds for various reasons. A description of the transfers and the purpose for the transfers is presented as follows:

	<u>Governmental Activities</u>			
	<u>General Fund</u>	<u>Road Fund</u>	<u>Non-Major</u>	<u>Total</u>
<u>Transfers In</u>				
Transfer of unrestricted resources to help cover expenses.	\$ 77,324	\$ 62,654	\$ ---	\$ 139,978
Transfer of resources by the general fund to cover necessary expenses.	---	---	5,000	5,000
Total Transfers In	<u>77,324</u>	<u>62,654</u>	<u>5,000</u>	<u>144,978</u>
<u>Transfers Out</u>				
Transfer of resources to the general fund to help cover expenses.	---	---	77,324	77,324
Transfer of resources from the general fund to cover necessary expenses.	5,000	---	---	5,000
Transfer of resources to cover necessary expenses.	---	---	62,654	62,654
Total Transfers Out	<u>5,000</u>	<u>---</u>	<u>139,978</u>	<u>144,978</u>
 Net Transfers	 <u>\$ 72,324</u>	 <u>\$ 62,654</u>	 <u>\$ (134,978)</u>	 <u>\$ ---</u>

NOTE 7 – LONG-TERM LIABILITIES:

Debt attributable to the Police Jury's governmental and business-type activities is summarized as follows:

Grant Parish Police Jury

Notes to Financial Statements

December 31, 2010

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Note Payable	\$ 86,519	\$ ----	\$ 86,519
Compensated Absences	51,092	3,642	54,734
Total Long-term Debt	<u>\$ 137,611</u>	<u>\$ 3,642</u>	<u>\$ 141,253</u>

Changes in the Parish's long-term debt for the year ended December 31, 2010, are presented as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
<u>Governmental Activities</u>				
Notes Payable	\$ 169,364	\$ ----	\$ 82,845	\$ 86,519
Compensated Absences	53,474	----	2,382	51,092
Total	<u>222,838</u>	<u>----</u>	<u>85,227</u>	<u>137,611</u>
<u>Business-Type Activities</u>				
Compensated Absences	4,337	----	695	3,642
Total Long-term Debts	<u>\$ 227,175</u>	<u>\$ ----</u>	<u>\$ 85,922</u>	<u>\$ 141,253</u>

Note Payable

The Police Jury has acquired equipment by entering into an installment purchase agreement. Installment purchase obligations outstanding at December 31, 2010 are described as follows:

Two (2) separate installment purchase agreements dated June 20, 2007 executed in exchange for two (2) Steco steel pushout trailers, with an original balance of \$49,525 each, bearing interest at a rate of 6.0%, payable in 48 monthly installments of \$1,163.31 each.	\$ 15,941
Installment purchase agreement dated November 8, 2005 executed in exchange for a garbage truck, with an original balance of \$174,500, bearing interest of 5.5%, payable in 35 monthly installments of \$2,504.74 and one (1) payment of \$54,643.	50,388
Installment purchase agreement dated May 15, 2009 executed in exchange for a pot hole patcher, with an original balance of \$32,500, bearing interest at a rate of 3.59%, payable in 48 monthly installments of \$727.87.	<u>20,190</u>
Total	86,519
Due within one year	<u>74,472</u>
Due in more than one year	<u>\$ 12,047</u>

Grant Parish Police Jury

Notes to Financial Statements

December 31, 2010

A schedule of maturities for the note is presented as follows:

<u>Year Ended December 31st</u>	<u>Principal Installments</u>	<u>Interest Installments</u>
2011	\$ 74,472	\$ 3,084
2012	8,440	295
2013	3,607	32
Total	<u>\$ 86,519</u>	<u>\$ 3,411</u>

Interest expense recorded as a direct function of road maintenance and landfill maintenance is \$950 and \$5,857 respectively.

Compensated Absences

Compensated absences refer to the Policy Jury's obligation to provide vested accrued leave benefits that have been earned by its employees. These liabilities are typically liquidated by the fund responsible for providing the employees compensation.

NOTE 8 - PENSION PLAN:

Substantially all employees not covered by other plans are members of the Parochial Employees Retirement System of Louisiana (System), a multiple-employer (cost sharing), public employee retirement system (PERS), controlled and administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and separate benefit provisions. All of the Police Jury's participating employees are members of Plan A.

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

The System issues an annual publicly available financial report that includes financial statements and required supplementary information on the System. This report may be obtained by contacting

Grant Parish Police Jury

Notes to Financial Statements

December 31, 2010

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

Employees are required to contribute 9.5 percent of their salaries to the System. The employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The current rate is 15.75% of annual covered payroll. The contribution requirements of the plan members and the Police Jury are established and may be amended by state statute. In addition, contributions to the System also include one-fourth of one percent of the taxes shown to be collectible by the tax rolls of each parish, except Orleans and East Baton Rouge Parishes. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The Grant Parish Police Jury's contributions to the System for the years ending December 31, 2008, 2009, and 2010, were \$147,651, \$146,592, and \$185,452 respectively, equal to the required contributions for each year.

NOTE 9 – OTHER POST EMPLOYMENT BENEFITS:

Details regarding other post employment benefits that the Police Jury provides for its workforce are provided as follows:

Plan Description

The Police Jury's established policies and procedures include providing certain healthcare benefits for retirees. This policy amounts to a single-employer defined benefit healthcare plan (the Plan) administered by the Police Jury. The Plan provides medical benefits through the Police Jury's group health insurance plan which covers both active and retired members. Benefits under the plan are made available to employees hired prior to January 1, 1993 upon actual retirement. The Plan does not issue a publicly available financial report. Plan participants are typically eligible for healthcare benefits when they become eligible for benefits from the Parochial Employees Retirement System of Louisiana.

Employees do not contribute to their post employment benefit costs until they become retirees and begin receiving those benefits. Until January 1, 2009, the Police Jury recognized the cost of providing post-employment medical benefits (the Police Jury's portion of the retiree medical benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis. For the year ended December 31, 2010, the Police Jury's portion of health care funding cost for retired employees totaled approximately \$20,148

Effective with the year beginning January 1, 2009, the Police Jury implemented Government Accounting Standards for Accounting and Financial Reporting by Employers for Post employment Benefits Other than Pensions. The provisions have been implemented on a prospective basis.

Annual Required Contribution

The Police Jury's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with Governmental Accounting Standards Board (GASB) Pronouncements. The Annual Required Contribution (ARC) is the sum of the Normal Cost plus the contribution to amortize the Actuarial Accrued Liability (AAL). A level

Grant Parish Police Jury

Notes to Financial Statements

December 31, 2010

dollar, closed amortization period of 20 years has been used for the post-employment benefits. The total ARC for the year beginning January 1, 2010 is \$7,692, as set forth below:

Normal Cost	\$	7,283
20-year UAL amortization amount		<u>11,763</u>
Annual required contribution	\$	<u>19,046</u>

Net Post Employment Benefit Obligation (Asset)

The table below shows the Police Jury's Net Other Post-employment Benefit (OPEB) Obligation (Asset) for fiscal year ending December 31, 2010:

Annual required contribution	\$	19,046
Interest on Net OPEB Obligation		----
ARC Adjustment		----
OPEB Cost		<u>19,046</u>
Current year retiree premium		<u>(20,148)</u>
Change in Net OPEB Obligation		(1,102)
Beginning Net OPEB Obligation		<u>8,794</u>
Ending Net OPEB Obligation	\$	<u>7,692</u>

The following table shows the Police Jury's annual post employment benefits (PEB) cost, percentage of the cost contributed, and the net unfunded post employment benefits (PEB) liability (asset):

<u>Fiscal Year</u> <u>Ended</u>	<u>Annual</u> <u>OPEB Cost</u>	<u>Percent</u> <u>Of Annual</u> <u>Cost</u> <u>Contributed</u>	<u>Net OPEB</u> <u>Obligation</u> <u>(Asset)</u>
December 31, 2010	\$ 19,046	100.0%	\$ 7,692

Funded Status and Funding Progress

In the fiscal year ending December 31, 2010, the Police Jury made no contributions to its post employment benefits plan. The plan was not funded at all, has no assets, and hence has a funded ratio of zero. As of January 1, 2009, the first and most recent actuarial valuation, the Actuarial Accrued Liability (AAL) was \$178,777, which is defined as that portion, as determined by a particular actuarial cost method (the Police Jury uses the Alternative Measurement Method in accordance with GASB methodology), of the actuarial present value of post employment plan benefits and expenses which is not provided by normal cost. Since the plan was not funded in fiscal year 2010, the entire actuarial accrued liability of \$178,776 was unfunded.

Grant Parish Police Jury

Notes to Financial Statements

December 31, 2010

Actuarial Accrued Liability (AAL)	\$ 178,776
Actuarial Value of Plan Assets	----
<hr/>	
Unfunded Act. Accrued Liability (UAAL)	\$ 178,776
Funded Ratio	0%
<hr/>	
Covered Payroll (active plan members)	\$ 45,807
UAAL as a percentage of covered payroll	390.28%

Actuarial Methods and Assumptions

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. The actuarial valuation for post employment benefits includes estimates and assumptions regarding (1) turnover rate; (2) retirement rate; (3) health care cost trend rate; (4) mortality rate; (5) discount rate (investment return assumption); and (6) the period to which the costs apply (past, current, or future years of service by employees). Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The actuarial calculations are based on the types of benefits provided under the terms of the substantive plan (the plan as understood by the Police Jury and its employee plan members) at the time of the valuation and on the pattern of sharing costs between the Police Jury and its plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the Police Jury and plan members in the future. Consistent with the long-term perspective of actuarial calculations, the actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial liabilities and the actuarial value of assets.

Actuarial Cost Method

The ARC is determined using the Alternative Measurement Method in accordance with GASB methodology. The employer portion of the cost for retiree medical care in each future year is determined by projecting the current cost levels using the healthcare cost trend rate and discounting this projected amount to the valuation date using the other described pertinent actuarial assumptions, including the investment return assumption (discount rate), mortality, and turnover.

Actuarial Value of Plan Assets

The plan has not been funding accordingly there are no plan assets.

Turnover Rate

Actuarial assumptions are based on standard turnover assumptions published by GASB.

Grant Parish Police Jury

Notes to Financial Statements

December 31, 2010

Post employment Benefit Plan Eligibility Requirements

Eligibility for benefits begins at retirement and entitlement to benefits continues through to death.

Investment Return Assumption (Discount Rate)

Generally Accepted Accounting Principles state that the investment return assumption should be the estimated long-term investment yield on the investments that are expected to be used to finance the payment of benefits (that is, for a plan which is funded). Based on the assumption that the ARC will not be funded, a 3% annual discount rate has been used in this valuation. This discount rate is consistent with the Police Jury's typical return on short term investments.

Health Care Cost Trend Rate

The expected rate of increase in healthcare insurance premiums was based on projections of the Office of Actuary at the Centers for Medicare and Medicaid Services. A rate of 3.9% initially to an ultimate rate of 6.6% after ten years was used.

Mortality Rate

The expected rate of mortality is based on published rate tables (United States Life Tables 2003 for Males and Females from the Centers for Disease Control).

NOTE 10 – CAPITAL ASSETS:

Changes in governmental and business-type capital assets are presented as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending Balance</u>
<u>Governmental Activities</u>				
Non Depreciable Capital Assets				
Construction in Process	\$ ----	\$ 373,421	---	\$ 373,421
Land	177,250	---	---	177,250
Total	<u>177,250</u>	<u>373,421</u>	<u>---</u>	<u>550,671</u>
Depreciable Capital Assets				
Buildings and Improvements	2,070,450	105,441	---	2,175,891
Furniture, Fixtures and Equipment	2,240,625	41,558	---	2,282,183
Infrastructure	1,737,816	---	---	1,737,816
Solid Waste Station	209,647	---	---	209,647
Accumulated Depreciation	(3,877,825)	(202,641)	---	(4,080,466)
Total	<u>2,380,713</u>	<u>(55,642)</u>	<u>---</u>	<u>2,325,071</u>
Total Governmental Activities	<u>\$ 2,557,963</u>	<u>\$ 317,779</u>	<u>\$ ---</u>	<u>\$ 2,875,742</u>

Grant Parish Police Jury

Notes to Financial Statements

December 31, 2010

	Beginning Balance	Additions	Disposals	Ending Balance
<u>Business-Type Activities</u>				
Depreciable Capital Assets				
Distribution System	\$ 1,245,902	\$ ----	\$ ----	\$ 1,245,902
Buildings	7,878	----	----	7,878
Equipment	211,899	47,676	(33,992)	225,583
Accumulated Depreciation	(996,622)	(48,452)	33,992	(1,011,082)
Total Business-Type Activities	<u>\$ 469,057</u>	<u>\$ (776)</u>	<u>\$ ----</u>	<u>\$ 468,281</u>

Depreciation expense charged to various functions presented on the statement of activities is presented as follows:

	Governmental Activities	Business-Type Activities	Total
Public Safety	\$ 21,575	\$ ----	\$ 21,575
Road Fund	96,775	----	96,775
Landfill Fund	49,820	----	49,820
Other General Government	10,012	----	10,012
Culture & Recreation	11,929	----	11,929
Health & Welfare	12,530	----	12,530
Utility System	----	48,452	48,452
Total Depreciation Expense	<u>\$ 202,641</u>	<u>\$ 48,452</u>	<u>\$ 251,093</u>

NOTE 11 – ACCOUNTS AND OTHER PAYABLES:

Details related to amounts reported as accounts and other payables are provided as follows:

	Payable to Vendors	Payroll Liabilities	Total Payables
<u>Governmental Activities</u>			
General Fund	\$ 134,624	\$ 27,708	\$ 162,332
Road Fund	75,515	---	75,515
Landfill Fund	58,979	----	58,979
Courthouse Improvements	131,116	----	131,116
Non-Major Funds	125,151	----	125,151
Total Governmental Activities	<u>\$ 525,385</u>	<u>\$ 27,708</u>	<u>\$ 553,093</u>
<u>Business-Type Activities</u>			
Utility System	<u>\$ 43,590</u>	<u>\$ ----</u>	<u>\$ 43,590</u>

NOTE 12 - CONTINGENCIES:

Existing conditions that may have financial consequences in the future are referred to as contingencies. Contingencies existing at December 31, 2010, are described as follows:

Grant Parish Police Jury

Notes to Financial Statements

December 31, 2010

Unemployment Claims

The Police Jury managed the local Head Start Program until December 31, 2006 when the program was transferred to a successor. In connection with the Police Jury's tenure as the Head Start sponsor, the Department of Labor is seeking to collect \$154,290 in unemployment claims. At the present time, the Police Jury has \$74,993 in remaining Head Start Funds that are available to pay unemployment claims. At the present time, outstanding claims exceed available resources by \$79,297. Management is currently seeking resolution that will provide funds from the successor or its funding source to resolve the remaining claims.

Litigation

As the governing authority for Grant Parish, the Police Jury has numerous responsibilities. These responsibilities include maintaining roads and other public facilities as well as disposing of solid waste on a Parishwide basis. Due to the extensive nature of the Police Jury's responsibilities, it is sometimes the target of litigation.

A variety of lawsuits involving the Police Jury are currently pending; however, due to an absence of recent activity, at least some of these cases appear to be dormant. An estimate of potential losses from litigation is not currently available and no provision for losses of this nature is included in the accompanying financial statements. In addition, there is no general liability insurance to offset judgments that might arise from lawsuits currently pending.

Judgments Payable

At December 31, 2010, five judgments totaling \$770,320 have been rendered against the Police Jury. These judgments are final and irreversible. Judgments payable do not include deposition costs, expert witness fees, court costs or legal interest from date of judicial demand, which were also assessed.

The Police Jury did not have general liability insurance to cover the amounts of judgments awarded to plaintiffs in lawsuits brought against the Police Jury. Consequently, the \$770,320 in judgments payable at December 31, 2010, plus all related costs and interest from date of judicial demand are the Police Jury's sole responsibility. However, since the beneficiaries of the judgments cannot require the Police Jury to appropriate funds to pay the judgments, no liability has been accrued in connection with the judgments.

Clerk of Court Claims

The clerk of court has remitted bills to the Police Jury claiming that \$20,520 is owed for court attendance from November 2001 through March 2006. The Police Jury is currently working with the clerk of court in order to pay the outstanding bills.

NOTE 13 - RISK MANAGEMENT:

The Police Jury is exposed to various risks of loss related to torts; theft, damage or destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Police Jury has not maintained general liability coverage to insure against torts. Judgments resulting from these uninsured risks are

Grant Parish Police Jury

Notes to Financial Statements

December 31, 2010

disclosed when it is probable that a loss has occurred and the amount can be reasonably estimated. Judgements currently payable attributable to the uninsured risk total \$770,320.

The Police Jury insures against the remaining risks by participation in public entity risk pools that operate as common insurance programs and by purchasing commercial insurance. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years.

NOTE 14 – LEASES

During the year ended December 31, 2010, the Parish had six ongoing operating leases necessary for the maintenance of the Parish road system. These leases have monthly payments ranging from of \$1,424 to \$1,618. The lease terms range from sixty months to forty-eight months ending either January 2011 or July 2012. In addition, the Parish has a 60 month lease for an excavator with monthly payments of \$2,126, ending June 2015. Each unit may be purchased for the fair market value of the unit at the end of the lease term. The future minimum lease payments are as follows:

<u>Year Ended December 31st</u>	<u>Future minimum lease payments</u>
2011	\$ 89,916
2012	68,116
2013	25,512
2014	25,512
2015	12,756
Total	<u>\$ 221,812</u>

Grant Parish Police Jury

General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balances

Budget and Actual - Year Ended December 31, 2010

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Ad Valorem	\$ 165,000	\$ 165,000	\$ 174,499	\$ 9,499
Other	40,000	50,000	55,759	5,759
Federal Funds	-	250,000	286,037	36,037
State Funds:				
State Revenue Sharing	20,000	20,000	18,889	(1,111)
Severance Taxes	350,000	350,000	506,772	156,772
Other State Funds	70,000	70,000	55,043	(14,957)
Local Funds	76,500	72,000	72,368	368
Fees and Charges for Service	100,000	100,000	114,179	14,179
Fines and Forfeitures	40,000	45,000	43,700	(1,300)
Rental of Properties	15,000	15,000	16,693	1,693
Other	50,000	65,000	30,119	(34,881)
Total Revenues	926,500	1,202,000	1,374,058	172,058
Expenditures:				
Current:				
General Government				
Legislative	190,000	200,000	205,646	(5,646)
Judicial	375,000	345,000	338,713	6,287
Finance & Administrative	285,000	240,000	231,402	8,598
Other General Government	90,000	80,000	80,680	(680)
Public Safety	250,000	400,000	441,693	(41,693)
Culture & Recreation	20,000	20,000	18,035	1,965
Economic Development Assistance	35,000	21,000	-	21,000
Other Public Works	-	-	40,414	(40,414)
Capital Expenditures	-	-	-	-
Total Expenditures	1,245,000	1,306,000	1,356,583	(50,583)
Excess (Deficiency) of Revenues Over Expenditures	(318,500)	(104,000)	17,475	121,475
Other Financing Sources (Uses):				
Operating Transfers In	75,000	80,000	77,324	(2,676)
Operating Transfers Out	(10,000)	(10,000)	(5,000)	5,000
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	(253,500)	(34,000)	89,799	123,799
Fund Balance (Deficit) - Beginning of Year	1,465,660	1,355,980	1,355,980	-
Fund Balance (Deficit) - End of Year	\$ 1,212,160	\$ 1,321,980	\$ 1,445,779	\$ 123,799

Grant Parish Police Jury

Major Special Revenue Funds

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - Year Ended December 31, 2010

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>ROAD FUND:</u>				
Revenues and Other Sources	\$ 1,162,500	\$ 1,115,000	\$ 1,084,429	\$ (30,571)
Expenditures and Other Uses	<u>1,287,500</u>	<u>989,200</u>	<u>1,014,649</u>	<u>(25,449)</u>
Excess (Deficiency) of Revenues Over Expenditures	(125,000)	125,800	69,780	(56,020)
Fund Balance (Deficit) - Beginning of Year	<u>245,329</u>	<u>320,546</u>	<u>320,546</u>	<u>-</u>
Fund Balance (Deficit) - End of Year	<u>\$ 120,329</u>	<u>\$ 446,346</u>	<u>\$ 390,326</u>	<u>\$ (56,020)</u>
<u>LANDFILL FUND:</u>				
Revenues and Other Sources	\$ 940,000	\$ 945,000	\$ 940,900	\$ (4,100)
Expenditures and Other Uses	<u>950,000</u>	<u>1,025,000</u>	<u>1,035,937</u>	<u>(10,937)</u>
Excess (Deficiency) of Revenues Over Expenditures	(10,000)	(80,000)	(95,037)	(15,037)
Fund Balance (Deficit) - Beginning of Year	<u>192,745</u>	<u>81,875</u>	<u>81,875</u>	<u>-</u>
Fund Balance (Deficit) - End of Year	<u>\$ 182,745</u>	<u>\$ 1,875</u>	<u>\$ (13,162)</u>	<u>\$ (15,037)</u>

Grant Parish Police Jury

Schedule of Funding Progress

Retiree Healthcare Plan

	<u>Actuarial Valuation Date December 31, 2010</u>
Actuarial Value of Assets	\$ -
Actuarial Accrued Liability	\$ 178,776
Unfunded Actuarial Accrued Liability	\$ 178,776
Funded Ratio	0.00%
Covered Payroll	\$ 45,807
Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll	390.28%

Supplemental Disclosures:

At December 31, 2010, management was not aware of any factors expected to significantly affect the identification of trends in the amounts reported.

Grant Parish Police Jury

Combining Balance Sheet Non Major Governmental Funds December 31, 2010

	Maintenance Funds	Capital Projects Funds	Head Start	Litter Fines	Criminal Court	Insurance Premium Tax	Supocna Witness	USDA Title III	Aloha Rigollette	Public Works Supplemental	Total Non Major Funds
Assets											
Cash and Cash Equivalents	\$ 274,819	\$ 51,518	\$ 74,993	\$ 14,252	\$ 33,309	\$ 132,591	\$ 13,900	\$ -	\$ 11,158	\$ 63,763	\$ 670,303
Receivables (net)	670,523	16,219	-	-	9,736	-	945	-	800	8,744	706,967
Interfund Receivables	-	-	-	-	-	-	-	27,161	5,000	-	32,161
Total assets	\$ 945,342	\$ 67,737	\$ 74,993	\$ 14,252	\$ 43,045	\$ 132,591	\$ 14,845	\$ 27,161	\$ 16,958	\$ 72,507	\$ 1,409,431
Liabilities and Fund Balance											
Liabilities											
Accounts payable	\$ 41,391	\$ 154	\$ 74,993	\$ -	\$ 7,513	\$ -	\$ 300	\$ -	\$ 800	\$ -	\$ 125,151
Cash Overdraft	-	16,219	-	-	-	-	-	-	-	-	16,219
Interfund Payables	83,536	98	-	-	19,053	-	-	-	-	-	102,687
Total liabilities	124,927	16,471	74,993	-	26,566	-	300	-	800	-	244,057
Fund Balance											
Unreserved - Reported In											
Special Revenue Funds	820,415	-	-	14,252	16,479	132,591	14,545	27,161	16,158	72,507	1,114,108
Capital Project Funds	-	51,266	-	-	-	-	-	-	-	-	51,266
Total Fund Balances	820,415	51,266	-	14,252	16,479	132,591	14,545	27,161	16,158	72,507	1,165,374
Total Liabilities and Fund Balance	\$ 945,342	\$ 67,737	\$ 74,993	\$ 14,252	\$ 43,045	\$ 132,591	\$ 14,845	\$ 27,161	\$ 16,958	\$ 72,507	\$ 1,409,431

Grant Parish Police Jury

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance Non Major Governmental Funds - Year Ended December 31, 2010

	Maintenance Funds	Capital Projects Funds	Head Start	Litter Fines	Criminal Court	Insurance Premium Tax	Suprema Witness	USDA Title III	Alotia Rigolene	Public Works Supplemental	Other Governmental Funds
Revenues:											
Taxes:											
Ad Valorem	\$ 644,312	-	-	-	-	-	-	-	-	-	\$ 644,312
Other	-	-	-	-	-	70,622	-	-	-	-	70,622
Federal Funds	-	-	-	-	-	-	-	-	-	-	103,240
State Funds:											
State Revenue Sharing	63,218	-	-	-	-	-	-	-	-	-	63,218
Other State Funds	13,656	-	-	-	-	-	-	-	-	-	13,656
Local Funds	-	-	-	-	43,089	-	-	-	7,738	-	50,827
Fees and Charges for Service	-	-	-	-	-	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	2,150	171,671	-	12,405	-	-	43,751	186,236
Rental of Property	-	-	-	-	-	-	-	-	-	85	85
Other	12,443	128	-	35	113	558	-	-	-	14,245	43,751
	<u>733,629</u>	<u>103,368</u>	<u>-</u>	<u>2,185</u>	<u>214,873</u>	<u>71,180</u>	<u>12,488</u>	<u>-</u>	<u>7,738</u>	<u>41,636</u>	<u>1,190,097</u>
Total Revenues											
Expenditures:											
Current:											
General Government											
Judicial	-	-	-	2,568	220,083	-	10,900	-	-	-	233,551
Other General Government	89,199	-	-	-	-	-	-	-	-	-	89,199
Public Safety	-	-	-	-	-	-	-	-	-	-	-
Public Works	-	5,000	-	-	-	-	-	-	8,214	-	13,214
Health & Welfare	47,914	-	-	-	-	-	-	-	-	-	47,914
Culture & Recreation	437,600	-	-	-	-	-	-	-	-	-	437,600
Capital Expenditures	32,258	-	-	-	-	-	-	-	-	-	32,258
	<u>606,971</u>	<u>5,000</u>	<u>-</u>	<u>2,568</u>	<u>220,083</u>	<u>-</u>	<u>10,900</u>	<u>-</u>	<u>8,214</u>	<u>-</u>	<u>833,736</u>
Excess (Deficiency) of Revenues Over Expenditures	126,658	98,368	-	(383)	(5,210)	71,180	1,588	-	(476)	44,636	336,361
Other Financing Sources (Uses):											
Operating Transfers In	-	-	-	-	-	-	-	-	5,000	-	5,000
Operating Transfers Out	-	-	-	-	-	(65,150)	-	(12,174)	-	(62,654)	(139,978)
Total other financing sources (uses)	-	-	-	-	-	(65,150)	-	(12,174)	5,000	(62,654)	(134,978)
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses and Special Items	126,658	98,368	-	(383)	(5,210)	6,030	1,588	(12,174)	4,524	(18,018)	201,383
Fund Balance (Deficit) - Beginning of Year	693,757	51,138	-	14,635	21,689	126,561	12,957	39,335	11,634	90,525	1,062,231
Fund Balance (Deficit) - End of Year	\$ 820,415	\$ 149,506	\$ -	\$ 14,252	\$ 16,479	\$ 132,591	\$ 14,545	\$ 27,161	\$ 16,158	\$ 72,507	\$ 1,263,614

Grant Parish Police Jury

**Combining Balance Sheet
Non Major Maintenance Funds
December 31, 2010**

	Library Maintenance	Health Unit Maintenance	Courthouse and Jail Maintenance	Medical Clinic Maintenance	Total Maintenance Funds
Assets					
Cash and Cash Equivalents	\$ 13,442	\$ 121,298	\$ 96,493	\$ 43,586	\$ 274,819
Receivables (net)	427,137	81,562	126,874	34,950	670,523
Total assets	\$ 440,579	\$ 202,860	\$ 223,367	\$ 78,536	\$ 945,342
Liabilities and Fund Balance					
Liabilities					
Accounts payable	\$ 32,607	\$ 1,037	\$ 6,841	\$ 906	\$ 41,391
Interfund Payables	371	18,603	64,562	-	83,536
Total Liabilities	32,978	19,640	71,403	906	124,927
Fund Balance					
Unreserved - Reported In					
Special Revenue Funds	407,601	183,220	151,964	77,630	820,415
Total Fund Balances	407,601	183,220	151,964	77,630	820,415
Total Liabilities and Fund Balance	\$ 440,579	\$ 202,860	\$ 223,367	\$ 78,536	\$ 945,342

Grant Parish Police Jury

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance **Non Major Maintenance Funds - Year Ended December 31, 2010**

	Library Maintenance	Health Unit Maintenance	Courthouse and Jail Maintenance	Medical Clinic Maintenance	Total Maintenance Funds
<u>Revenues:</u>					
Taxes:					
Ad Valorem	\$ 408,846	\$ 77,694	\$ 120,834	\$ 36,938	\$ 644,312
State Funds:					
State Revenue Sharing	41,794	8,383	13,041	-	63,218
Other State Funds	13,656	-	-	-	13,656
Other	11,346	694	284	119	12,443
Total Revenues	<u>475,642</u>	<u>86,771</u>	<u>134,159</u>	<u>37,057</u>	<u>733,629</u>
<u>Expenditures:</u>					
Current:					
General Government					
Other General Government	-	-	89,199	-	89,199
Health & Welfare	-	33,982	-	13,932	47,914
Culture & Recreation	437,600	-	-	-	437,600
Capital Expenditures	-	25,058	-	7,200	32,258
Total Expenditures	<u>437,600</u>	<u>59,040</u>	<u>89,199</u>	<u>21,132</u>	<u>606,971</u>
Excess (Deficiency) of					
Revenues and Other Sources					
Over Expenditures and Other					
Uses and Special Items					
	38,042	27,731	44,960	15,925	126,658
Fund Balance (Deficit) -					
Beginning of Year					
	<u>369,559</u>	<u>155,489</u>	<u>107,004</u>	<u>61,705</u>	<u>693,757</u>
Fund Balance (Deficit) -					
End of Year					
	<u>\$ 407,601</u>	<u>\$ 183,220</u>	<u>\$ 151,964</u>	<u>\$ 77,630</u>	<u>\$ 820,415</u>

Grant Parish Police Jury

**Combining Balance Sheet
Non Major Capital Projects Funds
December 31, 2010**

	Medical Clinic	LCDBG Master Plan	EECDBG Energy Efficiency	Total Capital Projects Funds
Assets				
Cash and Cash Equivalents	\$ 51,364	\$ 154	\$ -	\$ 51,518
Receivables (net)	-	-	16,219	16,219
Total assets	<u>\$ 51,364</u>	<u>\$ 154</u>	<u>\$ 16,219</u>	<u>\$ 67,737</u>
Liabilities and Fund Balance				
<u>Liabilities</u>				
Accounts payable	\$ -	\$ 154	\$ -	\$ 154
Cash Overdraft	-	-	16,219	16,219
Interfund Payables	-	98	-	98
Total liabilities	<u>-</u>	<u>252</u>	<u>16,219</u>	<u>16,471</u>
<u>Fund Balance</u>				
Unreserved - Reported In				
Capital Project Funds	51,364	(98)	-	51,266
Total Fund Balances	<u>51,364</u>	<u>(98)</u>	<u>-</u>	<u>51,266</u>
Total Liabilities and Fund Balance	<u>\$ 51,364</u>	<u>\$ 154</u>	<u>\$ 16,219</u>	<u>\$ 67,737</u>

Grant Parish Police Jury

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance Non Major Capital Projects Funds - Year Ended December 31, 2010

	Medical Clinic	LCDBG Master Plan	EECDBG Energy Efficiency	Other Governmental Funds
Revenues:				
Federal Funds	\$ -	\$ 5,000	\$ 98,240	\$ 103,240
Other	128	-	-	128
Total Revenues	<u>128</u>	<u>5,000</u>	<u>98,240</u>	<u>103,368</u>
Expenditures:				
Current:				
Public Works	-	5,000	-	5,000
Capital Expenditures	-	-	98,240	98,240
Total Expenditures	<u>-</u>	<u>5,000</u>	<u>98,240</u>	<u>103,240</u>
Excess (Deficiency) of Revenues Over Expenditures	128	-	-	128
Fund Balance (Deficit) - Beginning of Year	<u>51,236</u>	<u>(98)</u>	<u>-</u>	<u>51,138</u>
Fund Balance (Deficit) - End of Year	<u>\$ 51,364</u>	<u>\$ (98)</u>	<u>\$ -</u>	<u>\$ 51,266</u>

Grant Parish Police Jury

Schedule of Compensation Paid to Police Jurors For the year ended December 31, 2010

Garland McCracken	\$ 14,400
Jimmy Bryant	14,400
Tom Hamilton	14,400
Arnold Murrell	14,400
Donnie Brown	14,400
Lucas LaCour	14,400
Lloyd Kirtland	14,400
Roy G. Edwards	<u>14,400</u>
Total	<u>\$ 115,200</u>

Grant Parish Police Jury

Schedule of Expenditure of Federal Financial Awards For the year ended December 31, 2010

<u>FEDERAL GRANTOR / Pass-through Grantor / Program Title</u>	<u>Federal CFDA Number</u>	<u>Federal Expenditures</u>
UNITED STATES DEPARTMENT OF AGRICULTURE Pass-through State of Louisiana, Department of the Treasury Schools and Roads	10.666	324,840
UNITED STATES DEPARTMENT OF ENERGY Passed through - Louisiana Department of Natural Resources Energy Efficiency and Conservation Block Grant - ARRA	81.128	98,240
UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT Pass-through State of Louisiana, Division of Administration Community Development Block Grant	14.228	5,000
UNITED STATES DEPARTMENT OF THE INTERIOR Direct Program - Payment in Lieu of Taxes	15.226	46,929
DEPARTMENT OF HOMELAND SECURITY Passed through Louisiana Office of Emergency Preparedness Public Assistance Grants	97.036	373,421
Hazard Mitigation Grant	97.039	25,904
State Homeland Security Grant Program	97.067	<u>213,204</u>
Total Expenditure of Federal Awards		<u>\$ 1,087,538</u>

Note

The schedule of expenditures of federal awards was prepared in conformity with generally accepted accounting principles for Governmental Units. See notes to the accompanying financial statements for further details.

ROZIER, HARRINGTON & MCKAY

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RETIRED - 2005

June 14, 2011

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

The Grant Parish Police Jury
Colfax, Louisiana 71417

COMPLIANCE

We have audited the compliance of the Grant Parish Police Jury with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Grant Parish Police Jury's major federal programs for the year ended December 31, 2010. The Grant Parish Police Jury's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Grant Parish Police Jury's management. Our responsibility is to express an opinion on the Grant Parish Police Jury's compliance based on our audit.

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

Grant Parish Police Jury

June 14, 2011

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In our opinion, the Grant Parish Police Jury complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2010.

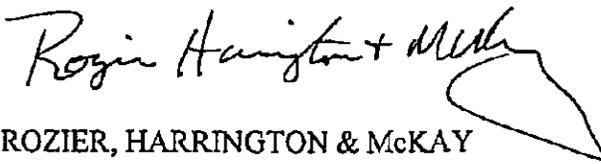
INTERNAL CONTROL OVER COMPLIANCE

The management of the Grant Parish Police Jury is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Grant Parish Police Jury'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, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Grant Parish Police Jury's internal control over compliance.

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

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

This report is intended for the information of management. However, this report is a matter of public record and its distribution if not limited.


ROZIER, HARRINGTON & MCKAY
Certified Public Accountants

Grant Parish Police Jury

Schedule of Findings and Questioned Costs For the Year Ended December 31, 2010

PART I - SUMMARY OF AUDITOR'S RESULTS:

- The Independent Auditors' Report on the primary government financial statements for the Grant Parish Police Jury as of December 31, 2010 and for the year then ended expressed an unqualified opinion.
- The results of the audit did not disclose any instances of noncompliance that is considered to be material to the primary government financial statements of the Grant Parish Police Jury.
- The Independent Auditors' Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133 expressed an unqualified opinion on compliance requirements for the major program described below.
- The audit did not disclose an audit finding which is required to be reported as a significant deficiency in internal control over financial reporting.
- Major programs for the year ended December 31, 2010 are presented as follows:

UNITED STATES DEPARTMENT OF AGRICULTURE (Passed Through State of Louisiana)
CFDA No. 10.666 – National Forest Receipts

UNITED STATES DEPARTMENT OF HOMELAND SECURITY (Passed Through State of Louisiana)
CFDA No. 97.036 – Public Assistance Grants

- A threshold of \$300,000 was used for distinguishing between Type A and Type B programs for purposes of identifying major programs.
- The Grant Parish Police Jury was not considered to be a low risk auditee as defined by OMB Circular A-133.

PART II - FINDINGS RELATING TO THE FINANCIAL STATEMENTS WHICH ARE REQUIRED TO BE REPORTED IN ACCORDANCE WITH GENERALLY ACCEPTED GOVERNMENTAL AUDITING STANDARDS:

- There are no matters to report.

PART III - FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS WHICH SHALL INCLUDE AUDIT FINDINGS AS DEFINED BY OMB CIRCULAR A-133:

- There are no matters to report.

Grant Parish Police Jury

Management's Corrective Action Plan

For the Year Ended December 31, 2010

<u>SECTION I</u> INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS	
There are no matters to report.	Not Applicable
<u>SECTION II</u> INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS	
There are no matters to report.	Not Applicable
<u>SECTION III</u> MANAGEMENT LETTER	
There are no matters to report.	Not Applicable

Grant Parish Police Jury

Summary of Prior Year Findings and Questioned Cost For the Year Ended December 31, 2010

<u>SECTION I</u> INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS	
<u>2009-1 Budget Violation</u> The Landfill fund experienced a budget violation in which actual expenditures exceeded budgeted expenditures by greater than 5%.	<u>2009-1 - Resolved</u> We closely monitored the current year budget and amended the budget as necessary.
<u>SECTION II</u> INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS	
There are no matters to report.	Not Applicable
<u>SECTION III</u> MANAGEMENT LETTER	
There are no matters to report.	Not Applicable