

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**FINANCIAL STATEMENTS
AND SUPPLEMENTAL SCHEDULES
AS OF AND FOR THE YEAR ENDED
DECEMBER 31, 2008**

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

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Required Supplemental Information (Part I)
Management's Discussion and Analysis

Claiborne Parish Police Jury
Homer, Louisiana
Management's Discussion and Analysis
December 31, 2008

As management of the Claiborne Parish Police Jury, we offer readers of the Police Jury's financial statements this narrative overview and analysis of the financial activities of the police jury for the year ended December 31, 2008. We encourage readers to consider the information presented here, in conjunction with the basic financial statements, and the supplementary information provided in this report in assessing the efficiency and effectiveness of our stewardship of public resources.

Overview of the Financial Statements

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

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the Police Jury's finances, in a manner similar to a private-sector business. The statement of net assets presents information on all of the Police Jury's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Police Jury is improving or deteriorating.

The statement of activities presents information showing how the Police Jury's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (for example, earned but not taken annual leave).

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Police Jury, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the current funds of the Police Jury are included in one category - governmental funds.

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

Claiborne Parish Police Jury
Homer, Louisiana
Management's Discussion and Analysis (Continued)
December 31, 2008

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

The Police Jury maintains sixteen individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund and the Parish Road, Library Maintenance, Sales Tax, Criminal Court and Section 8 Housing special revenue funds which are considered to be major funds. Data from the other funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining schedules in the other supplemental information section of the report.

Government-wide Financial Analysis. As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. The following tables focus on net assets (Table 1) and changes in net assets (Table 2) for the Police Jury's governmental activities.

Table 1
Net Assets
Governmental Activities

	2008	2007
Current and other assets	\$ 7,642,727	\$ 6,440,749
Capital assets (net)	2,690,888	2,854,694
Total assets	<u>10,333,615</u>	<u>9,295,443</u>
Long-term obligations (compensated absences)	39,621	32,523
Other liabilities	315,771	393,206
Total liabilities	<u>355,392</u>	<u>425,729</u>
Net assets:		
Invested in capital assets, net of debt	2,690,888	2,854,694
Unrestricted	7,287,335	6,015,020
Total net assets	<u>\$ 9,978,223</u>	<u>\$ 8,869,714</u>

Claiborne Parish Police Jury
Homer, Louisiana
Management's Discussion and Analysis (Continued)
December 31, 2008

	<u>2008</u>	<u>2007</u>
Revenues		
Program revenues:		
Charges for services	\$ 741,867	\$ 796,449
Federal grants	1,099,412	888,820
State grants and entitlements	775,049	519,516
General revenues:		
Property taxes	2,080,540	1,819,455
Sales taxes	1,350,159	868,636
Unrestricted grants and contributions	1,490,410	1,377,857
Other general revenues	<u>215,236</u>	<u>317,702</u>
Total revenues	<u>7,752,673</u>	<u>6,588,435</u>
Program expenses		
General government	1,564,080	1,529,930
Public safety	369,532	454,808
Public works	2,505,152	2,341,717
Health and welfare	890,141	837,751
Culture and recreation	625,399	627,407
Economic development and assistance	40,044	43,246
Conservation	<u>4,200</u>	<u>-</u>
Total expenses	<u>5,998,548</u>	<u>5,834,859</u>
Transfers	<u>(645,616)</u>	<u>-</u>
Increase in net assets	<u>\$ 1,108,509</u>	<u>\$ 753,576</u>

At the close of the fiscal year, assets of the Police Jury exceeded liabilities by \$9,978,223. Of those net assets, \$2,690,888 represents the Police Jury's investment in capital assets net of accumulated depreciation and related debt. These assets are not available for future spending. The remaining net assets are made up of bank balances, receivables, and deferred charges.

Claiborne Parish Police Jury
Homer, Louisiana
Management's Discussion and Analysis (Continued)
December 31, 2008

Nets assets increased by \$1,108,509 or 12.5% in 2008. Current and other assets increased by \$1,201,978 due, primarily, to the increase of cash and cash equivalents and receivables. Revenues from federal grants increased \$210,592 from 2007, primarily due to the increase in grants received by the Police Jury through LCDBG Program and FEMA for the 2008 year. Sales tax revenues increased in 2008 by \$481,523 which is a reflection of local buying habits most likely influenced by the rapid increase of the cost of oil and gas products during the year. However, over \$300,000 was directly attributed to the installation of a new gas transmission pipeline that ran the width of the parish. Program expenses associated with the line item General Government increased by \$34,150 primarily due to a more disciplined approach in managing and planning for the expenses which include salaries, related benefits and other operating costs in the management of the judicial, administrative and legislative branches of the parish government. A decrease of \$85,276 in Public Safety program expenses is attributed mainly to the decrease in costs associated with the number of fewer grant projects associated with the Office of Emergency and Preparedness and Homeland Security. The increase of \$163,435 in the program expenses of Public Works is primarily attributed to the re-establishment of the Police Jury's Chip and Seal Program within the Highway Department and a more aggressive approach to the rehabilitation of the parish road system.

Table 3 presents the cost of each of the Police Jury's major functions as well as the net cost for each function (total cost less revenues generated by those functions). The net cost shows the financial burden placed on the parish's taxpayers for each of those functions.

Table 3
Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2008	2007	2008	2007
General government	\$ 1,564,080	\$ 1,529,930	\$ 1,010,530	\$ 904,490
Public safety	369,532	454,808	281,037	198,012
Public works	2,505,152	2,341,717	1,441,947	1,854,243
Health and welfare	890,141	837,751	18,743	41,430
Culture and recreation	625,399	627,407	585,719	588,653
All others	44,244	43,246	44,244	43,246
Totals	<u>\$ 5,998,548</u>	<u>\$ 5,834,859</u>	<u>\$ 3,382,220</u>	<u>\$ 3,630,074</u>

Financial Analysis of the Government's Funds. The Police Jury uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the governmental funds is to provide information on near-term revenue, expenditures, and balances of expendable resources. This information is used in assessing the financing requirements of the police jury. Unreserved fund balances may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

Claiborne Parish Police Jury
Homer, Louisiana
Management's Discussion and Analysis (Continued)
December 31, 2008

As of December 31, 2008, combined governmental fund balances of \$7,052,837 showed an increase of \$1,137,997 over December 31, 2007. The increase in the General Fund's fund balance from \$1,758,212 to \$1,983,397 is primarily the effect of an increase in cash and cash equivalents at the end of the year.

Budgetary Highlights. Differences between the bottom line of the original budgets and the final budgets were minimal. The Police Jury's budgets were amended once during the year – on December 10, 2008. The only significant changes were made primarily due to two areas – (1) the decrease in operating transfers in and out between funds and (2) the increase and/or decrease in expected various grant revenues and related expenses during the year. All other increases and decreases were basically associated with the fluctuation in interest rates earned on surplus reserves and the increase of expenses associated with the rising fuel costs that affected the entire economy. Through the use of the updated computer system and the expertise in using the new accounting system, the Jury was able to monitor the Parish's finances in a much improved manner. The financial administration of the Parish plans to further refine this process in the future, which should provide an even greater tool in managing the Parish's finances.

Actual numbers for Ad Valorem Taxes, Sales Taxes and Severance Taxes were higher than expected, along with Other State Funds. Interest on money and property was significantly lower than originally anticipated. Expenditures were somewhat higher in Public Works due to the dramatic increase in oil based products during the later half of 2008. Finance and Administration expenses were lower despite the needed investment in accounting equipment and expertise.

Capital Asset and Debt Administration

Capital Assets. The Police Jury's investment in capital assets for its governmental activities as of December 31, 2008, amounts to \$2,690,888 (net of accumulated depreciation). This investment includes land, construction in progress, buildings and improvements, infrastructure roads and bridges, furniture, and equipment. The decrease in capital assets for the year was (\$163,806). There were two major items that directly affected capital assets during 2008. First, the Jury's continued reassessment of its heavy road equipment and vehicles that are used by the Highway Department. This resulted in the Jury having two declarations of surplus property and subsequent dispositions of the declared surplus property throughout the year that had a basis of \$176,778 at January 1, 2008. Second, at the end of the year, the Jury removed \$645,616 of construction in process, which was related to the new well and the upgrade in the water distribution system for the South Claiborne Water System which is being financed by an LCDBG grant.

Long-Term Debt. At the end of the year, the Police Jury had total long-term debt of \$39,621, which consisted entirely of compensated absences. This represents an increase of \$7,098 over the previous year. During 2007, the Jury had no long-term debt related to heavy equipment or real estate.

Economic Factors and Next Year's Budgets. The Police Jury's financial plan for this upcoming 2009 year is well underway with the adoption of a realistic \$5,591,869 budget that meets the needs of the Parish while protecting the long-term financial stability of the Parish. At the end of 2008, the Parish has basically no long-term debt, outside of compensated absences which total \$39,621. The Police Jury, at December 31, 2008, had cash and investments totaling \$5,206,496 which represented an increase of \$802,367 over the period ended December 31, 2007, which totaled \$4,404,129.

Claiborne Parish Police Jury
Homer, Louisiana
Management's Discussion and Analysis (Continued)
December 31, 2008

During 2008, the Jury had FIVE major programs that benefited the Parish – they were specifically aimed at upgrading the Parish's road system. They are (1) the completion of Capital Outlay Funds totaling \$395,000 which was used to overlay and black-top four existing dirt roads and was completed in June of 2008, (2) LTAP Grant totaling \$191,000 that will be used to upgrade the signage in the entire parish road system which is still on going, (3) LGAP Grant totaling over \$70,000 that was used to install emergency generators for the Norton Shop and Pinehill Water System in addition to remodeling the big room at the Police Jury Complex, (5) the completion of the LCDBG water system upgrade and (4) the establishment of a \$300,000 chip and seal program that allowed the Parish to seal over 18 miles of road.

During 2009, the Police Jury has been awarded the following grant monies – (1) LCDBG 09-10 Grant \$230,000 for road improvements to Franklin Estates and (2) 08-09 LGAP Grant for over \$74,000 for water system upgrades & extensions and a new roof for the Crossroads Community Center polling place in Marsalis (3) the Jury was awarded over \$125,000 through the State's OHSEP Emergency Generator Program will place permanent emergency generators at the CPPJ Office Complex, the Town of Homer Mayfield water well, Pinehill Water System and a portable trailered generator at the Middle Fork Water System well, (4) the Jury has been awarded \$65,000 through FEMA for updating its Hazard Mitigation Program and over \$560,000 for alleviation of flooding problems along 11 parish roadways. The Police Jury voted to increase its 2009 budget for the Parish's Chip & Seal program from \$300,000 annually to \$500,000. The biggest project the Police Jury is working on is HB765 – a bill authored by Rep. Rick Gallot, which could possibly raise income received by the parish from oil and gas severance taxes from \$850,000 to \$2,850,000 annually. Under its present form, it could represent up to an additional \$1,500,000 to the parish's Road Fund for use on much needed repairs and improvements to the parish road system and an additional \$500,000 annually to the parish's General Fund to off-set the rising costs of prisoner care and operating expenses as a whole.

Over the last three years we showed an upward trend in costs associated with Public Safety and Roads and Bridges and Building Maintenance. These are due to general inflationary trends as well as fuel related expenses and our aging infrastructure, respectively. Increases in interest on money and property, sales taxes and reduction in force have contributed to the anticipated ending fund balance greater than beginning fund balance.

Requests for Information. This financial report is designed to be a summary of the Claiborne Parish Police Jury's finances. If there are any questions regarding any information, a request can be made in writing to –

Claiborne Parish Police Jury
Attn: Secretary-Treasurer
P.O. Box 270
Homer, Louisiana 71040

Our telephone number is (318)927-2222 and we can also be reached via email at juryc@bellsouth.net.



Hulsey, Harwood & Co.
A Professional Accounting Corporation

Certified Public Accountants

Independent Auditor's Report

Claiborne Parish Police Jury
Homer, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Claiborne Parish Police Jury, as of and for the year ended December 31, 2008, which collectively comprise the police jury's primary government financial statements as listed in the table of contents. These financial statements are the responsibility of Claiborne Parish Police Jury's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

The financial statements referred to above include only the primary government of Claiborne Parish, Louisiana, which consists of all funds, organizations, institutions, agencies, departments and offices that comprise the police jury's legal entity. The financial statements do not include financial data for the police jury'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 Claiborne Parish, Louisiana, as of December 31, 2008, and the changes in its financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information for the primary government of Claiborne Parish, Louisiana, as of December 31, 2008, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Claiborne Parish Police Jury
Homer, Louisiana
Independent Auditor's Report,
December 31, 2008

The management's discussion and analysis on pages 1 through 7 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Claiborne Parish Police Jury's basic financial statements. The budgetary comparison schedules on pages 35 through 38 which are supplementary information required by the Governmental Accounting Standards Board, the combining non-major fund financial statements, the schedule of compensation paid police jurors and the summary schedule of prior audit findings listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U. S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and is also not a required part of the basic financial statements of Claiborne Parish Police Jury. The supplemental information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 23, 2009, on our consideration of Claiborne Parish Police Jury's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

HULSEY, HARWOOD & CO., CPAs
A Professional Accounting Corporation



June 23, 2009

Basic Financial Statements

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**GOVERNMENTAL ACTIVITIES
STATEMENT OF NET ASSETS
AS OF DECEMBER 31, 2008**

ASSETS	
Cash and cash equivalents	\$ 3,276,023
Investments	1,930,473
Receivables	2,427,083
Deferred charges	9,148
Capital assets, net of accumulated depreciation	2,690,888
TOTAL ASSETS	\$ 10,333,615

LIABILITIES	
Accounts, salaries and other payables	\$ 286,117
Due to other agencies	14,025
Deferred revenue	15,629
Compensated absences payable	39,621
TOTAL LIABILITIES	\$ 355,392

NET ASSETS	
Invested in capital assets	2,690,888
Unrestricted	7,287,335
TOTAL NET ASSETS	\$ 9,978,223

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

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**GOVERNMENTAL ACTIVITIES
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2008**

FUNCTIONS - GOVERNMENTAL ACTIVITIES	EXPENSES	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	
General government	\$ 1,564,080	\$ 553,550	\$ -	\$ -	\$ (1,010,530)
Public safety	369,532	-	88,495	-	(281,037)
Public works	2,505,152	93,082	435,845	534,278	(1,441,947)
Health and welfare	890,141	80,564	790,834	-	(18,743)
Culture and recreation	625,399	14,671	25,009	-	(585,719)
Economic development and assistance	40,044	-	-	-	(40,044)
Conservation	4,200	-	-	-	(4,200)
Total governmental activities	<u>\$ 5,998,548</u>	<u>\$ 741,867</u>	<u>\$ 1,340,183</u>	<u>\$ 534,278</u>	<u>(3,382,220)</u>
General revenues:					
Property taxes levied for:					
General purposes					616,823
Public works					930,082
Culture and recreation					533,635
Sales and use taxes levied for public works					1,350,159
Other taxes, penalties and interest					15,228
Grants and contributions not restricted to specific programs					1,490,410
Licenses and permits					58,316
Unrestricted investment earnings					118,483
Gain on sale of capital assets					3,616
Other					19,593
Transfer of Water System Improvements					<u>(645,616)</u>
Total general revenues and transfers					<u>4,490,729</u>
Change in net assets					1,108,509
Net assets at beginning of year, restated					<u>8,869,714</u>
Net assets at end of year					<u>\$ 9,978,223</u>

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

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

GOVERNMENTAL FUNDS - BALANCE SHEET
AS OF DECEMBER 31, 2008

ASSETS	GENERAL	PARISH ROAD	LIBRARY MAINTENANCE	SALES TAX	CRIMINAL COURT	SECTION 8	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
Cash and cash equivalents	\$ 1,118,248	\$ 142,553	\$ 295,340	\$ 837,259	\$ 11,700	\$ 72,492	\$ 798,431	\$ 3,276,023
Investments	570,283	3,015	624,775	619,918	-	-	112,482	1,930,473
Receivables	463,008	833,307	513,697	83,644	32,617	-	500,810	2,427,083
Due from other funds	-	-	-	-	-	-	93,221	93,221
Deferred charges	-	-	-	-	-	-	9,148	9,148
TOTAL ASSETS	\$ 2,151,539	\$ 978,875	\$ 1,433,812	\$ 1,540,821	\$ 44,317	\$ 72,492	\$ 1,514,092	\$ 7,735,948
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts, salaries and other payables	\$ 118,379	\$ 46,048	\$ 13,854	\$ 48,133	\$ 25,836	\$ 600	\$ 33,267	\$ 286,117
Due to other funds	-	-	-	-	-	-	93,221	93,221
Due to other agencies	-	-	-	-	-	14,025	-	14,025
Deferred revenue	49,763	99,340	64,301	-	-	15,629	60,715	289,748
Total liabilities	168,142	145,388	78,155	48,133	25,836	30,254	187,203	683,111
Fund balances - unreserved - undesignated	1,983,397	833,487	1,355,657	1,492,688	18,481	42,238	1,326,889	7,052,837
TOTAL LIABILITIES AND FUND BALANCES	\$ 2,151,539	\$ 978,875	\$ 1,433,812	\$ 1,540,821	\$ 44,317	\$ 72,492	\$ 1,514,092	\$ 7,735,948

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

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2008**

Total fund balance - governmental funds	\$ 7,052,837
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources	2,690,888
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds	274,119
Some liabilities, such as compensated absences and capital leases payable are not due and payable in the current period and are therefore not reported in the funds	<u>(39,621)</u>
Net assets of governmental activities	<u><u>\$ 9,978,223</u></u>

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

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**GOVERNMENTAL FUNDS - STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2008**

	GENERAL	PARISH ROAD	LIBRARY MAINTENANCE	SALES TAX	CRIMINAL COURT	SECTION 8	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES								
Taxes:								
Ad valorem	\$ 352,378	\$ 673,987	\$ 499,592	\$ -	\$ -	\$ -	\$ 418,149	\$ 1,944,106
Sales and use	-	-	-	1,350,159	-	-	-	1,350,159
Other taxes, penalties and interest	14,818	-	-	-	410	-	-	15,228
Licenses and permits	56,791	1,525	-	-	-	-	-	58,316
Intergovernmental revenues:								
Federal funds	278,250	-	-	-	-	299,209	521,953	1,099,412
State funds:								
Severance taxes	1,251,529	-	-	-	-	-	-	1,251,529
State revenue sharing	21,701	39,177	18,117	-	-	-	26,092	105,087
Parish transportation	-	337,942	-	-	-	-	-	337,942
Fire insurance rebate	58,167	-	-	-	-	-	-	58,167
Rural development grants	29,712	-	-	-	-	-	-	29,712
Other state funds	55,292	395,000	25,009	-	-	-	-	475,301
Local funds	-	-	-	-	-	-	6,000	6,000
Fees, charges, and commissions	-	-	9,174	-	-	-	97,069	106,243
Fines and forfeitures	-	-	5,497	-	481,205	-	35,990	522,692
Use of money and property	52,547	98,297	22,203	22,066	-	995	35,307	231,415
Contributions from private sources	-	-	-	-	-	-	3,553	3,553
Other revenues	2,749	4,630	-	-	264	-	4,073	11,716
Total revenues	<u>2,173,934</u>	<u>1,550,558</u>	<u>579,592</u>	<u>1,372,225</u>	<u>481,879</u>	<u>300,204</u>	<u>1,148,186</u>	<u>7,606,578</u>

EXPENDITURES

Current:

General government:

Legislative	110,586	-	-	-	-	-	-	110,586
Judicial	169,254	-	-	-	477,393	-	42,807	689,454
Elections	34,150	-	-	-	-	-	-	34,150
Finance and administrative	243,196	-	-	-	-	-	-	243,196
Other general government	226,598	-	-	-	-	-	240,706	467,304
Public safety	296,523	-	-	-	-	-	66,508	363,031
Public works	9,465	1,699,922	-	613,516	-	-	8,155	2,331,058
Health and welfare	3,600	-	-	-	-	293,883	514,787	812,270
Culture and recreation	-	-	433,497	-	-	-	-	433,497
Economic development and assistance	40,044	-	-	-	-	-	-	40,044
Conservation	4,200	-	-	-	-	-	-	4,200
Capital outlay	266,057	326,802	20,297	-	-	-	373,012	986,168
Total expenditures	<u>1,403,673</u>	<u>2,026,724</u>	<u>453,794</u>	<u>613,516</u>	<u>477,393</u>	<u>293,883</u>	<u>1,245,975</u>	<u>6,514,958</u>

Excess (deficiency) of revenues
over expenditures

	<u>770,261</u>	<u>(476,166)</u>	<u>125,798</u>	<u>758,709</u>	<u>4,486</u>	<u>6,321</u>	<u>(97,789)</u>	<u>1,091,620</u>
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**OTHER FINANCING
SOURCES (USES)**

Operating transfers in	-	725,000	-	-	-	-	28,533	753,533
Operating transfers out	(545,076)	-	-	(200,000)	-	-	(8,457)	(753,533)
Sale of capital assets	-	-	-	-	-	-	46,377	46,377
Total other financing sources (uses)	<u>(545,076)</u>	<u>725,000</u>	<u>-</u>	<u>(200,000)</u>	<u>-</u>	<u>-</u>	<u>66,453</u>	<u>46,377</u>

Net change in fund balances	225,185	248,834	125,798	558,709	4,486	6,321	(31,336)	1,137,997
Fund balances at beginning of year	1,758,212	584,653	1,229,859	933,979	13,995	35,917	1,358,225	5,914,840
Fund balances at end of year	<u>\$ 1,983,397</u>	<u>\$ 833,487</u>	<u>\$ 1,355,657</u>	<u>\$ 1,492,688</u>	<u>\$ 18,481</u>	<u>\$ 42,238</u>	<u>\$ 1,326,889</u>	<u>\$ 7,052,837</u>

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

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2008**

Net change in fund balances - total governmental funds	\$ 1,137,997
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays (\$986,168) exceeded depreciation (\$468,675) in the current period.	517,493
The net effect of various miscellaneous transactions involving capital assets (e.g. sales, trade-ins, and donations) is to decrease net assets.	(681,297)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	141,415
Some items reported in the statement of activities, such as a net decrease or increase in compensated absences, do not require the use of current financial resources, nor do they provide any, and therefore are not reported as expenditures or revenues in the governmental funds.	(7,099)
	<hr/>
Change in net assets of governmental activities	<u><u>\$ 1,108,509</u></u>

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

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2008**

Introduction

Claiborne Parish Police Jury is the parish governing authority governed by an elected board referred to as the "police jury" (similar to county boards in other states) and is a political subdivision of the State of Louisiana. The police jury is governed by ten police jurors representing the various districts within the parish. The jurors are elected by the voters of their respective districts and serve four-year terms. The current terms of jurors expire in January 2012. Jurors receive compensation for their service on the police jury as provided by Louisiana Revised Statute 33:1233.

Claiborne Parish, established by act of the Louisiana Legislature in 1828, is located in the northwest part of the state and occupies 755 square miles of land with a population of 16,851 residents, based on the last census. State law gives the police jury various powers and functions in regulating and directing the affairs of the parish and its inhabitants. The more notable of those are the power to make regulations for their own government, the construction and maintenance of roads and bridges, drainage systems, sewerage, solid waste disposal, fire protection, recreation and parks, parish prison construction and maintenance, road lighting and marking, water works, health units, hospitals, provide for the health and welfare of the poor, disadvantaged, and unemployed, economic development, tourism and regulate the sale of alcoholic beverages in the parish. The police jury also houses and maintains the Courts and the offices of the Assessor, Clerk of Court, Registrar of Voters, District Attorney, and the Sheriff. Funding to accomplish these tasks is provided by ad valorem taxes, sales taxes, beer and alcoholic beverage permits, parish licenses, state revenue sharing, severance taxes and various other state and federal grants.

In accomplishing its objectives, the police jury has approximately 56 full and part-time employees (3 in the central office, 11 in the office of community services, 1 in the 911 office, 14 in the library, 2 in homeland security and emergency preparedness, and 25 in public works). In addition to maintaining drainage and bridges in the parish, the police jury currently maintains 719 miles of parish roads, comprised of 560 miles of asphalt and 159 miles of gravel.

The police jury also has the authority to create special districts (component units) within the parish to help in fulfilling its functions. The districts perform specialized functions, such as fire protection, water distribution, sewerage collection and disposal, drainage control, library facilities, and health care facilities.

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2008**

Introduction (Continued)

GASB Statement No. 14, *The Reporting Entity*, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the jury is considered a primary government, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, fiscally independent means that the police jury may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. In accordance with GASB Statement 14, the reporting entity for Claiborne Parish 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.

GASB Statement No. 14 established criteria for determining which component units should be considered part of Claiborne Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criterion includes:

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

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

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2008**

Introduction (Continued)

Component Units:	Fiscal Year End	Criteria Used
Claiborne Parish:		
Economic Development Board	December 31	1 & 3
Library	December 31	1 & 3
911 Emergency Communications District	June 30	1 & 3
Tourist Commission	December 31	1 & 3
Watershed District	December 31	1 & 3
Tax Assessor	December 31	2 & 3
Clerk of Court	June 30	2 & 3
Sheriff	June 30	2 & 3
Second Judicial District Criminal Court	December 31	3
North Claiborne Hospital Service District No. 1	June 30	1 & 3
Wards 2 and 3 Recreation Districts	June 30	1 & 3
Lisbon Fire Protection District No. 6	December 31	1 & 3
South Claiborne Fire Protection District No. 5	December 31	1 & 3
Claiborne Parish Fire Protection District No. 4	December 31	1 & 3
Evergreen Fire Protection District	December 31	1 & 3
Claiborne Parish Fire Protection District No. 3	December 31	1 & 3
Pinehill Water System	December 31	1 & 3

Considered in the determination of component units of the reporting entity was the Claiborne Parish School Board, the District Attorney for the Second Judicial District, the Second Judicial District Court, and the various municipalities in the parish. It was determined that these governmental entities are not component units of Claiborne Parish reporting entity because they have separately elected governing bodies, are legally separate, and are fiscally independent of Claiborne Parish Police Jury.

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

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2008**

Introduction (Continued)

The police jury has chosen to issue financial statements of the primary government (police jury) only; therefore, none of the previously listed component units, except as discussed in the following paragraph, are included in the accompanying primary government financial statements. These financial statements are not intended to and do not report on the Claiborne Parish reporting entity but rather are intended to reflect only the financial statements of the primary government (police jury).

The primary government financial statements include all funds, account groups, and organizations for which the police jury maintains the accounting records. The organizations for which the police jury maintains the accounting records are considered part of the primary government (police jury) and include the Claiborne Parish Library and the Second Judicial District Criminal Court.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

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

Measurement focus, basis of accounting, and financial statement presentation

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

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2008**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement focus, basis of accounting, and financial statement presentation (Continued)

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

Ad valorem taxes, state revenue sharing, and federal and state grants are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the police jury.

The police jury's current year financial statements include the following major governmental funds:

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

The Parish Road Fund accounts for the maintenance of parish highways, roads, bridges, and drainage systems. Financing is provided by the State of Louisiana Parish Transportation Fund, a specific Parish wide ad valorem tax, state revenue sharing funds, and operating transfers from the General Fund.

The Library Maintenance Fund is funded by ad valorem taxes and state revenue sharing funds and is used for the general operations of the parish library system. The library was established by the parish governing authority under the provisions of Louisiana Revised Statute 25:211 to provide citizens of the parish access to library materials, books, magazines, reports, and films. The library is governed by a board of control, which is appointed by the parish police jury in accordance with the provisions of Louisiana Revised Statute 25:214. The members of the board of control serve without pay.

The Sales Tax Fund is funded by a one percent sales and use tax collected throughout the parish which expires September 30, 2016. The fund is used to construct, maintain, and operate facilities for the collection and disposal of solid waste. Any surplus remaining in the fund can be used for the purchase of materials for surfacing and maintaining roads within the parish.

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2008**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement focus, basis of accounting, and financial statement presentation (Continued)

The Criminal Court Fund accounts for Claiborne, Bienville, and Jackson Parishes' fines and forfeitures imposed by the Second Judicial District Court, as provided by Louisiana Revised Statute 15:571.11(c)(3). Expenditures are made from the fund on motion of the district attorney and approval of the district judges. The statute further provides that one-half of the surplus remaining in the fund at December 31 of each year be transferred to the general funds of the parishes of the district in the same proportion as the revenues in the single account or fund were produced from the parishes.

The Section 8 Fund accounts for the operations of the lower income housing assistance program whose purpose is to aid very low income families in obtaining decent, safe, and sanitary rental housing. Funding is provided by the United States Department of Housing and Urban Development.

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

Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The police jury has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

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

Deposits and investments

The police jury's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State law allows the police jury to invest in collateralized certificates of deposits, government backed securities, commercial paper, the Louisiana Asset Management Pool (a state sponsored investment pool), and mutual funds consisting solely of government backed securities. Currently, all investments of the police jury consist of short term certificates of deposit with local banks and investments in the Louisiana Asset Management Pool. Investments for the police jury are reported at fair value.

Receivables and payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2008**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement focus, basis of accounting, and financial statement presentation (Continued)

Receivables and payables (Continued)

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

All property tax receivables are shown net of an allowance for uncollectibles. Ad valorem taxes are assessed on a calendar year basis and attach as an enforceable lien and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15th. Ad valorem taxes become delinquent if not paid by December 31st. The taxes are normally collected in December of the current year and January and February of the ensuing year. The following is a summary of authorized and levied ad valorem taxes:

	<u>Authorized</u> <u>Millage</u>	<u>Levied</u> <u>Millage</u>	<u>Expiration</u>
Parishwide taxes:			
General alimony:			
Outside municipalities	4.35	3.95	Indefinite
Inside municipalities	2.17	1.97	Indefinite
Building maintenance	2.48	2.30	2014
Library maintenance	5.44	5.18	2015
Roads	7.00	7.00	2017
Equipment	2.00	2.00	2017

The difference between authorized and levied millage is the result of reassessments of taxable property within the parish as required by Article 7, Section 18 of the Louisiana Constitution of 1974. The following are the principal taxpayers for the parish and their 2008 assessed valuation (amounts expressed in thousands):

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2008**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Receivables and payables (Continued)

	2008 Assessed Valuation	Percent of Total Assessed Valuation
XTO Energy	\$ 6,362	5.01%
Marathon Oil Company	6,174	4.86%
Texas Gas Transmission Corporation	5,328	4.20%
Covalence Specialty COA	3,683	2.90%
Hunt Oil Company	3,268	2.57%
DCP Midstream LP	3,407	2.68%
Centerpoint Energy Gas	3,293	2.59%
Claiborne Electric Co-op., Inc.	2,151	1.69%
Entergy Louisiana, Inc.	1,899	1.50%
Regency Gas Gathering	1,643	1.29%
Total	<u>\$ 37,208</u>	<u>29.29%</u>

On July 25, 2006, voters of the parish renewed a one percent sales tax for the collection and disposal of solid waste and maintenance and acquisition of necessary land, facilities and equipment related thereto and for materials for surfacing and maintaining roads within the parish. The tax is for a period of ten years and will expire on September 30, 2016. By an agreement between the police jury and the Claiborne Parish School Board, the school board serves as the collection agent for the sales tax. The school board receives three percent of all taxes collected in return for its services as the police jury's collection agent.

Capital assets

Capital assets, which include property, plant, equipment, etc., are reported in the governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The police jury maintains a threshold level of \$5,000 or more for capitalizing assets. The library and office of community services maintain a threshold level of \$500 or more for capitalizing assets.

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

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2008**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital assets (Continued)

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

<u>Description</u>	<u>Estimated Lives</u>
Infrastructure	30 - 40 Years
Land improvements	20 - 30 Years
Buildings and improvements	10 - 40 Years
Public works equipment	5 - 15 Years
Vehicles	5 - 10 Years
Office furniture and equipment	5 - 10 Years
Library books	5 Years

Compensated absences

The following policies relating to vacation and sick leave are currently in effect:

Employees of the Claiborne Parish Police Jury earn from 5 to 11 days of vacation leave each year depending on length of service. All employees earn 10 days of sick leave each year. Employees may accumulate and carry forward a maximum of 26 days (208 hours) of vacation leave. Upon retirement or separation from employment, employees are paid for accrued and unused vacation leave at their then current rate of pay. Sick leave may be accumulated and carried forward without limitation. However, employees will not be paid for accumulated sick leave upon retirement or separation from employment.

Employees of the Office of Community Services earn from 12 to 18 days of vacation leave each year, depending on length of service. Employees may accumulate and carry forward a maximum of 37.5 days (300 hours). Upon retirement or termination of employment, employees are paid for accumulated and unused vacation leave at their then current rate of pay. Employees also earn sick leave of 12 to 18 days per year, depending on length of service. Employees can accumulate and carry forward a maximum of 30 days (240 hours). Employees are not paid for accumulated sick leave upon retirement or termination of employment.

Employees of the Claiborne Parish Library earn from 14 to 28 days of vacation leave each year, depending upon length of service with the library. Vacation leave does not accumulate. Employees earn 13 days of sick leave each year, which may be accumulated and carried forward without limitation. Employees are not compensated for accumulated sick leave upon termination of employment. However, upon retirement any accumulated sick leave may be credited toward service time for determining retirement benefits.

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2008**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Compensated absences (Continued)

The entire compensated absence liability, determined in accordance with the provisions of GASB Codification Section C60, is reported on the government-wide financial statements. For governmental fund financial statements, the current portion of unpaid compensated absences is the amount that is normally expected to be paid using expendable available financial resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported in the governmental funds.

Long-term obligations

In the government-wide financial statements, long-term obligations, such as compensated absences and capital leases, are reported as liabilities in the applicable governmental activities. In the fund financial statements, governmental fund types recognize long-term obligations only to the extent that they will be paid with current resources.

Fund equity

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

Extraordinary and special items

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

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 – BUDGET VARIANCES

The following presents a summary of major funds' budget variances for the year ended December 31, 2008:

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2008**

NOTE 2 –BUDGET VARIANCES (Continued)

Fund	Revenues and Other Sources			Expenditures and Other Uses		
	Budget	Actual	Favorable (Unfavorable) Variance	Budget	Actual	Favorable (Unfavorable) Variance
General	\$ 2,262,714	\$ 2,173,934	\$ (88,780)	\$2,080,669	\$ 1,948,749	\$ 131,920
Parish Road	1,748,900	2,275,558	526,658	2,097,150	2,026,724	70,426
Library	481,300	579,592	98,292	481,300	453,794	27,506
Sales Tax	1,294,500	1,372,225	77,725	766,500	813,516	(47,016)
Total	<u>\$ 5,787,414</u>	<u>\$ 6,401,309</u>	<u>\$ 613,895</u>	<u>\$5,425,619</u>	<u>\$ 5,242,783</u>	<u>\$ 182,836</u>

NOTE 3 - CASH AND CASH EQUIVALENTS

Custodial credit risk is the risk that in the event of a bank failure, the police jury's deposits may not be returned to it. The police jury's policy to ensure that there is no exposure to this risk is to require each financial institution to pledge its own securities to cover any amount in excess of Federal Depository Insurance Coverage. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Police Jury that the fiscal agent bank has failed to pay deposited funds upon demand. Accordingly, the Police Jury had no custodial credit risk related to its deposits at December 31, 2008.

Under state law, the police jury may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 2008, the police jury has cash and cash equivalents (book balances) totaling \$3,276,023, as follows:

Demand deposits	\$2,437,790
Time deposits	838,233
Total	<u>\$3,276,023</u>

These deposits are stated at cost, which approximates market. 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. Cash and cash equivalents (bank balances) at December 31, 2008, are \$3,313,307. As of December 31, 2008, \$876,105 of the police jury's deposits was secured by federal deposit insurance, leaving \$2,437,203 exposed to custodial credit risk. Those deposits were collateralized with \$4,214,064 in securities owned by the fiscal agent banks, and held by a third party bank in the fiscal agent bank's name.

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2008**

NOTE 3 - CASH AND CASH EQUIVALENTS (Continued)

Even though the deposits covered by pledged securities are subject to custodial credit risk, state law (LSA-R.S.39:1229) imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the police jury that the fiscal agent bank has failed to pay deposited funds upon demand. Further, LSA-R.S. 39:1224 provides that securities held by a third party shall be deemed to be held in the police jury's name.

NOTE 4 - INVESTMENTS

Investments held at December 31, 2008, consist of \$1,930,473, in the Louisiana Asset Management Pool (LAMP), a local government investment pool. In accordance with GASB Codification Section 150.126, the investment in LAMP at December 31, 2008, is not categorized in the three risk categories provided by GASB Codification Section 150.125 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-R.S. 33:2955.

Effective August 1, 2001, LAMP'S investment guidelines were amended to permit the investment in government-only money market funds. In its 2001 Regular Session, the Louisiana Legislature (Senate Bill No. 512, Act 701) enacted LSA - R.S. 33:2955(A)(l)(h) which allows all municipalities, parishes, school boards, and any other political subdivisions of the State to invest in "investment grade (A-1/P-1) commercial paper of domestic United States corporations." Effective October 1, 2001, LAMP'S Investment Guidelines were amended to allow the limited investment in A-1 or A-1 +commercial paper.

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2008**

NOTE 5 – RECEIVABLES

The receivables of \$2,427,083 at December 31, 2008, are as follows:

	Taxes	Due From Other Governments		Fines and Forfeitures	Accounts and Other	Total
		Federal	State			
General	\$ 445,681	\$ -	\$ 14,328	\$ -	\$ 2,999	\$ 463,008
Parish Road	678,842	-	149,469	-	4,996	833,307
Library Maintenance	501,327	-	11,996	-	374	513,697
Sales Tax	83,644	-	-	-	-	83,644
Criminal Court	-	-	-	32,617	-	32,617
Other governmental	417,003	49,709	18,438	4,071	11,589	500,810
Total	<u>\$ 2,126,497</u>	<u>\$ 49,709</u>	<u>\$ 194,231</u>	<u>\$ 36,688</u>	<u>\$ 19,958</u>	<u>\$ 2,427,083</u>

NOTE 6 - INTERFUND TRANSFERS AND BALANCES

The following details interfund transfers for the year ended December 31, 2008:

	Transfers out				
	General	Sales Tax	Fares	Recreation	Total
Parish Road	\$525,000	\$200,000	\$ -	\$ -	\$725,000
OHSEP	20,076	-	-	-	20,076
OCS Regular	-	-	-	119	119
Transportation	-	-	8,338	-	8,338
Total	<u>\$545,076</u>	<u>\$200,000</u>	<u>\$8,338</u>	<u>\$ 119</u>	<u>\$753,533</u>

The Road Fund and Office of Homeland Security and Emergency Preparedness Fund (OHSEP) receive annual appropriations from the General Fund. The Sales Tax Fund transfers a portion of the sales tax revenue to the Road Fund annually as provided by the sales tax resolution.

NOTE 7 - CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended December 31, 2008, is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets not being depreciated:				
Land:				
Police Jury	\$ 22,300	\$ -	\$ -	\$ 22,300
Office of Community Services	30,000	-	-	30,000
Adjudicated property	15,360	-	-	15,360
Construction in progress	403,093	242,523	(645,616)	-
Total capital assets not being depreciated	<u>470,753</u>	<u>242,523</u>	<u>(645,616)</u>	<u>67,660</u>

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2008**

NOTE 7 - CAPITAL ASSETS (Continued)

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Capital assets being depreciated:				
Infrastructure:				
Roads	\$ 14,396,804	\$ 326,802	\$ -	\$ 14,723,606
Bridges	1,912,668	-	-	1,912,668
Land improvements	15,995	-	-	15,995
Buildings and improvements	1,726,357	-	-	1,726,357
Public works heavy equipment	2,079,165	220,969	(124,232)	2,175,902
Public works other equipment	64,058	-	-	64,058
Vehicles	147,191	42,229	(52,546)	136,874
Office furniture and equipment	10,562	5,175	-	15,737
Office of Emergency Preparedness and Homeland Security:				
Vehicles	17,907	-	-	17,907
Office of Community Services:				
Land improvements	7,800	-	-	7,800
Buildings and improvements	63,521	-	-	63,521
Vehicles	366,683	121,913	(63,148)	425,448
Office furniture and equipment	95,432	6,260	-	101,692
Library:				
Building and improvements	676,770	-	-	676,770
Vehicle	49,901	-	-	49,901
Furniture and equipment	177,338	-	(8,783)	168,555
Books and videos	741,759	20,297	(27,735)	734,321
Total capital assets being depreciated	<u>22,549,911</u>	<u>743,645</u>	<u>(276,444)</u>	<u>23,017,112</u>
Less accumulated depreciation for:				
Infrastructure:				
Roads	(14,183,716)	(21,634)	-	(14,205,350)
Bridges	(958,301)	(42,692)	-	(1,000,993)
Land improvements	(8,898)	-	-	(8,898)
Buildings and improvements	(1,449,201)	(22,037)	-	(1,471,238)
Public works heavy equipment	(1,521,095)	(104,511)	117,054	(1,508,552)
Public works other equipment	(51,845)	(1,429)	-	(53,274)
Vehicles	(83,385)	(9,691)	24,041	(69,035)
Office furniture and equipment	(7,909)	(1,202)	-	(9,111)
Office of Emergency Preparedness and Homeland Security:				
Vehicles	-	(3,581)	-	(3,581)
Office of Community Services:				
Land improvements	(4,355)	(780)	-	(5,135)
Buildings and improvements	(32,287)	(2,072)	-	(34,359)
Vehicles	(277,040)	(63,542)	63,148	(277,434)
Office furniture and equipment	(84,988)	(3,602)	-	(88,590)
Library:				
Building and improvements	(341,849)	(17,100)	-	(358,949)
Vehicle	(49,901)	-	-	(49,901)
Furniture and equipment	(118,392)	(30,145)	8,783	(139,754)
Books and videos	(992,808)	(144,657)	27,735	(1,109,730)
Total accumulated depreciation	<u>(20,165,970)</u>	<u>(468,675)</u>	<u>240,761</u>	<u>(20,393,884)</u>
Total capital assets being depreciated, net	<u>2,383,941</u>	<u>274,970</u>	<u>(35,683)</u>	<u>2,623,228</u>
Total capital assets, net	<u>\$ 2,854,694</u>	<u>\$ 517,493</u>	<u>\$ (681,299)</u>	<u>\$ 2,690,888</u>

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2008**

NOTE 7 - CAPITAL ASSETS (Continued)

Depreciation expense for the year was charged to the following governmental functions:

General government	\$ 13,752
Public safety	19,662
Public works	170,266
Health and welfare	73,093
Culture and recreation	191,902
Total	<u>\$ 468,675</u>

The beginning balance of roads was adjusted to include \$93,234 for construction during 2007.

Construction in progress consisted of water system improvements, financed by Louisiana Community Development Block Grant funds. The improvements were completed and transferred to the water system during 2008.

NOTE 8 - LONG-TERM OBLIGATIONS

The following is a summary of the long-term obligation transactions for the year ended December 31, 2008:

Compensated absences payable, beginning of year	\$ 32,523
Additions	30,649
Deductions	(28,061)
Adjustment	4,510
Compensated absences payable, end of year	<u>\$ 39,621</u>

As discussed in Note 1, upon separation from service, employees are paid for accumulated vacation leave at their then current rate of pay. The adjustment to compensated absences is for the purpose of adjusting the ending liability for ending pay rates and limitations on the hours for which an employee will be paid.

NOTE 9 – RETIREMENT SYSTEM

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

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2008**

NOTE 9 – RETIREMENT SYSTEM (Continued)

All permanent employees working at least twenty-eight hours per week 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 3 percent of their final average salary for each year of creditable service. However, for those employees who were members of the supplemental plan only before January 1, 1980, the benefit is equal to one percent of final average salary plus \$24 for each year of supplemental-plan only service earned before January 1, 1980, plus 3 percent of final-average salary for each year of service credited after the revision date. Final average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefits accrued to their date of termination. The system also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employees' Retirement System of Louisiana, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (504) 928-1361.

Under Plan A, members are required by state statute to contribute 9.50 percent of their annual covered salary and the Claiborne Parish Police Jury is required to contribute at an actuarially determined rate. The current rate is 12.75 percent of annual covered payroll. Contributions to the system also include one-fourth of one percent (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the Claiborne Parish Police Jury are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Claiborne Parish Police Jury's contributions to the System under Plan A for the years ended December 31, 2008, 2007, and 2006 were \$127,268, \$109,970 and \$128,085 respectively, equal to the required contributions for each year.

NOTE 10 - POST RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

The Claiborne Parish Police Jury does not provide continuing health care and life insurance benefits for its retired employees.

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2008**

NOTE 11 - RISK MANAGEMENT

The police jury is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; liability; and injuries to employees and others. To handle such risk of loss, the police jury maintains commercial insurance policies covering: automobile liability and medical payments, workers compensation, general liability, and surety bond coverage on the secretary/ treasurer and other employees handling money. No claims were paid on any of the policies during the past three years which exceeded the policies' coverage amounts.

NOTE 12 - LITIGATION

At December 31, 2008, the police jury was not involved in any lawsuits.

NOTE 13 - COOPERATIVE ENDEAVOR

On October 5, 1995, the jury entered into an agreement with the Louisiana Department of Public Safety and Corrections and the David Wade Correctional Center to provide a parish road site to store jury equipment and to assist the department and the correctional center in maintaining their existing roads. The jury agreed to erect an equipment yard for the storage of equipment and materials and to assist in the maintenance and construction of roads at the center when funds are available. The department and the center agreed to allow the jury to maintain the parish road site on property owned by the center and to allow the jury to place movable buildings at the site.

NOTE 14 – PRIOR PERIOD ADJUSTMENT

Road construction of \$95,234 that was completed during 2007 was inadvertently expensed and omitted from capital assets. Beginning capital assets and net assets have been adjusted in these financial statements.

Required Supplemental Information (Part II)

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**GENERAL FUND - BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2008**

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE
				(NEGATIVE)
REVENUES				
Taxes:				
Ad valorem taxes	\$ 360,000	\$ 360,000	\$ 352,378	\$ (7,622)
Other taxes, penalties and interest	13,000	15,000	14,818	(182)
Licenses and permits	68,500	55,000	56,791	1,791
Intergovernmental	1,733,700	1,775,700	1,694,651	(81,049)
Use of money and property	88,850	53,950	52,547	(1,403)
Other revenues	4,564	3,064	2,749	(315)
Total revenues	<u>2,268,614</u>	<u>2,262,714</u>	<u>2,173,934</u>	<u>(88,780)</u>
EXPENDITURES				
Current:				
General government:				
Legislative	107,600	110,700	110,586	114
Judicial	154,415	167,490	169,254	(1,764)
Elections	24,800	33,650	34,150	(500)
Finance and administrative	253,400	242,400	243,196	(796)
Other general government	234,100	230,200	226,598	3,602
Public safety	421,000	339,600	296,523	43,077
Public works	100,100	39,950	9,465	30,485
Health and welfare	3,700	3,700	3,600	100
Economic development and assistance	56,403	41,903	40,044	1,859
Conservation	4,500	4,200	4,200	-
Capital outlay	39,900	321,800	266,057	55,743
Total expenditures	<u>1,399,918</u>	<u>1,535,593</u>	<u>1,403,673</u>	<u>131,920</u>
Excess of revenues over expenditures	<u>868,696</u>	<u>727,121</u>	<u>770,261</u>	<u>43,140</u>
OTHER FINANCING USES				
Operating transfers out	<u>(545,076)</u>	<u>(545,076)</u>	<u>(545,076)</u>	<u>-</u>
Net change in fund balance	323,620	182,045	225,185	43,140
Fund balance at beginning of year	<u>1,758,212</u>	<u>1,758,212</u>	<u>1,758,212</u>	<u>-</u>
Fund balance at end of year	<u>\$2,081,832</u>	<u>\$1,940,257</u>	<u>\$1,983,397</u>	<u>\$ 43,140</u>

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**PARISH ROAD SPECIAL REVENUE FUND - BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2008**

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL	ACTUAL	
REVENUES				
Taxes:				
Ad valorem taxes	\$ 557,100	\$ 557,100	\$ 673,987	\$ 116,887
Licenses and permits	-	1,500	1,525	25
Intergovernmental	288,300	357,600	772,119	414,519
Use of money and property	61,700	102,700	98,297	(4,403)
Other revenues	1,300	5,000	4,630	(370)
Total revenues	<u>908,400</u>	<u>1,023,900</u>	<u>1,550,558</u>	<u>526,658</u>
EXPENDITURES				
Current:				
Public works	1,733,400	1,763,450	1,699,922	63,528
Capital outlay	-	333,700	326,802	6,898
Total expenditures	<u>1,733,400</u>	<u>2,097,150</u>	<u>2,026,724</u>	<u>70,426</u>
Excess (deficiency) of revenues over expenditures	<u>(825,000)</u>	<u>(1,073,250)</u>	<u>(476,166)</u>	<u>597,084</u>
OTHER FINANCING SOURCES				
Operating transfers in	<u>825,000</u>	<u>725,000</u>	<u>725,000</u>	<u>-</u>
Net change in fund balance	-	(348,250)	248,834	597,084
Fund balance at beginning of year	<u>584,653</u>	<u>584,653</u>	<u>584,653</u>	<u>-</u>
Fund balance at end of year	<u>\$ 584,653</u>	<u>\$ 236,403</u>	<u>\$ 833,487</u>	<u>\$ 597,084</u>

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**LIBRARY MAINTENANCE SPECIAL REVENUE FUND - BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2008**

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE
				(NEGATIVE)
REVENUES				
Taxes:				
Ad valorem taxes	\$ 400,000	\$400,000	\$ 499,592	\$ 99,592
Intergovernmental	41,000	41,000	43,126	2,126
Fees, charges, and commissions	6,000	6,000	9,174	3,174
Fines and forfeitures	-	-	5,497	5,497
Use of money and property	34,300	34,300	22,203	(12,097)
Total revenues	<u>481,300</u>	<u>481,300</u>	<u>579,592</u>	<u>98,292</u>
EXPENDITURES				
Current:				
Culture and recreation	439,900	439,900	433,497	6,403
Capital outlay	<u>41,400</u>	<u>41,400</u>	<u>20,297</u>	<u>21,103</u>
Total expenditures	<u>481,300</u>	<u>481,300</u>	<u>453,794</u>	<u>27,506</u>
Net change in fund balance	-	-	125,798	125,798
Fund balance at beginning of year	-	-	1,229,859	1,229,859
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,355,657</u>	<u>\$ 1,355,657</u>

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**SALES TAX SPECIAL REVENUE FUND - BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2008**

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Sales and use taxes	\$ 770,000	\$ 1,270,000	\$ 1,350,159	\$ 80,159
Use of money and property	42,300	24,500	22,066	(2,434)
Total revenues	<u>812,800</u>	<u>1,294,500</u>	<u>1,372,225</u>	<u>77,725</u>
EXPENDITURES				
Current:				
Public works	<u>546,200</u>	<u>566,500</u>	<u>613,516</u>	<u>(47,016)</u>
Excess of revenues over expenditures	<u>266,600</u>	<u>728,000</u>	<u>758,709</u>	<u>30,709</u>
OTHER FINANCING USES				
Operating transfers out	<u>(300,000)</u>	<u>(200,000)</u>	<u>(200,000)</u>	<u>-</u>
Net change in fund balance	(33,400)	528,000	558,709	30,709
Fund balance at beginning of year	<u>933,979</u>	<u>933,979</u>	<u>933,979</u>	<u>-</u>
Fund balance at end of year	<u>\$ 900,579</u>	<u>\$ 1,461,979</u>	<u>\$ 1,492,688</u>	<u>\$ 30,709</u>

Other Supplemental Schedules

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**SUPPLEMENTAL INFORMATION SCHEDULES
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2008**

Non-Major Special Revenue Funds

Building Maintenance Fund

The Building Maintenance Fund is funded by an ad valorem tax and state revenue sharing funds and is used to maintain and repair parish-owned buildings, such as the courthouse, jail, police jury office, clerk of court's office, office of community services, and the parish health unit.

Equipment Fund

The purpose of the Equipment Fund is to purchase new equipment to maintain and construct parish roads. It is funded by ad valorem taxes and interest earned on investments.

Juvenile Maintenance Fund

The Juvenile Maintenance Fund accounts for court costs of ten dollars per case, assessed by the district court in criminal cases. The funds are used for the housing of juvenile offenders.

Office of Homeland Security and Emergency Preparedness

The Office of Homeland Security and Emergency Preparedness accounts for grants from the federal, state and local governments and operating transfers from the police jury's General Fund. Funding is used to assess the parish's emergency response and security needs and then implement programs and acquire equipment to address those needs.

Witness Fee Fund

The Witness Fee Fund accounts for witness fees as provided by Louisiana Revised Statute 15:255. Witness fees are paid from special court costs levied in criminal cases and fund the payment of witness fees to off-duty law enforcement officers who, in their official capacity, are required to be present as a witness in criminal court cases.

Office of Community Services

The Office of Community Services was created by the police jury on June 5, 1986. The office is responsible for providing aid and assistance to residents of the parish, primarily the poor, needy, elderly, and unemployed. Funding for the various programs is provided by grants from federal and state agencies, the police jury's General Fund, and donations from the public.

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**NON-MAJOR SPECIAL REVENUE FUNDS - COMBINING BALANCE SHEET
AS OF DECEMBER 31, 2008**

ASSETS	BUILDING MAINTENANCE	EQUIPMENT	JUVENILE MAINTENANCE	OFFICE OF HOMELAND SECURITY AND EMERGENCY PREPAREDNESS	WITNESS FEE	OFFICE OF COMMUNITY SERVICES	TOTAL
Cash and cash equivalents	\$ 65,709	\$ 133,050	\$ 96,595	\$ 230,916	\$ 28	\$ 272,133	\$ 798,431
Investments	-	112,482	-	-	-	-	112,482
Receivables	232,912	204,728	2,700	-	1,371	59,099	500,810
Due from other funds	-	-	-	-	-	93,221	93,221
Deferred charges	-	-	-	-	-	9,148	9,148
TOTAL ASSETS	<u>\$ 298,621</u>	<u>\$ 450,260</u>	<u>\$ 99,295</u>	<u>\$ 230,916</u>	<u>\$ 1,399</u>	<u>\$ 433,601</u>	<u>\$ 1,514,092</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts, salaries and other payables	\$ 7,252	\$ -	\$ 6,374	\$ -	\$ 3,100	\$ 16,541	\$ 33,267
Due to other funds	-	-	-	-	-	93,221	93,221
Deferred revenue	32,337	28,378	-	-	-	-	60,715
Total liabilities	39,589	28,378	6,374	-	3,100	109,762	187,203
Fund balances - unreserved - undesignated	259,032	421,882	92,921	230,916	(1,701)	323,839	1,326,889
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 298,621</u>	<u>\$ 450,260</u>	<u>\$ 99,295</u>	<u>\$ 230,916</u>	<u>\$ 1,399</u>	<u>\$ 433,601</u>	<u>\$ 1,514,092</u>

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**NON-MAJOR SPECIAL REVENUE FUNDS - COMBINING SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2008**

	BUILDING MAINTENANCE	EQUIPMENT	JUVENILE MAINTENANCE	OFFICE OF HOMELAND SECURITY AND EMERGENCY PREPAREDNESS	WITNESS FEE	OFFICE OF COMMUNITY SERVICES	TOTAL
REVENUES							
Ad valorem taxes	\$ 225,587	\$ 192,562	\$ -	\$ -	\$ -	\$ -	\$ 418,149
Intergovernmental revenues:							
Federal funds	-	-	-	30,328	-	491,625	521,953
State funds:							
State revenue sharing	14,890	11,202	-	-	-	-	26,092
Local funds	-	-	-	6,000	-	-	6,000
Fees, charges, and commissions	-	-	-	-	18,205	78,864	97,069
Fines and forfeitures	-	-	35,990	-	-	-	35,990
Use of money and property	2,851	6,870	1,320	8,697	-	15,569	35,307
Contributions from private sources	-	-	-	2,740	-	813	3,553
Other revenues	-	-	-	-	-	4,073	4,073
Total revenues	<u>243,328</u>	<u>210,634</u>	<u>37,310</u>	<u>47,765</u>	<u>18,205</u>	<u>590,944</u>	<u>1,148,186</u>
EXPENDITURES							
Current:							
General government:							
Judicial	-	-	24,307	-	18,500	-	42,807
Other general government	240,706	-	-	-	-	-	240,706
Public safety	-	-	-	66,508	-	-	66,508
Public works	-	8,155	-	-	-	-	8,155
Health and welfare	-	-	-	-	-	514,787	514,787
Capital outlay	-	244,839	-	-	-	128,173	373,012
Total expenditures	<u>240,706</u>	<u>252,994</u>	<u>24,307</u>	<u>66,508</u>	<u>18,500</u>	<u>642,960</u>	<u>1,245,975</u>

**EXCESS (DEFICIENCY) OF REVENUES
OVER EXPENDITURES**

<u>2,622</u>	<u>(42,360)</u>	<u>13,003</u>	<u>(18,743)</u>	<u>(295)</u>	<u>(52,016)</u>	<u>(97,789)</u>
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OTHER FINANCING SOURCES

Operating transfers in	-	-	-	20,076	-	8,457	28,533
Operating transfers out	-	-	-	-	-	(8,457)	(8,457)
Sale of capital assets	-	39,299	-	-	-	7,078	46,377

<u>-</u>	<u>39,299</u>	<u>-</u>	<u>20,076</u>	<u>-</u>	<u>7,078</u>	<u>66,453</u>
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Total other financing sources

Net change in fund balances	2,622	(3,061)	13,003	1,333	(295)	(44,938)	(31,336)
Fund balances at beginning of year	<u>256,410</u>	<u>424,943</u>	<u>79,918</u>	<u>229,583</u>	<u>(1,406)</u>	<u>368,777</u>	<u>1,358,225</u>
Fund balances at end of year	<u>\$ 259,032</u>	<u>\$ 421,882</u>	<u>\$ 92,921</u>	<u>\$ 230,916</u>	<u>\$ (1,701)</u>	<u>\$ 323,839</u>	<u>\$ 1,326,889</u>

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**SUPPLEMENTAL INFORMATION SCHEDULES (Continued)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2008**

Office of Community Services

The Claiborne Parish Office of Community Services is reported as a special revenue fund of Claiborne Parish Police Jury. The following schedules report the transactions of the various programs administered by the Office of Community Services. A description of the various programs is as follows:

Regular

The Regular program accounts for the general operations of the Office of Community Services. The program also accounts for Workforce Investment Act funds provided by the United States Department of Labor passed through the Louisiana Department of Labor and the Seventh Planning District Service Delivery Area. Additional funding is provided by local grants, interest earned on deposits, operating transfers from other programs and other miscellaneous local revenue sources.

Community Services Block Grant Fund

The Community Services Block Grant Fund (CSBG) accounts for funds provided by the United States Department of Health and Human Services through the Louisiana Department of Labor and are allocated to provide a range of services and activities having a measurable and potentially major impact on causes of poverty in the community.

Energy Fund

The Energy Fund accounts for funds provided by the United States Department of Health and Human Services through the Louisiana Department of Social Services and are allocated to assist low-income households with energy related utility fees.

Federal Emergency Management Act Fund

The Federal Emergency Management Act (FEMA) Fund accounts for funds provided by the Federal Emergency Management Agency. The purpose of the program is to supplement and expand ongoing efforts to provide shelter, food, and supportive services for needy families and individuals.

Transportation Fund

The Transportation Fund accounts for Section 18 funds which are provided by the United States Department of Transportation through the Louisiana Department of Transportation and Development and are used to provide financial assistance for public transportation in non-urbanized areas. The fund also accounts for Medical Assistance Program-Title XIX funds provided by the United States Department of Health and Human Services through the Louisiana Department of Social Services which are used to provide transportation to medical facilities for low-income and elderly persons.

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**SUPPLEMENTAL INFORMATION SCHEDULES (Continued)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2008**

Fares Fund

The Fares Fund accounts for fees received in the transportation program. Revenues of the fund are used to provide the local matching share for purchases of transportation vehicles. The Federal share is normally provided by the Section 18 program.

Recreation Fund

The Recreation Fund accounts for vending machine revenue and fees from the Angel Food Ministries program. Revenues of the fund are used to offset expenses of the Angel Food Ministries program.

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**OFFICE OF COMMUNITY SERVICES
NON-MAJOR SPECIAL REVENUE FUNDS - COMBINING BALANCE SHEET
AS OF DECEMBER 31, 2008**

ASSETS	REGULAR	CSBG	ENERGY	FEMA	TRANSPORTATION	FARES	RECREATION	TOTAL
Cash and equivalents	\$ 212,582	\$ -	\$ 26,790	\$1,735	\$ 2,843	\$28,123	\$ 60	\$272,133
Receivables	9,390	6,711	-	-	42,998	-	-	59,099
Due from other funds	53,944	-	-	-	-	39,277	-	93,221
Deferred charges	-	-	-	-	-	9,148	-	9,148
TOTAL ASSETS	<u>\$ 275,916</u>	<u>\$6,711</u>	<u>\$ 26,790</u>	<u>\$1,735</u>	<u>\$ 45,841</u>	<u>\$76,548</u>	<u>\$ 60</u>	<u>\$433,601</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts, salaries, and other payables	\$ 14,806	\$ -	\$ -	\$1,735	\$ -	\$ -	\$ -	\$ 16,541
Due to other funds	3,433	6,711	22,256	-	60,730	-	91	93,221
Total liabilities	<u>18,239</u>	<u>6,711</u>	<u>22,256</u>	<u>1,735</u>	<u>60,730</u>	<u>-</u>	<u>91</u>	<u>109,762</u>
Fund balances - unreserved - undesignated	<u>257,677</u>	<u>-</u>	<u>4,534</u>	<u>-</u>	<u>(14,889)</u>	<u>76,548</u>	<u>(31)</u>	<u>323,839</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 275,916</u>	<u>\$6,711</u>	<u>\$ 26,790</u>	<u>\$1,735</u>	<u>\$ 45,841</u>	<u>\$76,548</u>	<u>\$ 60</u>	<u>\$433,601</u>

**OFFICE OF COMMUNITY SERVICES
NON-MAJOR SPECIAL REVENUE FUNDS - COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2008**

	REGULAR	CSBG	ENERGY	FEMA	TRANSPORTATION	FARES	RECREATION	TOTAL
Revenues:								
Taxes:								
Ad valorem								
Intergovernmental revenues:								
Federal funds	\$ -	\$71,500	\$117,106	\$5,911	\$ 297,108	\$ -	\$ -	\$491,625
Fees, charges, and commissions	65,659	-	-	-	-	13,205	-	78,864
Use of money and property	14,636	-	-	-	339	594	-	15,569
Contributions from private sources	813	-	-	-	-	-	-	813
Other revenues	4,013	-	-	-	-	-	60	4,073
Total revenues	<u>85,121</u>	<u>71,500</u>	<u>117,106</u>	<u>5,911</u>	<u>297,447</u>	<u>13,799</u>	<u>60</u>	<u>590,944</u>
Expenditures:								
Current - health and welfare:								
Personal services	49,159	53,105	4,408	-	182,012	-	-	288,684
Operating services	7,872	15,486	112,774	5,911	34,677	-	91	176,811
Materials and supplies	3,253	1,163	357	-	35,853	-	-	40,626
Travel and other charges	1,013	1,746	2,347	-	3,560	-	-	8,666
Capital outlay	6,260	-	-	-	100,693	21,220	-	128,173
Total expenditures	<u>67,557</u>	<u>71,500</u>	<u>119,886</u>	<u>5,911</u>	<u>356,795</u>	<u>21,220</u>	<u>91</u>	<u>642,960</u>
Excess (deficiency) of revenues over expenditures	<u>17,564</u>	<u>-</u>	<u>(2,780)</u>	<u>-</u>	<u>(59,348)</u>	<u>(7,421)</u>	<u>(31)</u>	<u>(52,016)</u>
Other financing sources (uses):								
Operating transfers in	119	-	-	-	8,338	-	-	8,457
Operating transfers out	-	-	-	-	-	(8,338)	(119)	(8,457)
Sale of capital assets	-	-	-	-	-	7,078	-	7,078
Total other financing sources	<u>119</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,338</u>	<u>(1,260)</u>	<u>(119)</u>	<u>7,078</u>
Net change in fund balances	17,683	-	(2,780)	-	(51,010)	(8,681)	(150)	(44,938)
Fund balances at beginning of year	239,994	-	7,314	-	36,121	85,229	119	368,777
Fund balances at end of year	<u>\$ 257,677</u>	<u>\$ -</u>	<u>\$ 4,534</u>	<u>\$ -</u>	<u>\$ (14,889)</u>	<u>\$76,548</u>	<u>\$ (31)</u>	<u>\$323,839</u>

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**SUPPLEMENTAL INFORMATION SCHEDULES (Continued)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2008**

Compensation Paid Police Jurors

The schedule of compensation paid to police jurors is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the police jurors is included in the legislative expenditures of the General Fund. In accordance with Louisiana Revised Statute-33:1233, the police jury has elected the monthly payment method of compensation. Under this method, the president receives \$700 per month and the other jurors receive \$600 per month.

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**SCHEDULE OF COMPENSATION PAID POLICE JURORS
FOR THE YEAR ENDED DECEMBER 31, 2008**

	<u>District</u>	<u>Compensation</u>
Brian Bays	One	\$ 7,200
Mark Furlow	Two	7,200
Robert McDaniel	Three	7,200
Joe Sturges	Four	7,200
W. Lavelle Penix	Five	7,200
Scott Davidson	Six	7,200
Roy Lewis	Seven	7,200
Roy Mardis, President	Eight	8,400
Jerry Adkins	Nine	7,200
Willie Young, Sr.	Ten	7,200
Total		<u>\$ 73,200</u>

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2008**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR NAME/ PROGRAM TITLE	CFDA NUMBER	PASS-THROUGH GRANTOR'S NUMBER	2008 FEDERAL EXPENDITURES
UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Passed through Office of the Governor, Division of Administration - Community Development Block Grant (States Program)	14.228	589564	\$ 207,469
Direct - Section 8 Housing Choice Vouchers	14.871	LA-246	<u>299,209</u>
Total United States Department of Housing and Urban Development			<u>506,678</u>
UNITED STATES DEPARTMENT OF INTERIOR			
Passed through the Louisiana Department of the Treasury - In Lieu of Taxes	15.000	N/A	<u>70,781</u>
UNITED STATES DEPARTMENT OF TRANSPORTATION			
Passed through Louisiana Department of Transportation and Development: Public Transportation for Non-Urbanized Areas	20.509	741-14-0113	<u>193,081</u>
Total United States Department of Transportation			<u>193,081</u>
FEDERAL EMERGENCY MANAGEMENT AGENCY			
Direct program - Hazard Mitigation	97.039	N/A	<u>5,911</u>
Total Federal Emergency Management Agency			<u>5,911</u>
UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed through Louisiana Department of Social Services - Office of Family Support - Project Independence	93.558	623145	39,935
Passed through Louisiana Housing Finance Agency - Low Income Home Energy Assistance Program	93.568	G0301LALIEA	117,106
Passed through Louisiana Department of Labor - Community Services Block Grant	93.569	2007P004 2008P004	50,189 21,311
Passed through Louisiana Department of Social Services - Title XIX Total United States Department of Health and Human Services	93.778	4501356	<u>64,092</u> <u>292,633</u>
UNITED STATES DEPARTMENT OF HOMELAND SECURITY			
Passed through Louisiana Department of Public Safety and Corrections - State Homeland Security Grant Program	97.067	2005-GE-T5-0004	11,049
Passed through Louisiana Department of Military Affairs - Office of Homeland Security and Emergency Preparedness - State Homeland Security Grant Program II - Planning	97.053	C SHSGP-II	<u>19,279</u>
Total United States Department of Homeland Security			<u>30,328</u>
Total Federal Expenditures			<u>\$ 1,099,412</u>

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA
NOTES TO SCHEDULE OF EXPENITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2008**

General

The Schedule of Expenditures of Federal Awards presents the activity of all federal award programs of the Claiborne Parish Police Jury as defined in Note 1 to the financial statements. All federal award programs received directly from federal agencies, as well as federal awards passed through other government agencies, are included on the schedule.

Basis of Accounting

The Schedule of Expenditures of Federal Awards is presenting using the accrual basis of accounting, which is described in Note 1 to the Police Jury's financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts in, or used in the preparation of, the basic financial statements.

Other Reports



Hulsey, Harwood & Co.
A Professional Accounting Corporation

Certified Public Accountants

Report On Internal Control Over Financial Reporting And On Compliance And Other Matters Based On
An Audit Of Financial Statements Performed In Accordance With *Government Auditing Standards*

Claiborne Parish Police Jury
Homer, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Claiborne Parish Police Jury, as of and for the year ended December 31, 2008, which collectively comprise Claiborne Parish Police Jury's primary government and have issued our report thereon dated June 23, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Claiborne 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 Claiborne Parish Police Jury's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Claiborne Parish Police Jury's internal control over financial reporting.

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

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

Claiborne Parish Police Jury
Homer, Louisiana
Independent Auditor's Report on Internal Control
Over Financial Reporting and on Compliance, etc.
December 31, 2008

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

Compliance and Other Matters

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

This report is intended solely for the information and use of the members of Claiborne Parish Police Jury, management, pass-through entities and the Louisiana Legislative Auditor, and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, it is issued by the Legislative Auditor as a public document.

HULSEY, HARWOOD & CO., CPAs
A Professional Accounting Corporation

Hulsey, Harwood & Co.

June 23, 2009



Hulsey, Harwood & Co.

A Professional Accounting Corporation

Certified Public Accountants

Report On Compliance With Requirements Applicable
To Each Major Program And On Internal Control Over
Compliance In Accordance With *OMB Circular A-133*

Claiborne Parish Police Jury
Homer, Louisiana

Compliance

We have audited the compliance of Claiborne 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 are applicable to each of its major federal programs for the year ended December 31, 2008. The Claiborne 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 Claiborne Parish Police Jury's management. Our responsibility is to express an opinion on Claiborne 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 Claiborne 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 Claiborne Parish Police Jury's compliance with those requirements.

In our opinion, Claiborne Parish Police Jury complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2008.

Internal Control over Compliance

The management of Claiborne Parish Police Jury is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Claiborne 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, 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 Claiborne Parish Police Jury's internal control over compliance.

Claiborne Parish Police Jury
Homer, Louisiana
Independent Auditors' Report on Compliance
in Accordance with OMB Circular A-133
December 31, 2008

A control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

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

This report is intended solely for the information and use of the members of the Claiborne Parish Police Jury, management, federal awarding agencies, pass-through entities and the Louisiana Legislative Auditor, and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, it is issued by the Legislative Auditor as a public document.

HULSEY, HARWOOD & CO., CPAs
A Professional Accounting Corporation



June 23, 2009

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2008**

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the primary government financial statements of the Claiborne Parish Police Jury.
2. No significant deficiencies are reported in the Independent Auditor's Report on Compliance and Internal Control over Financial Reporting.
3. No instances of noncompliance material to the financial statements of the Claiborne Parish Police Jury were disclosed during the audit.
4. No significant deficiencies in internal control over major federal award programs are reported in the Auditor's Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance.
5. The auditor's report on compliance for the major federal award programs for the Claiborne Parish Police Jury expresses an unqualified opinion.
6. No audit findings relative to the major federal award programs are required to be reported in accordance with Section 510(a) of OMB Circular A-133.
7. The following programs were tested as major programs:
 - a. United States Department of Housing and Urban Development – Passed through Office of the Governor, Division of Administration – Community Development Block Grant (States Program) (CFDA 14.228)
 - b. United States Department of Housing and Urban Development - Lower Income Housing Assistance – Housing Choice Vouchers Program (CFDA 14.871)
8. The threshold for distinguishing Type A and B programs was \$300,000.
9. The Claiborne Parish Police Jury was determined not to be a low-risk auditee.

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2008**

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

No reportable findings resulted from the financial statements audit.

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

No reportable findings resulted from the major federal award programs audit.

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2008**

I. FINDINGS - FINANCIAL STATEMENTS AUDIT

No findings were reported.

II. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

No findings were reported.