

**LIVINGSTON PARISH COUNCIL
LIVINGSTON, LOUISIANA**

Audit of Financial Statements

December 31, 2018



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Independent Auditor's Report

To the Honorable Parish President
and Members of the Livingston Parish Council
Livingston, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Livingston Parish Council (the Council), as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the basic financial statements of the Council's primary government as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Council's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Adverse Opinion on Aggregate Discretely Presented Component Units

The financial statements referred to above do not include financial data for the Council's legally separate component units. Accounting principles generally accepted in the United States of America require financial data for those component units to be reported with the financial data of the Council's primary government unless the Council also issues financial statements for the financial reporting entity that include the financial data for its component units. The Council has not issued such reporting entity financial statements. Because of this departure from accounting principles generally accepted in the United States of America, the assets, liabilities, net position, revenues, and expenses of the aggregate discretely presented component units are not reasonably obtainable.

Adverse Opinion on Aggregate Discretely Presented Component Units

In our opinion, because of the significance of the matter described in the "Basis for Adverse Opinion on Aggregate Discretely Presented Component Units" paragraph, the financial statements referred to above do not present fairly the financial position of the aggregate discretely presented component units of Livingston Parish Council, as of December 31, 2018, or the changes in financial position thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities; the business-type activities; the major funds; and the aggregate remaining fund information of the primary government of Livingston Parish Council as of December 31, 2018, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund, Health Unit Special Revenue Fund, Jail Sales Tax Special Revenue Fund, and Road Special Revenue Fund for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis beginning on page 5, and the supplementary schedules required by Governmental Accounting Standards Board Statement No. 68 on pages 81 and 82 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the primary government financial statements that collectively comprise Livingston Parish Council's primary government financial statements. The schedules listed in the table of contents as Schedules 1 through 5 are presented for purposes of additional analysis and are not a required part of the Council's basic financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is also not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 18, 2019, on our consideration of the Council's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely 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 effectiveness of the Council's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Livingston Parish Council's internal control over financial reporting and compliance.



A Professional Accounting Corporation

Baton Rouge, LA
June 18, 2019

REQUIRED SUPPLEMENTARY INFORMATION (PART I)

LIVINGSTON PARISH COUNCIL

Management's Discussion and Analysis

Introduction

Livingston Parish Council (the Council) is pleased to present its Annual Financial Report developed in compliance with Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments* (GASB 34), and related standards.

This discussion and analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Council's financial activity, (c) identify changes in the Council's financial position, (d) identify any significant variations from the Council's financial plan, and (e) identify individual fund issues or concerns.

Since management's discussion and analysis (MD&A) is designed to focus on the current year's activities, resulting changes, and currently known facts, please read it in conjunction with the Council's financial statements starting on page 13 of this report.

Financial Highlights

- At December 31, 2018, the Council's assets exceeded its liabilities by \$103,644,787 (net position). Of this amount, \$63,750,671 is net investment in capital assets; \$1,045,281 is restricted for construction; \$7,859,865 is restricted to meet the Council's ongoing obligations to its citizens for debt service; \$75,664 is restricted for the criminal court; \$7,557,651 is restricted for Gulf of Mexico Energy Security Act (GOMESA) projects; and \$795,875 is restricted for grant expenses; leaving an unrestricted surplus of \$22,559,780.
- At December 31, 2018, the Council's governmental funds reported a combined ending fund balance of \$46,955,376. Of this amount, 2.2%, or \$1,045,281, is restricted for construction and 16.7%, or \$7,859,865, is restricted for debt service; 0.5%, or \$220,937, is nonspendable for inventory; 7.9%, or \$3,731,708, is nonspendable for advances; 1.7%, or \$795,875, is restricted for grant expenditures; 16.1%, or \$7,557,651, is restricted for GOMESA projects; 14.9%, or \$7,001,307, is assigned to Health Unit Fund expenditures; 35.8%, or \$16,814,370, is assigned to Road Fund expenditures; 0.2%, or \$75,664, is restricted for the criminal court and 3.7%, or \$1,754,326, is assigned to court fees; while 0.7%, or \$339,069, is assigned or committed to various other purposes; and \$(240,677) is unassigned fund balance.

Overview of the Annual Financial Report

The financial statements' focus is on both the Council as a whole and on the major individual funds. Both perspectives, government-wide and major funds, allow the user to address relevant questions, broaden a basis for comparison, and enhance the Council's accountability. The statements then proceed to provide an increasingly detailed look at specific financial activities. The MD&A is intended to serve as an introduction to the Council's basic financial statements, which consist of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements.

LIVINGSTON PARISH COUNCIL

Management's Discussion and Analysis

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Council's finances in a manner similar to a private-sector business. The statement of net position presents information on the Council's assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting, in a manner similar to the accounting used by private business enterprises. The difference between the assets and deferred outflows and liabilities and deferred inflows is reported as net position. Over time, the increases or decreases in net position and changes in the components of net position may serve as a useful indicator of whether the financial position of the Council is improving or deteriorating.

The statement of activities presents information showing how the Council's net position changed during the most recent fiscal year, focusing on both the gross and net costs of various activities that are supported by the Council's revenues. This is intended to summarize and simplify the reader's analysis of the cost and/or subsidy of various governmental services.

In both of the government-wide financial statements, the Council's activities are divided into two types:

1. Governmental activities - Most of the Council's basic services are reported here and are financed primarily through governmental activities.
2. Business-type activities - The Council charges a fee to customers to help it cover most of the cost of the services provided. The activities of the Utility Enterprise Fund are reported in this section.

The government-wide financial statements include only Livingston Parish Council (no component units of Livingston Parish Council are included) and can be found on pages 13 and 14 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Council, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related and legal requirements. The Council uses two categories of funds to account for financial transactions: governmental funds and proprietary funds. Traditional users of governmental financial statements will find the fund financial statements' presentation more familiar.

Governmental funds are used to account for most of the Council's basic services. However, unlike the government-wide financial statements, governmental fund financial statements focus on how money flows into and out of those funds and the balances that are left at year-end that are available for spending. These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash.

The governmental fund financial statements provide a detailed short-term view of the Council's general government operations and the basic services it provides. Governmental fund information helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the Council's programs. The basic governmental fund financial statements can be found on pages 16 through 25 of this report.

LIVINGSTON PARISH COUNCIL

Management's Discussion and Analysis

Because the focus of governmental funds is narrower than the government-wide financial statements, there are differences in the information presented for governmental funds and for governmental activities in the government-wide financial statements. Review of these differences provides the reader of the financial statements insight on the long-term impact of the Council's more immediate decisions on the current use of financial resources. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Proprietary funds account for utility services provided by the Council to its customers. The proprietary fund statements provide the same type of information as the government-wide financial statements, but the fund's presentation provides more detail. The basic proprietary fund financial statements can be found on pages 26 through 29 of this report.

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

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements start on page 31 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The following table provides a summary of the Council's net position for the current year. For more detailed information, see the statement of net position on page 13 of this report.

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Assets						
Current and Other Assets	\$ 53,959,874	\$ 43,606,678	\$ (120,392)	\$ 302,070	\$ 53,839,482	\$ 43,908,748
Capital Assets	112,896,749	119,638,020	6,494,193	6,708,440	119,390,942	126,346,460
Total Assets	166,856,623	163,244,698	6,373,801	7,010,510	173,230,424	170,255,208
Deferred Outflows of Resources	4,242,872	5,114,501	-	-	4,242,872	5,114,501
Total Assets and Deferred Outflows of Resources	171,099,495	168,359,199	6,373,801	7,010,510	177,473,296	175,369,709
Liabilities						
Current Liabilities	13,468,360	12,649,074	96,265	88,208	13,564,625	12,737,282
Other Liabilities	56,900,793	57,519,397	2,115,545	2,184,508	59,016,338	59,703,905
Total Liabilities	70,369,153	70,168,471	2,211,810	2,272,716	72,580,963	72,441,187
Deferred Inflows of Resources	1,247,546	215,263	-	-	1,247,546	215,263
Total Liabilities and Deferred Inflows of Resources	71,616,699	70,383,734	2,211,810	2,272,716	73,828,509	72,656,450
Net Position						
Net Investment in Capital Assets	59,434,232	59,289,435	4,316,439	4,464,586	63,750,671	63,754,021
Restricted	17,334,336	9,153,567	-	-	17,334,336	9,153,567
Unrestricted	22,714,228	29,532,463	(154,448)	273,208	22,559,780	29,805,671
Total Net Position	\$ 99,482,796	\$ 97,975,465	\$ 4,161,991	\$ 4,737,794	\$ 103,644,787	\$ 102,713,259

LIVINGSTON PARISH COUNCIL

Management's Discussion and Analysis

A condensed version of the government-wide statement of activities is presented as follows:

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Revenues						
Program Revenues						
Charges for Services	\$ 5,155,468	\$ 3,847,854	\$ 187,018	\$ 181,775	\$ 5,342,486	\$ 4,029,629
Operating Grants and Contributions	12,418,067	12,307,717	-	-	12,418,067	12,307,717
Capital Grants and Contributions	292,987	267,198	96,548	123,514	389,535	390,712
General Revenues						
Taxes	26,540,523	27,571,804	-	-	26,540,523	27,571,804
Royalties	1,905,264	1,971,050	-	-	1,905,264	1,971,050
Miscellaneous	436,212	466,702	-	-	436,212	466,702
Use of Money and Property	411,753	278,402	5,966	3,894	417,719	282,296
Total Revenues	47,160,274	46,710,727	289,532	309,183	47,449,806	47,019,910
Expenses						
General Government	7,881,856	6,918,616	-	-	7,881,856	6,918,616
Public Safety	12,240,966	12,511,390	-	-	12,240,966	12,511,390
Public Works	20,762,964	17,379,157	-	-	20,762,964	17,379,157
Health and Welfare	1,646,219	1,426,088	-	-	1,646,219	1,426,088
Culture and Recreation	687,296	659,333	-	-	687,296	659,333
Economic Development	27,000	127,000	-	-	27,000	127,000
Water and Sewer	-	-	865,335	697,801	865,335	697,801
Debt Service Interest and Fees	2,406,642	2,569,708	-	-	2,406,642	2,569,708
Total Expenses	45,652,943	41,591,292	865,335	697,801	46,518,278	42,289,093
Change in Net Position	1,507,331	5,119,435	(575,803)	(388,618)	931,528	4,730,817
Net Position, Beginning of Year	97,975,465	92,856,030	4,737,794	5,126,412	102,713,259	97,982,442
Net Position, End of Year	\$ 99,482,796	\$ 97,975,465	\$ 4,161,991	\$ 4,737,794	\$ 103,644,787	\$ 102,713,259

Approximately 61% of the Council's net position reflects its investment in capital assets (land, buildings, furniture, equipment), net of any outstanding related debt used to acquire those capital assets. These capital assets are used to provide services to citizens and do not represent resources available for future spending.

Approximately 17% of the Council's net position represents resources that are subject to external restriction on how they may be used. The Council's restricted assets consist of reserves required for capital outlay projects and debt service. Approximately 22% of the Council's net position is unrestricted and may be used to meet the Council's ongoing obligations to its citizens at the Council's discretion.

At the end of the current fiscal year, the Council was able to report positive balances in both categories of net position - governmental activities and business-type activities.

In order to further understand what makes up the changes in net position, see the statement of activities on page 14 of this report.

LIVINGSTON PARISH COUNCIL

Management's Discussion and Analysis

The statement of activities reflects Livingston Parish Council's revenues and expenses by program. A summary follows:

General Revenues		
Taxes	\$ 26,540,523	90%
Royalties	1,905,264	7%
Miscellaneous	436,212	2%
Use of Money and Property	417,719	1%
Total	\$ 29,299,718	100%

Livingston Parish Council's program expenses from governmental activities are detailed by function on the statement of activities. A summary follows:

General Government	\$ 7,881,856	17%
Public Safety	12,240,966	27%
Public Works	20,762,964	45%
Health and Welfare	1,646,219	4%
Culture and Recreation	687,296	2%
Economic Development	27,000	0%
Debt Service Interest and Fees	2,406,642	5%
Total	\$ 45,652,943	100%

There are \$45.7 million in total expenses for governmental activities and about \$0.9 million in business-type activities from sewer and water services. Public works expenses account for \$20 million, or 45%, which is related to the construction and maintenance of parish-wide roads, bridges, and related drainage. Public safety expenses account for \$12.2 million, or 27%, which is related to the operation of the Livingston Parish Jail and the Office of Homeland Security and Emergency Preparedness. General government expenses account for \$7.9 million, or 17%, which is related to overall council government and the judicial system. After public works, public safety, and general government, debt service interest and fees is the largest governmental expense, and will remain so for at least ten years. This accounts for \$2.4 million, or 5% of total governmental activities. Other expenses, including health and welfare, culture and recreation, and economic development, totaled \$2.4 million, or 6% of total expenses.

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

Governmental Funds

The focus of the Council's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Council's financing requirements. In particular, the unassigned fund balance may serve as a useful measure of the Council's net resources available for spending at the end of the year. The basic governmental fund financial statements can be found on pages 16 through 25 of this report.

LIVINGSTON PARISH COUNCIL

Management's Discussion and Analysis

At the end of the current year, the Council's governmental funds reported a combined ending fund balance of \$46,955,376. This represents an increase of \$9,067,118 from the prior year's ending balance. This increase is largely due to the issuance of \$8 million in GOMESA bonds.

Within governmental funds, there are intra-fund appropriations called transfers. These amounts are reported on the governmental funds in the statement of revenues, expenditures, and changes in fund balances. By their nature, transfers balance among governmental funds and are eliminated on the statement of activities. The largest single use of transfers is from special revenue funds to debt service funds in order to pay the debt service.

In analyzing the fund balances of the individual funds, we found that the Jail Sales Tax Fund has the most serious problem. This fund accounts for the expenses of the Livingston Parish Jail. We anticipate that in 2021, after the jail debt is paid off and the sales tax is renewed, the Jail Sales Tax Fund will begin repaying its debt to the General Fund and have the ability to operate independently. The Jail Sales Tax Fund owes other funds approximately \$3.7 million, which is due to transfers from other funds. This adversely affects the General Fund and Health Unit Fund; however, this amount is not readily collectible.

Major Governmental Fund Budgetary Highlights

Livingston Parish Council demonstrated legal compliance by adopting and amending budgets in accordance with provisions of the Local Government Budget Act, with the exception of the Jail Sales Tax Fund, as detailed in Note 27.

Capital Assets and Debt Administration

Capital Assets

The Council's investment in capital assets as of December 31, 2018 amounted to \$112,896,749 (net of depreciation) for its governmental activities and \$6,494,193 (net of depreciation) for its business-type activities.

The following table provides a summary of the Council's capital assets (net of depreciation) for governmental activities at the end of the current year as compared to the prior year. For more detailed information, see Note 10 to the financial statements.

	2018	2017
Land	\$ 7,039,905	\$ 6,600,720
Buildings	56,377,194	58,192,849
Recreational Facilities	1,175,804	3,124,030
Improvements/Infrastructure	165,266	41,361,055
Machinery and Equipment	1,180,262	1,267,046
Furniture and Fixtures	4,556,257	199,775
Sewer System	38,426,286	1,317,553
Construction in Progress	3,975,775	7,574,992
Total	\$ 112,896,749	\$ 119,638,020

LIVINGSTON PARISH COUNCIL

Management's Discussion and Analysis

Long-Term Debt

At December 31, 2018, the Council had total debt outstanding of \$66,913,227. Of this total, \$7,772,917 is due within one year and \$56,957,185 is due after one year for its governmental activities and \$67,580 is due within one year and \$2,115,545 is due after one year for its business-type activities.

Contacting the Council's Financial Management

This financial report is designed to provide the Council's users with a general overview of the Council's finances and show the Council's accountability for the money it receives. Questions regarding this report or requests for additional information should be addressed to Livingston Parish Council, Finance Department, 20399 Government Blvd., Post Office Box 427, Livingston, Louisiana 70754. The Council's telephone number is (225) 686-2266.

**BASIC FINANCIAL STATEMENTS
GOVERNMENT-WIDE FINANCIAL STATEMENTS**

LIVINGSTON PARISH COUNCIL
Statement of Net Position
December 31, 2018

Statement A

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and Cash Equivalents	\$ 15,901,766	\$ 431,846	\$ 16,333,612
Investments	3,525,783	-	3,525,783
Receivables, Net of Allowance	573,523	19,782	593,305
Inventory	220,937	-	220,937
Internal Balances	720,275	(720,275)	-
Due from Other Governments	15,739,917	-	15,739,917
Due from Component Unit	116,829	-	116,829
Unamortized Bond Insurance Premiums	232,673	-	232,673
Prepaid Items	326,604	1,630	328,234
Restricted Cash	15,866,796	146,625	16,013,421
Net Pension Asset	734,771	-	734,771
Capital Assets			
Non-Depreciable	11,015,680	13,243	11,028,923
Depreciable, Net	101,881,069	6,480,950	108,362,019
Total Assets	166,856,623	6,373,801	173,230,424
Deferred Outflows of Resources			
Deferred Amount on Refunding of Debt	3,327,689	-	3,327,689
Deferred Outflows on Pension Obligation	915,183	-	915,183
Total Deferred Outflows of Resources	4,242,872	-	4,242,872
Liabilities			
Accounts Payable and Accrued Expenses	4,252,833	27,539	4,280,372
Due to Other Governments	372,787	-	372,787
Due to Component Units	251,006	-	251,006
Unearned Revenue	19,700	-	19,700
Accrued Bond Interest Payable	742,725	1,146	743,871
Non-Current Liabilities			
Due Within One Year	7,829,309	67,580	7,896,889
Due in More than One Year	56,900,793	2,115,545	59,016,338
Total Liabilities	70,369,153	2,211,810	72,580,963
Deferred Inflows of Resources			
Deferred Inflows on Pension Obligation	1,247,546	-	1,247,546
Total Deferred Inflows of Resources	1,247,546	-	1,247,546
Net Position			
Net Investment in Capital Assets	59,434,232	4,316,439	63,750,671
Restricted for:			
Construction	1,045,281	-	1,045,281
Criminal Court	75,664	-	75,664
Debt Service	7,859,865	-	7,859,865
GOMESA Projects	7,557,651	-	7,557,651
Grant	795,875	-	795,875
Unrestricted	22,714,228	(154,448)	22,559,780
Total Net Position	\$ 99,482,796	\$ 4,161,991	\$ 103,644,787

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

LIVINGSTON PARISH COUNCIL
Statement of Activities
For the Year Ended December 31, 2018

Statement B

Functions / Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities							
General Government	\$ 7,881,856	\$ 2,059,926	\$ 1,091,035	\$ 292,987	\$ (4,437,908)	\$ -	\$ (4,437,908)
Public Safety	12,240,966	2,950,669	8,121,004	-	(1,169,293)	-	(1,169,293)
Public Works	20,762,964	114,583	1,958,827	-	(18,689,554)	-	(18,689,554)
Health and Welfare	1,646,219	30,290	246,770	-	(1,369,159)	-	(1,369,159)
Culture and Recreation	687,296	-	-	-	(687,296)	-	(687,296)
Economic Development	27,000	-	-	-	(27,000)	-	(27,000)
Debt Service Interest and Fees	2,406,642	-	1,000,431	-	(1,406,211)	-	(1,406,211)
Total Governmental Activities	45,652,943	5,155,468	12,418,067	292,987	(27,786,421)	-	(27,786,421)
Business-Type Activities							
Utilities - Water and Sewer	865,335	187,018	-	96,548	-	(581,769)	(581,769)
Total Business-Type Activities	865,335	187,018	-	96,548	-	(581,769)	(581,769)
Total	\$ 46,518,278	\$ 5,342,486	\$ 12,418,067	\$ 389,535	(27,786,421)	(581,769)	(28,368,190)
General Revenues							
Taxes							
Ad Valorem Taxes					5,717,131	-	5,717,131
Sales Taxes					18,453,399	-	18,453,399
Franchise Taxes					1,227,888	-	1,227,888
Occupational					1,142,105	-	1,142,105
Royalties					1,905,264	-	1,905,264
Miscellaneous					436,212	-	436,212
Use of Money and Property					411,753	5,966	417,719
Total General Revenues					29,293,752	5,966	29,299,718
Change in Net Position					1,507,331	(575,803)	931,528
Net Position, Beginning of Year					97,975,465	4,737,794	102,713,259
Net Position, End of Year					\$ 99,482,796	\$ 4,161,991	\$ 103,644,787

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

**BASIC FINANCIAL STATEMENTS
FUND FINANCIAL STATEMENTS**

Balance Sheet
Governmental Funds
December 31, 2018

	General Fund	Health Unit Fund	Jail Sales Tax Fund
Assets			
Cash and Cash Equivalents	\$ 1,000	\$ -	\$ -
Pooled Cash in Other Funds	4,766,076	2,924,582	-
Investments	73,695	3,174,037	-
Receivables, Net of Allowance	467,379	170	120
Restricted Cash	8,365,870	-	-
Inventory	-	-	19,397
Prepaid Expenses	-	-	-
Due from Component Unit	-	-	-
Due from Other Funds	4,026,470	-	-
Due from Other Governments	1,713,437	1,237,538	888,661
Advance to Jail Sales Tax Fund	3,431,708	300,000	-
Total Assets	\$ 22,845,635	\$ 7,636,327	\$ 908,178
Liabilities and Fund Balances (Deficits)			
Liabilities			
Accounts Payable	\$ 382,660	\$ 11,010	\$ 270,521
Deficit in Pooled Cash	-	-	3,898,171
Accrued Expenses Payable	242,014	43,776	32,799
Due to Component Units	103,912	-	-
Due to Other Governments	42,750	52,685	-
Due to Other Funds	837,948	227,549	2,624,842
Unearned Revenue	19,700	-	-
Advance from Other Funds	-	-	3,731,708
Total Liabilities	1,628,984	335,020	10,558,041
Fund Balances (Deficits)			
Nonspendable			
Inventory	-	-	19,397
Advances	3,431,708	300,000	-
Restricted for:			
Construction	-	-	-
Criminal Court	-	-	-
Criminal Court Witness	-	-	-
GOMESA Projects	7,557,651	-	-
Debt Service	12,344	-	-
Grant Expenditures	795,875	-	-
Committed for:			
Federal Grant Programs	100	-	-
Assigned to:			
Bingo	-	-	-
Court Fees	-	-	-
Health Unit	-	7,001,307	-
Road	-	-	-
Other Purposes	-	-	-
Unassigned	9,418,973	-	(9,669,260)
Total Fund Balances (Deficits)	21,216,651	7,301,307	(9,649,863)
Total Liabilities and Fund Balances (Deficits)	\$ 22,845,635	\$ 7,636,327	\$ 908,178

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

Statement C

Road Fund	Non-Major Governmental Funds	Total Governmental Funds
\$ 500	\$ 2,211,042	\$ 2,212,542
11,526,050	2,142,294	21,359,002
278,051	-	3,525,783
120	105,691	573,480
-	7,500,926	15,866,796
201,540	-	220,937
-	-	-
-	116,829	116,829
1,388,509	-	5,414,979
5,791,264	5,294,936	14,925,836
-	-	3,731,708
\$ 19,186,034	\$ 17,371,718	\$ 67,947,892
\$ 499,557	\$ 2,477,184	\$ 3,640,932
-	3,073,715	6,971,886
261,762	31,550	611,901
-	147,094	251,006
105,371	171,981	372,787
1,303,434	398,823	5,392,596
-	-	19,700
-	-	3,731,708
2,170,124	6,300,347	20,992,516
201,540	-	220,937
-	-	3,731,708
-	1,045,281	1,045,281
-	41,914	41,914
-	33,750	33,750
-	-	7,557,651
-	7,847,521	7,859,865
-	-	795,875
-	-	100
-	4,257	4,257
-	1,754,326	1,754,326
-	-	7,001,307
16,814,370	-	16,814,370
-	334,712	334,712
-	9,610	(240,677)
17,015,910	11,071,371	46,955,376
\$ 19,186,034	\$ 17,371,718	\$ 67,947,892

LIVINGSTON PARISH COUNCIL
Reconciliation of the Governmental Funds Balance
Sheet to the Statement of Net Position
December 31, 2018

Statement D

Fund Balances - Total Governmental Funds \$ 46,955,376

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds:

Governmental Capital Assets	\$ 262,624,586	
Less: Accumulated Depreciation	<u>(149,727,837)</u>	
		112,896,749

Assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds:

Unamortized Bond Insurance Premiums	232,673	
Prepaid Insurance	<u>326,604</u>	
		559,277

Some revenues were collected more than sixty days after year-end and, therefore, are not available soon enough to pay for current-period expenditures:

Property Taxes	551,871	
Louisiana Revenue Sharing	<u>262,254</u>	
		814,125

The Council follows the requirements of GASB Statement No. 68 which provides for the recognition of pension obligations. This includes the recognition of related net pension asset, deferred inflows of resources, and deferred outflows of resources

	<u>402,407</u>	402,407
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Some liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds:

Bonds and Leases Payable	(63,721,392)	
Accrued Interest Payable on Bonds	(742,725)	
Net Unamortized Bond (Premiums) Paid or Discounts Withheld	(638,809)	
Deferred Amount on Refunding of Debt	3,327,689	
Compensated Absences Payable	<u>(369,901)</u>	
		<u>(62,145,138)</u>

Net Position of Governmental Activities		<u>\$ 99,482,796</u>
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The accompanying notes are an integral part of these financial statements.

**Statement of Revenues, Expenditures, and
Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2018**

	General Fund	Health Unit Fund	Jail Sales Tax Fund
Revenues			
Taxes			
Property Taxes	\$ 1,063,106	\$ 1,303,793	\$ -
Sales Taxes	-	-	4,613,350
Franchise Taxes	1,114,599	-	-
Occupational Taxes	1,142,105	-	-
Royalties	1,905,264	-	-
Licenses and Permits	1,598,858	30,290	-
Fines and Forfeitures	14,416	-	59,916
Fees and Commissions	236,789	-	-
Intergovernmental Revenues			
Federal Sources	1,887,969	-	-
State and Local Sources	1,135,730	47,382	-
Miscellaneous	195,657	5,763	1,201
Use of Money and Property	252,543	64,680	-
Total Revenues	10,547,036	1,451,908	4,674,467
Expenditures			
Current			
General Government	5,843,406	-	-
Public Safety	1,799,714	-	3,751,645
Public Works	86,726	-	-
Health and Welfare	218,493	1,253,383	-
Culture and Recreation	-	-	-
Economic Development	27,000	-	-
Total Current	7,975,339	1,253,383	3,751,645
Debt Service			
Bond Issuance Costs	148,736	-	-
Principal	-	-	-
Interest and Fees	8,000	-	4,000
Total Debt Service	156,736	-	4,000
Capital Outlay			
General Government	604,134	-	-
Public Safety	-	-	398,348
Public Works	-	-	-
Health and Welfare	-	24,812	-
Culture and Recreation	-	-	-
Total Capital Outlay	604,134	24,812	398,348
Total Expenditures	8,736,209	1,278,195	4,153,993
Excess (Deficiency) of Revenues Over Expenditures	1,810,827	173,713	520,474
Other Financing Sources (Uses)			
Transfers In	2,416,000	-	-
Transfers Out	(3,477,087)	(145,000)	(1,859,636)
Transfers from Component Units	-	-	-
Bonds Issued	8,000,000	-	-
Discount Received on Bonds Issued	(123,602)	-	-
Total Other Financing Sources (Uses)	6,815,311	(145,000)	(1,859,636)
Net Change in Fund Balances	8,626,138	28,713	(1,339,162)
Fund Balances (Deficits), Beginning of Year	12,590,513	7,272,594	(8,310,701)
Fund Balances (Deficits), End of Year	\$ 21,216,651	\$ 7,301,307	\$ (9,649,863)

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

Statement E

Road Fund	Non-Major Governmental Funds	Total Governmental Funds
\$ 2,606,217	\$ 950,044	\$ 5,923,160
13,840,049	-	18,453,399
-	113,289	1,227,888
-	-	1,142,105
-	-	1,905,264
-	13,737	1,642,885
-	3,086,879	3,161,211
114,583	-	351,372
1,023	6,686,227	8,575,219
907,522	1,105,013	3,195,647
15,361	101,360	319,342
13,083	81,447	411,753
17,497,838	12,137,996	46,309,245
-	390,801	6,234,207
-	5,970,401	11,521,760
9,665,197	1,374,396	11,126,319
-	-	1,471,876
-	31,611	31,611
-	-	27,000
9,665,197	7,767,209	30,412,773
-	-	148,736
-	7,055,000	7,055,000
4,000	2,317,632	2,333,632
4,000	9,372,632	9,537,368
-	1,903,961	2,508,095
-	2,465,293	2,863,641
513,254	-	513,254
-	-	24,812
-	259,013	259,013
513,254	4,628,267	6,168,815
10,182,451	21,768,108	46,118,956
7,315,387	(9,630,112)	190,289
-	9,625,042	12,041,042
(5,699,133)	(860,186)	(12,041,042)
-	1,000,431	1,000,431
-	-	8,000,000
-	-	(123,602)
(5,699,133)	9,765,287	8,876,829
1,616,254	135,175	9,067,118
15,399,656	10,936,196	37,888,258
\$ 17,015,910	\$ 11,071,371	\$ 46,955,376

LIVINGSTON PARISH COUNCIL
Reconciliation of the Governmental Funds Statement of
Revenues, Expenditures, and Changes in Fund Balances
to the Statement of Activities
For the Year Ended December 31, 2018

Statement F

Net Change in Fund Balances - Total Governmental Funds \$ 9,067,118

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

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 through depreciation expense. This is the amount by which depreciation exceeded capital outlay charged in the current period. (6,351,444)

The net effect of various miscellaneous transactions involving capital assets (sales, donations, impairments) is to decrease net position. (389,828)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds:

Property Tax Revenue	(206,029)
Louisiana Revenue Sharing	(130,388)
Contributions Made to the Retirement Plan by Other Governments	70,145

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. (688,688)

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

Change in Prepaid Expenses	27,284
Change in Compensated Absences Payable	89,586
Change in Accrued Interest Expense	40,765
Change in the Net Pension Liability and Related Deferred Amounts	<u>(21,190)</u>

Change in Net Position of Governmental Activities \$ 1,507,331

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

LIVINGSTON PARISH COUNCIL
Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and
Actual - General Fund
For the Year Ended December 31, 2018

Statement G-1

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
Revenues				
Taxes				
Property Taxes	\$ 1,277,467	\$ 1,277,467	\$ 1,063,106	\$ (214,361)
Franchise Taxes	1,300,000	1,128,576	1,114,599	(13,977)
Occupational Taxes	1,015,000	1,146,243	1,142,105	(4,138)
Royalties	1,705,000	1,877,658	1,905,264	27,606
Licenses and Permits	1,400,000	1,588,858	1,598,858	10,000
Fines and Forfeitures	30,000	15,001	14,416	(585)
Fees and Commissions	226,900	333,300	236,789	(96,511)
Intergovernmental Revenues				
Federal Sources	1,760,000	1,729,100	1,887,969	158,869
State and Local Sources	1,627,260	1,607,586	1,135,730	(471,856)
Miscellaneous	122,723	157,138	195,657	38,519
Use of Money and Property	45,000	246,562	252,543	5,981
Total Revenues	10,509,350	11,107,489	10,547,036	(560,453)
Expenditures				
Current Expenditures				
General Government	7,210,900	8,047,026	5,843,406	2,203,620
Public Safety	1,469,638	1,719,133	1,799,714	(80,581)
Public Works	66,567	84,796	86,726	(1,930)
Health and Welfare	281,616	230,706	218,493	12,213
Culture and Recreation	1,500	885	-	885
Economic Development	89,000	100,594	27,000	73,594
Total Current Expenditures	9,119,221	10,183,140	7,975,339	2,207,801
Debt Service				
Issuance Cost			148,736	(148,736)
Interest and Fees	-	-	8,000	(8,000)
Total Debt Service	-	-	156,736	(8,000)
Capital Outlay				
General Government	-	-	604,134	(604,134)
Total Capital Outlay	-	-	604,134	(604,134)
Total Expenditures	9,119,221	10,183,140	8,736,209	1,595,667
Excess of Revenues Over Expenditures	1,390,129	924,349	1,810,827	1,035,214
Other Financing Sources (Uses)				
Governmental Transfers In	1,832,000	2,416,000	2,416,000	-
Governmental Transfers Out	(1,764,626)	(2,788,420)	(3,477,087)	(688,667)
Enterprise Transfers Out	(250,000)	-	-	-
Bond Issuance/Refunding	-	7,876,398	7,876,398	-
Total Other Financing Sources (Uses)	(182,626)	7,503,978	6,815,311	(688,667)
Net Change in Fund Balance	\$ 1,207,503	\$ 8,428,327	8,626,138	\$ 346,547
Fund Balance, Beginning of Year			12,590,513	
Fund Balance, End of Year			\$ 21,216,651	

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

LIVINGSTON PARISH COUNCIL
Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and
Actual - Health Unit Special Revenue Fund
For the Year Ended December 31, 2018

Statement G-2

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
Revenues				
Taxes				
Property Taxes	\$ 1,220,000	\$ 1,220,000	\$ 1,303,793	\$ 83,793
Health Unit	35,000	30,800	-	(30,800)
Licenses and Permits	-	-	30,290	30,290
Intergovernmental Revenues				
State and Local Sources	35,023	47,449	47,382	(67)
Miscellaneous	-	2,939	5,763	2,824
Use of Money and Property	15,000	53,264	64,680	11,416
Total Revenues	1,305,023	1,354,452	1,451,908	97,456
Expenditures				
Current Expenditures				
Health and Welfare	1,049,027	1,292,011	1,253,383	38,628
Total Current Expenditures	1,049,027	1,292,011	1,253,383	38,628
Capital Outlay				
Health and Welfare	-	-	24,812	(24,812)
Total Capital Outlay	-	-	24,812	(24,812)
Total Expenditures	1,049,027	1,292,011	1,278,195	13,816
Excess of Revenues Over Expenditures	255,996	62,441	173,713	111,272
Other Financing Uses				
Governmental Transfers Out	(145,000)	(145,000)	(145,000)	-
Total Other Financing Uses	(145,000)	(145,000)	(145,000)	-
Net Change in Fund Balance	\$ 110,996	\$ (82,559)	28,713	\$ 111,272
Fund Balance, Beginning of Year			7,272,594	
Fund Balance, End of Year			\$ 7,301,307	

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

LIVINGSTON PARISH COUNCIL
Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and
Actual - Jail Sales Tax Special Revenue Fund
For the Year Ended December 31, 2018

Statement G-3

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
Revenues				
Taxes				
Sales Taxes	\$ 4,000,000	\$ 4,300,000	\$ 4,613,350	\$ 313,350
Fees and Commissions	40,000	40,758	59,916	19,158
Miscellaneous	3,100	755	1,201	446
Total Revenues	<u>4,043,100</u>	<u>4,341,513</u>	<u>4,674,467</u>	<u>332,954</u>
Expenditures				
Current Expenditures				
Public Safety	2,129,593	3,844,549	3,751,645	92,904
Total Current Expenditures	<u>2,129,593</u>	<u>3,844,549</u>	<u>3,751,645</u>	<u>92,904</u>
Debt Service				
Interest and Fees	-	-	4,000	(4,000)
Total Debt Service	<u>-</u>	<u>-</u>	<u>4,000</u>	<u>(4,000)</u>
Capital Outlay				
Public Safety	-	-	398,348	(398,348)
Total Capital Outlay	<u>-</u>	<u>-</u>	<u>398,348</u>	<u>(398,348)</u>
Total Expenditures	<u>2,129,593</u>	<u>3,844,549</u>	<u>4,153,993</u>	<u>(309,444)</u>
Excess of Revenues Over Expenditures	<u>1,913,507</u>	<u>496,964</u>	<u>520,474</u>	<u>23,510</u>
Other Financing Uses				
Governmental Transfers Out	(1,859,633)	(1,859,636)	(1,859,636)	-
Total Other Financing Uses	<u>(1,859,633)</u>	<u>(1,859,636)</u>	<u>(1,859,636)</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 53,874</u>	<u>\$ (1,362,672)</u>	<u>(1,339,162)</u>	<u>\$ 23,510</u>
Fund Deficit, Beginning of Year			<u>(8,310,701)</u>	
Fund Deficit, End of Year			<u>\$ (9,649,863)</u>	

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

LIVINGSTON PARISH COUNCIL
Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and
Actual - Road Special Revenue Fund
For the Year Ended December 31, 2018

Statement G-4

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
Revenues				
Taxes				
Property Taxes	\$ 2,440,000	\$ 2,440,000	\$ 2,606,217	\$ 166,217
Sales Taxes	12,000,000	12,900,000	13,840,049	940,049
Fees and Commissions	10,000	114,364	114,583	219
Intergovernmental Revenues				
Federal Sources	8,251,268	795,650	1,023	(794,627)
State and Local Sources	8,075,780	1,021,277	907,522	(113,755)
Miscellaneous	-	27,090	15,361	(11,729)
Use of Money and Property	10,000	11,659	13,083	1,424
Total Revenues	30,787,048	17,310,040	17,497,838	187,798
Expenditures				
Current Expenditures				
Public Works	29,729,565	16,417,976	9,665,197	6,752,779
Total Current Expenditures	29,729,565	16,417,976	9,665,197	6,752,779
Debt Service				
Principal	95,535	95,535	-	95,535
Interest and Fees	4,375	4,375	4,000	375
Total Debt Service	99,910	99,910	4,000	95,910
Capital Outlay				
Public Works	1,100,000	1,088,681	513,254	575,427
Total Capital Outlay	1,100,000	1,088,681	513,254	575,427
Total Expenditures	30,929,475	17,606,567	10,182,451	7,424,116
Excess (Deficiency) of Revenues Over Expenditures	(142,427)	(296,527)	7,315,387	7,611,914
Other Financing Uses				
Governmental Transfers Out	(5,218,133)	(5,258,133)	(5,699,133)	(441,000)
Total Other Financing Uses	(5,218,133)	(5,258,133)	(5,699,133)	(441,000)
Net Change in Fund Balance	\$ (5,360,560)	\$ (5,554,660)	1,616,254	\$ 7,170,914
Fund Balance, Beginning of Year			15,399,656	
Fund Balance, End of Year			\$ 17,015,910	

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

LIVINGSTON PARISH COUNCIL
Statement of Net Position
Proprietary Fund
December 31, 2018

Statement H

Assets	
Current Assets	
Cash and Cash Equivalents	\$ 431,846
Accounts Receivable (Net of Allowance for Uncollectible Accounts of \$839,667)	19,782
Due from Other Funds	<u>517,617</u>
Total Current Assets	<u>969,245</u>
Non-Current Assets	
Restricted Assets	
Bond Covenant Cash Accounts	<u>146,625</u>
Capital Assets	
Land	13,243
Sewer and Water System	<u>9,761,197</u>
Total Capital Assets	9,774,440
Less Accumulated Depreciation	<u>(3,280,247)</u>
Total Capital Assets, Net of Accumulated Depreciation	<u>6,494,193</u>
Other Assets	
Deposits	<u>1,630</u>
Total Non-Current Assets	<u>6,642,448</u>
Total Assets	<u>7,611,693</u>
Liabilities	
Current Liabilities	
Deficit in Pooled Cash	697,892
Accounts Payable	16,312
Accrued Expenses Payable	6,727
Accrued Interest Payable	1,146
Due to Other Funds	540,000
Customer Deposits	4,500
Current Portion of Long-Term Debt	<u>67,580</u>
Total Current Liabilities	<u>1,334,157</u>
Non-Current Liabilities	
Debt Payable after One Year	2,110,174
Accumulated Unpaid Vacation	<u>5,371</u>
Total Non-Current Liabilities	<u>2,115,545</u>
Total Liabilities	<u>3,449,702</u>
Net Position	
Net Investment in Capital Assets	4,316,439
Unrestricted	<u>(154,448)</u>
Total Net Position	<u>\$ 4,161,991</u>

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

LIVINGSTON PARISH COUNCIL
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Fund
For the Year Ended December 31, 2018

Statement I

Operating Revenues	
Charges for Services	\$ 182,243
Miscellaneous Charges	4,775
	<hr/>
Total Operating Revenues	187,018
Operating Expenses	
Personal Services	74,650
Repairs and Maintenance	210,271
Utilities and Telephone	74,533
Employee Benefits	50,884
Public Safety	16,600
Professional Services	8,044
Bad Debt Expense	12,588
Office Expenses	10,006
Cost of Materials	7,815
Depreciation	310,796
	<hr/>
Total Operating Expenses	776,187
	<hr/>
Operating Loss	(589,169)
Nonoperating Revenues (Expenses)	
Interest Income	5,966
State and Local Grants	96,548
Interest on Long-Term Debt	(89,148)
	<hr/>
Total Nonoperating Revenues (Expenses)	13,366
	<hr/>
Change in Net Position	(575,803)
	<hr/>
Net Position, Beginning of Year	4,737,794
	<hr/>
Net Position, End of Year	\$ 4,161,991
	<hr/> <hr/>

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

LIVINGSTON PARISH COUNCIL
Statement of Cash Flows
Proprietary Fund
For the Year Ended December 31, 2018

Statement J

Cash Flows from Operating Activities	
Cash Received from Customers	\$ 176,940
Payments to Suppliers	(319,215)
Payments to Employees and for Benefits	<u>(127,173)</u>
Net Cash Used in Operating Activities	<u>(269,448)</u>
Cash Flows from Non-Capital and Related Financing Activities	
Net Increase in Interfund Liabilities	<u>697,892</u>
Net Cash Provided by Non-Capital and Related Financing Activities	<u>697,892</u>
Cash Flows from Capital and Related Financing Activities	
Acquisition and Construction of Capital Assets	(96,548)
Capital Grants	96,548
Interest Paid on Long-Term Debt	(89,179)
Principal Paid on Long-Term Debt	<u>(66,100)</u>
Net Cash Used in Capital and Related Financing Activities	<u>(155,279)</u>
Cash Flows from Investing Activities	
Interest Received	<u>5,966</u>
Net Cash Provided by Investing Activities	<u>5,966</u>
Net Increase in Cash and Cash Equivalents	279,131
Cash and Cash Equivalents, Beginning of Year	<u>299,340</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 578,471</u></u>

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

LIVINGSTON PARISH COUNCIL
Statement of Cash Flows (Continued)
Proprietary Fund
For the Year Ended December 31, 2018

Statement J

Reconciliation of Operating Loss to Net Cash	
Used in Operating Activities	
Operating Loss	\$ (589,169)
Adjustments to Reconcile Operating Loss to Net Cash Used in Operating Activities	
Depreciation	310,796
Provision for Bad Debts	12,588
Changes in Assets and Liabilities	
Increase in Accounts Receivable	(10,078)
Decrease in Prepaid Expenses	2,151
Increase in Accounts Payable	5,903
Decrease in Accrued Expenses	<u>(1,639)</u>
Net Cash Used in Operating Activities	<u>\$ (269,448)</u>
Reconciliation of Cash at Year-End to the	
Statement of Net Position	
Cash and Cash Equivalents	\$ 431,846
Bond Covenant Cash Accounts	<u>146,625</u>
Cash and Cash Equivalents, End of Year	<u>\$ 578,471</u>

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

NOTES TO FINANCIAL STATEMENTS

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Introduction

Livingston Parish Council (the Council) is the governing authority for Livingston Parish, Louisiana (the Parish), and is a political subdivision of the State of Louisiana. Beginning in 1996, the Council operated as a President/Council form of government which operates under a home rule charter. Prior to 1996, the Parish operated under the police jury system of government. The Livingston Parish Home Rule Charter operates with an elected Parish President, who is the chief executive officer of the Parish and the head of the executive branch of parish government, and an elected nine-member council, which is the legislative branch of the government. The Council enacts ordinances, sets policies, and establishes programs for social welfare, transportation, drainage, industrial inducement, and health services.

The area of Livingston Parish is approximately 702 square miles and the Council maintains 724 miles of roads. The estimated population of Livingston Parish is 128,549 based on the 2010 census, and the Council employs approximately 246 persons, as of December 31, 2018.

Louisiana Revised Statute (LRS) 33:1236 gives the President and the Council various powers in regulating and directing the affairs of the Parish and its inhabitants. The more notable of those are the power to make regulations for its own government, to regulate the construction and maintenance of roads, bridges, and drainage, to regulate the sale of alcoholic beverages, and to provide for the health and welfare of the poor, disadvantaged, and unemployed in the Parish.

Funding to accomplish these tasks is provided by ad valorem taxes, sales taxes, beer and alcoholic beverage permits, state revenue sharing, and various state and federal grants.

In accomplishing its objectives, the Council also has the authority to create special districts (component units) within the Parish. These special districts perform specialized functions, such as fire protection, library services, drainage maintenance and regulation, economic development, and utility services, such as water and natural gas distribution and sewerage processing.

Note 1. Summary of Significant Accounting Policies

Reporting Entity

As the governing authority of Livingston Parish for reporting purposes, the Livingston Parish Council is the financial reporting entity for Livingston Parish. The financial reporting entity consists of (a) the primary government (President and Council), (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.

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Reporting Entity (Continued)

Governmental Accounting Standards Board (GASB) Statement No. 61 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. For financial reporting purposes, in conformance with GASB 61, the Council includes all funds, account groups, etc. that are within the oversight responsibility of the Council.

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. These criteria include:

1. Legal status of the potential component unit, and
2. Financial accountability, and
 - a. The primary government appoints a voting majority of the potential component unit's governing body and the primary government is able to impose its will on the potential component unit (or)
 - b. When a potential component unit is fiscally dependent on the primary government regardless of whether the organization has separately elected officials or boards.
3. Financial benefit/burden relationship between the primary government and the potential component unit, and
4. Misleading to exclude, which covers other potential component units 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.

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

Component Unit	Fiscal Year End	Criteria Used
Fire Protection Districts		
No. 1	12/31	1 and 3
No. 2	6/30	1 and 3
No. 3	12/31	1 and 3
No. 4	12/31	1 and 3
No. 5	12/31	1 and 3
No. 6	6/30	1 and 3
No. 7	12/31	1 and 3
No. 8	6/30	1 and 3
No. 9	6/30	1 and 3
No. 10	12/31	1 and 3
No. 11	6/30	1 and 3
No. 12	6/30	1 and 3

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Reporting Entity (Continued)

Component Unit	Fiscal Year End	Criteria Used
Recreation Districts		
No. 2	12/31	1 and 3
No. 3	12/31	1 and 3
No. 4	12/31	1 and 3
No. 5	12/31	1 and 3
No. 6	12/31	1 and 3
No. 7	12/31	1 and 3
No. 8	12/31	1 and 3
No. 9	12/31	1 and 3
Livingston Parish Gas Utility District	11/30	1 and 3
Sewerage Districts		
No. 1	12/31	1 and 3
No. 2	12/31	1 and 3
Waterworks Districts		
Ward 2	12/31	1 and 3
Ward 6	12/31	1 and 3
Gravity Drainage Districts		
No. 1	12/31	1 and 3
No. 2	12/31	1 and 3
No. 5	12/31	1 and 3
Communication District	12/31	1 and 3
Livingston Parish Library Commission	12/31	1 and 3
Community Development Districts		
Carter Plantation	12/31	1 and 3
Carter Plantation Marina	8/31	1 and 3
Greystone	12/31	1 and 3
Isabella	12/31	1 and 3
Juban Park	12/31	1 and 3
Whispering Springs	12/31	1 and 3
Juban Crossing Economic Development District	12/31	1 and 3
Livingston Parish Clerk of Court	6/30	2 and 3
Livingston Parish Assessor	12/31	2 and 3

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Reporting Entity (Continued)

The Council has chosen to issue financial statements of the primary government only; therefore, only the funds and organizations for which the Council maintains the accounting records are included.

GASB 61 provides for the issuance of primary government financial statements that are separate from those of the reporting entity. However, the primary government's (the Council) 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 accounting principles generally accepted in the United States of America as applied to governmental units. These financial statements are not intended to and do not report on the reporting entity, but rather are intended to reflect only the financial statements of the primary government of the Council.

It was determined that the following governmental entities are not component units of the Livingston Parish Council reporting entity because they have separately elected governing bodies, are legally separate, and are fiscally independent:

Livingston Parish Sheriff
Livingston Parish School Board
District Attorney of the Twenty-First Judicial District
Various Municipalities within Livingston Parish

Basis of Presentation

The Council's basic financial statements include both government-wide statements on all of the non-fiduciary activities and the fund financial statements (individual major funds and combined non-major funds). The financial statements are prepared in accordance with accounting principles generally accepted in the United States of America as applied to governmental units. The Council follows the guidance included in GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 1989 FASB and AICPA Pronouncements*, for its business-type activity financial reporting. Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type.

The financial statements also contain a narrative introduction and analytical overview of the Council's financial activities in the form of management's discussion and analysis (MD&A). This analysis is similar to the analysis the private sector provides in their annual reports.

Note 1. Summary of Significant Accounting Policies (Continued)

Government-Wide Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. The government-wide presentation focuses primarily on the sustainability of the Council as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. These statements are prepared using full accrual accounting for all of the Council's activities. This approach includes not just current assets and liabilities (such as cash and accounts payable), but also capital assets and long-term liabilities (such as buildings and infrastructure, including bridges and roads and general obligation debt). Accrual accounting also reports all of the revenues and costs of providing services each year, not just those received or paid in the current year or soon thereafter. The effect of interfund activity has been removed from these statements with the exception of transfers between the Utility Enterprise Fund and governmental funds.

Statement of Net Position - In the government-wide statement of net position, both the governmental and business-type activities columns are presented on a consolidated basis by column, and are reflected on a full accrual, economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations. The Council generally first uses restricted assets for expenses incurred for which both restricted and unrestricted assets are available. The columns presented in the statement of net position and general descriptions of each are as follows:

- *Governmental Activities* represent programs which normally are supported by taxes and intergovernmental revenues.
- *Business-Type Activities* are financed in whole or in part by fees charged to external parties for goods and services.

Statement of Activities - The government-wide statement of activities reflects both the gross and net cost per functional category (general government, public safety, public works, health and welfare, culture and recreation, and economic development), which are otherwise being supported by general government revenues (property, sales and use taxes, fines, permits, and charges, etc.). The statement of activities reduces gross expenses by related program revenues, operating and capital grants, and contributions. The program revenues must be directly associated with the function (general government, public safety, public works, health and welfare, culture and recreation, and economic development) or a business-type activity and 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. The operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. Taxes and other items not properly included among program revenues are reported instead as general revenues. The Council does not allocate indirect expenses.

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Fund Financial Statements

Fund financial statements of the Council are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund balance, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The emphasis of fund financial reporting is on the major fund level in either the governmental or business-type categories. Non-major funds (by category) or fund type are summarized into a single column in the basic financial statements. An emphasis is placed on major funds within the governmental and proprietary categories. The various funds of the primary government are grouped into generic fund types and four broad fund categories as follows:

Governmental Activities Presented as Governmental Funds in the Fund Financial Statements:

General Fund - The General Fund is the primary operating fund of the Council and is always classified as a major fund. It is used to account for all activities except those required to be accounted for in other funds.

Special Revenue Funds - Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for certain purposes. The three special revenue funds reported as major funds in the fund financial statements are as follows:

- Health Unit Special Revenue Fund - This fund accounts for state and parish health programs. The major means of financing are provided by ad valorem taxes, state revenue sharing, and permits.
- Jail Sales Tax Special Revenue Fund - This fund accounts for the maintenance and operation of the jail and transfers to the Jail Debt Service Fund for the payment on the debt service of the jail bonds and is funded through sales taxes.
- Road Special Revenue Fund - This fund accounts for maintenance of parish-wide roads and streets. Major means of financing are provided by the State of Louisiana Parish Transportation Fund, sales taxes, ad valorem taxes, and state revenue sharing.

Capital Projects Funds - Capital projects funds are used to account for resources restricted for the acquisition or construction of specific capital projects or items.

Debt Service Funds - Debt service funds account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. At December 31, 2018, none of the Council's debt service funds were major.

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Fund Financial Statements (Continued)

Proprietary Fund:

Enterprise Fund - The enterprise fund is used to account for operations: (a) that are financed and operated similarly to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The enterprise fund is presented in the business-type activities column in the government-wide financial statements and the major funds section of the basic financial statements. The enterprise fund distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. The following enterprise fund is reported as a major fund in the fund financial statements:

- The Utility Enterprise Fund - This fund accounts for the activities of the parish-wide water and sewer systems that are provided to residents that live in areas where these services are not already provided by another entity.

Fiduciary Fund:

Agency Fund - The agency fund accounts for assets held by the Council on behalf of others as their agent. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement or results of operation. The agency fund is as follows:

- Sales Tax District Six Agency Fund - This fund accounts for the collection and distribution of a one-half percent sales and use tax levied by Sales Tax District Number Six for Gravity Drainage District Number Two. Since all collections received during the year were disbursed, the fiduciary fund does not have any assets or liabilities to report as of December 31, 2018.

Note 1. Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Governmental fund financial statements are accounted for using the current financial resources measurement focus and the modified accrual basis of accounting which is also the method used to prepare the budget. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other financing uses).

Governmental fund revenues resulting from exchange transactions are recognized in the fiscal year in which the exchange takes place and meets the Council's availability criteria (susceptible to accrual). Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. Charges for services, fines and forfeitures, and most governmental miscellaneous revenues, including investment earnings, are recorded as earned since they are measurable and available. The Council's definition of available means expected to be received within sixty days of the end of the fiscal year.

Nonexchange transactions, in which the Council receives value without directly giving value in return, include sales tax, property tax, grants, and donations. Property taxes are recognized as revenues in the calendar year of the tax levy if collected soon enough to meet the availability criteria. Sales tax and gross receipts of business tax revenues are recognized when the underlying transaction occurs and meets the availability criteria. Anticipated refunds of such taxes are recorded as fund liabilities and reductions of revenue when they are measurable and available.

Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied, subject to the availability criteria. Eligibility requirements include timing requirements, which specify the year when the resources can be used.

Expenditures are recognized in the accounting period in which the related fund liability is incurred, if measurable, except for the following: (1) principal and interest on long-term debt are recorded when due and (2) claims and judgments and compensated absences are recorded as expenditures in the governmental fund type when paid with expendable available financial resources. Allocations of costs such as depreciation and amortization are not recognized in the governmental funds.

Note 1. Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The proprietary fund is accounted for on an economic resources measurement focus. Proprietary funds are maintained on the accrual basis of accounting wherein revenues are recognized in the accounting period in which they are earned and become measurable, and expenses are recognized in the period incurred, if measurable. Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, are recorded on the accrual basis when the exchange takes place. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Council's Utility Enterprise Fund are charges to customers for sales and services. Operating expenses for the Utility Enterprise Fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Since the governmental fund financial statements are presented on a different measurement focus and basis of accounting than the government-wide financial statements' governmental column, a reconciliation is presented which briefly explains the adjustments necessary to reconcile funds based on financial statements with the governmental column of the government-wide presentation.

Budgets and Budgetary Accounting

The Finance Department compiles, for the President, estimates of revenues and requests for appropriations of the annual budget. No later than November 5th, the President's budget is submitted to the Council for possible revision and adoption. The Council conducts public hearings on the budget, which must be adopted by December 15th, to become effective January 1st. In no event shall the total appropriations exceed total anticipated revenues, taking into account the estimated surplus or deficit at the end of the current fiscal year.

Budgets for the capital projects funds do not necessarily follow the time schedule for other funds, since capital projects may be started and completed at any time during the year. However, the capital projects budgets must be submitted to the Council for adequate public hearing and adoption on a project-length basis.

Annual operating budgets are adopted for the following governmental funds: General, Special Revenue, and Debt Service. All annual appropriations lapse at fiscal year-end. The General Fund and the major special revenue funds (Health Unit Fund, Jail Sales Tax Fund, and Road Fund) annual budgets are presented in the basic financial statements.

Formal budgetary integration is used for management control in the accounting records during the year for the governmental fund types. The capital projects funds project appropriations are initiated by project budgets rather than annual budgets, and accountability is controlled on the project-life basis.

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Assets, Liabilities, and Net Position or Equity

Cash and Investments

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Under state law, the Council 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 their principal offices in Louisiana.

Under state law, the Council may invest in United States bonds, treasury notes, treasury certificates, or the State Treasurer's Investment Pool. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at fair market 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." Any residual balances outstanding between the governmental activities and business-type activities are reported in the financial statements as "internal balances."

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

All trade receivables are shown net of an allowance for uncollectibles. The allowance for uncollectibles for trade receivables is based on agings and charge-off percentages.

Property taxes are levied in September or October each year on property values assessed as of the same date. Billed taxes become delinquent on January 1st of the following year, at which time the applicable property is subject to lien, and penalties and interest are assessed.

In the government-wide financial statements, receivables include trade receivables and due from other governments and consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include sales and use taxes, property taxes, franchise taxes, grants, fines, and grant reimbursements. Business-type activities report charges for services and penalties billed for utilities services and not collected at year-end and due from other governments as the major receivables.

Note 1. Summary of Significant Accounting Policies (Continued)

Assets, Liabilities, and Net Position or Equity (Continued)

Receivables and Payables (Continued)

In the fund financial statements, receivables are recorded when earned only if paid within 60 days since they would be considered both measurable and available. Receivables recorded in the proprietary fund are equal to the receivable balances recorded in the government-wide financial statements, as the same criteria are used to recognize the receivable.

Inventories and Prepaid Items

Inventories for supplies of the Road Fund are valued at cost using the first-in, first-out method. Costs of materials are recorded as expenditures in the Road Fund when consumed rather than when purchased. Other funds' supplies on hand at year-end are not significant and are recorded as expenditures/expenses when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the government-wide financial statements. Payments representing deposits are recorded as prepaid items in both the government-wide and fund financial statements.

Restricted Assets

Certain proceeds of bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet in both the governmental and enterprise funds because their use is limited by applicable bond covenants or for capital outlay projects. All restricted assets are held in cash. It is the policy of the Council to expend restricted assets first when both unrestricted and restricted assets are available.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Council as assets with an initial individual cost of more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if actual cost is unavailable. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed, net of interest earned on the invested proceeds over the same period.

Infrastructure assets acquired prior to 2003 were not capitalized and have been valued at estimated historical cost. All infrastructure assets purchased or constructed by the Council are depreciated accordingly. Certain improvements, including roads, bridges, and curbs and gutters acquired from subdivision developers, have been capitalized. Depreciation on all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position.

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Fixed assets are included on the statement of net position, net of accumulated depreciation. Depreciation is computed using the straight-line method over the following useful lives:

Asset	Estimated Useful Lives
Buildings	40 Years
Improvements Other than Buildings	20 Years
Machinery and Equipment	5 Years
Computer Equipment	3 Years
Vehicles	5 Years
Infrastructure	15 Years

Long-Term Obligations

In the government-wide statement of net position and proprietary fund type financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. The losses on bond defeasance are reported as deferred outflows of resources and amortized over the term of the related debt.

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

Compensated Absences

Employees of the Council earn annual leave at varying rates according to years of service. Employees that are terminated or resign will not be paid for accumulated sick leave. In accordance with GASB 16, *Accounting for Compensated Absences*, no liability has been accrued for unused employee sick leave.

As of December 31, 2018, the accrued liability for unpaid vacation benefits amounted to \$375,272. The amount applicable to the business-type activities was \$5,371, and is recorded in the Utility Enterprise Fund, and the amount of \$369,901 applicable to the governmental activities is reflected on the statement of net position. In addition, applicable percentages of retirement contributions, Social Security, and Medicare have been added to the above accrued leave.

Note 1. Summary of Significant Accounting Policies (Continued)

Assets, Liabilities, and Net Position or Equity (Continued)

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Parochial Employees' Retirement System (the Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Fund Equity

Government-Wide and Proprietary Fund Statements

Net position is classified in the following three components:

1. *Net Investment in Capital Assets* - Consists of capital assets, including restricted capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any borrowings that are attributable to the acquisition, construction, or improvement of those assets.
2. *Restricted* - Consists of net position with constraints placed on its use either by:
 - a. External groups, such as creditors, grantors, contributors, or laws or regulations of other governments, or
 - b. Law through constitutional provisions or enabling legislation.
3. *Unrestricted* - All other net position that does not meet the definition of "restricted" or "net investment in capital assets."

In the governmental fund financial statements, fund balance is composed of five classifications designed to disclose the hierarchy of constraints placed on how fund balance can be spent. The classifications of fund balance are as follows:

1. *Nonspendable* - Amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
2. *Restricted* - Amounts that can be spent only for specific purposes because of state or federal laws, or externally imposed conditions by grantors or creditors.
3. *Committed* - Amounts that can only be used for specific purposes determined by a formal action by council ordinance or resolution. These amounts cannot be used for any other purpose unless the Council removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed.

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Assets, Liabilities, and Net Position or Equity (Continued)

Fund Equity (Continued)

Government-Wide and Proprietary Fund Statements (Continued)

4. *Assigned* - Amounts the Council intends to use for a specific purpose; intent can be expressed by the Council or by an official or body to which the Council delegates the authority.
5. *Unassigned* - All amounts not included in other spendable classifications. The Council has not adopted a policy to maintain the General Fund's unassigned fund balance above a certain minimum level.

The details of the fund balances are included in the balance sheet - governmental funds (Statement C). The Council establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance or resolution. This is typically done through adoption and amendment of the budget. As noted above, restricted funds are used first as appropriate. Assigned funds are reduced to the extent that expenditure authority has been budgeted by the Council or the assignment has been changed by the Council. Decreases to fund balance first reduce unassigned fund balance; in the event that unassigned becomes zero, then assigned and committed fund balances are used in that order.

Proprietary fund equity is classified the same as in the government-wide financial statements.

Accounting Estimates

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

Adoption of New Accounting Principles

During the year ended December 31, 2018, the Council adopted GASB Statement No. 85, *Omnibus 2017*, issued in March 2017. The objective of GASB 85 is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and post-employment benefits (pensions and other postemployment benefits [OPEB]). The adoption of GASB Statement No. 85 had no impact on the Council.

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

New Accounting Pronouncements

The GASB issued Statement No. 87, *Leases*, in June 2017. The objective of GASB 87 is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. Management is still evaluating the potential impact of adoption on the Council's financial statements. This Statement will be effective for the Council for the fiscal year ending December 31, 2020.

Note 2. Cash and Cash Equivalents

The Council maintains a consolidated cash account that is available for use by all funds. In addition, the Council maintains other accounts that are required by bond covenants or by grant requirements. All cash maintained in the various bond covenant accounts are reported as restricted cash. In addition, an allocation is made from the consolidated cash account to report a portion as restricted to comply with bond covenant requirements that do not require a separate bank account.

Under state law, demand deposits, interest-bearing demand deposits, money market accounts, or certificates of deposit with a bank must be secured by federal deposit insurance or the pledge of securities owned by the bank. These pledged securities are held by and in the name of the fiscal agent bank, but pledged to the Council. Under state law, deposits held in a separate bank trust account are not required to have pledged securities in the name of the Council; however, the bank must deposit with an unaffiliated bank pledged securities to cover the deposits held in trust.

The following is a summary of cash and cash equivalent carrying values and bank balances at December 31, 2018:

	Governmental Activities	Business-Type Activities	Total
Book Balances			
<u>Unrestricted</u>			
Cash in Bank Accounts	\$ 15,900,466	\$ 431,846	\$ 16,332,312
Petty Cash	1,300	-	1,300
	15,901,766	431,846	16,333,612
<u>Restricted</u>	15,866,796	146,625	16,013,421
Total	\$ 31,768,562	\$ 578,471	\$ 32,347,033
Bank Balances			
Unrestricted	\$ 17,025,666	\$ 435,426	\$ 17,461,092
Restricted	15,866,796	146,625	16,013,421
Total	\$ 32,892,462	\$ 582,051	\$ 33,474,513

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 2. Cash and Cash Equivalents (Continued)

Custodial Credit Risk - Deposits

In the case of deposits, this is the risk that in the event of a bank failure the Council's deposits may not be recovered. As of December 31, 2018, \$18,744,741 of the Council's bank balance of \$33,474,513 was exposed to custodial credit risk because it was uninsured but collateralized with securities held by the pledging institution's trust department or agent, but not in the Council's name. The remainder of the Council's bank balance was either insured by the Federal Deposit Insurance Corporation or it was held in a bank trust department where state law requires the bank trust department to deposit securities with an unaffiliated bank that are equal to the amount held in trust.

Note 3. Investments

Investments held at December 31, 2018, consisted of \$3,525,783 in the Louisiana Asset Management Pool (LAMP), a local government investment pool which is reported in the governmental activities column of the statement of net position. LAMP is administered by Louisiana Asset Management Pool, 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 LRS 33:2955.

GASB Statement No. 40, *Deposit and Investment Risk Disclosure*, requires disclosure of credit risk, custodial credit risk, concentration of credit risk, interest rate risk, and foreign currency risk for all public entity investments.

LAMP is an investment pool that, to the extent practical, invests in a manner consistent with GASB Statement No. 79. The following facts are relevant for investment pools:

Credit Risk: LAMP is rated AAAM by Standard & Poor's.

Custodial Credit Risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 3. Investments (Continued)

Concentration of Credit Risk: Pooled investments are excluded from the 5% disclosure requirement.

Interest Rate Risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 60 days, and consists of no securities with a maturity in excess of 397 days. The WAM for LAMP's total investments was 30 days as of December 31, 2018.

Foreign Currency Risk: Not applicable.

The investments in LAMP are stated at fair value. 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 net asset 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.

Note 4. Receivables

Receivables as of December 31, 2018, for the Council's individual major funds and non-major funds in the aggregate, including the applicable allowance for uncollectible accounts, were as follows:

	Franchise Taxes	Royalties	Accounts	Less Allowance for Uncollectible	Total Net Receivable
Governmental Activities					
General Fund	\$ 278,095	\$ 149,815	\$ 39,469	\$ -	\$ 467,379
Health Unit Fund	-	-	170	-	170
Jail Sales Tax Fund	-	-	120	-	120
Road Fund	-	-	120	-	120
Non-Major Funds	28,265	-	77,469	-	105,734
Total Governmental Activities	306,360	149,815	117,348	-	573,523
Business-Type Activities					
Utility Enterprise Fund	-	-	859,459	(839,677)	19,782
Total Receivables	\$ 306,360	\$ 149,815	\$ 976,807	\$ (839,677)	\$ 593,305

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 5. Due from Other Governments

Due from other governments by governmental agency by individual major fund and non-major funds in the aggregate for the year ended December 31, 2018, were as follows:

	Federal	State	School Board	Sheriff	Other	Total
Governmental Activities						
General Fund	\$ 276,530	\$ 211,002	\$ 188,484	\$ 1,037,146	\$ 275	\$ 1,713,437
Health Unit Fund	-	-	-	1,237,538	-	1,237,538
Jail Sales Tax Fund	90,000	-	793,507	5,154	-	888,661
Road Fund	146,929	727,885	2,382,381	2,534,069	-	5,791,264
Non-Major Funds	1,782,964	88,882	43	1,600,246	1,822,757	5,294,892
Adjustment to Full Accrual Basis of Accounting	-	-	-	814,125	-	814,125
Total Governmental Activities	2,296,423	1,027,769	3,364,415	7,228,278	1,823,032	15,739,917
Business-Type Activities						
Utility Enterprise Fund	-	-	-	-	-	-
Total Receivables	\$ 2,296,423	\$ 1,027,769	\$ 3,364,415	\$ 7,228,278	\$ 1,823,032	\$ 15,739,917

The following schedule provides additional details of the balance due from the Livingston Parish Sheriff's Office for the year ended December 31, 2018:

	Ad Valorem Taxes	Revenue Sharing	Occupational and Alcohol Licenses	Fines and Forfeitures	Other	Total
Governmental Activities						
General Fund	\$ 999,862	\$ 35,607	\$ 880	\$ 796	\$ -	\$ 1,037,145
Health Unit Fund	1,225,743	11,795	-	-	-	1,237,538
Jail Sales Tax Fund	-	-	-	5,154	-	5,154
Road Fund	2,451,358	82,711	-	-	-	2,534,069
Non-Major Funds	919,120	1,014	-	33,566	646,547	1,600,247
Adjustment to Full Accrual Basis of Accounting	551,871	262,254	-	-	-	814,125
Total Governmental Activities	\$ 6,147,954	\$ 393,381	\$ 880	\$ 39,516	\$ 646,547	\$ 7,228,278

Note 6. Ad Valorem Taxes

All taxable property located within the State of Louisiana is subject by law to taxation on the basis of its assessed valuation. The assessed value is determined by the Parish Assessor, except for public utility property which is assessed by the Louisiana Tax Commission.

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 6. Ad Valorem Taxes (Continued)

The 1974 Louisiana Constitution provided that, beginning in 1978, all land and residential property are to be assessed at 10% of fair market value; agricultural, horticultural, marsh lands, timber lands, and certain historic buildings are to be assessed at 10% of "use" value; and all other property is to be assessed at 15% of fair market value. Fair market values are determined by the elected Assessor of the Parish and are subject to review and final certification by the Louisiana Tax Commission. The Parish Assessor is required to reappraise all property every four years.

The Sheriff of Livingston Parish, as provided by state law, is the official tax collector of general ad valorem taxes levied by the Council. All taxes are due by December 31st of the year-end and are delinquent on January 1st of the next year, which is also the lien date. If the taxes are not paid by the due date of December 31st, the taxes bear interest at 1.25% per month until the taxes are paid. After notice is given to the delinquent taxpayers, the Sheriff is required by the Constitution of the State of Louisiana to sell the least quantity of property necessary to settle the taxes and interest owed.

Ad valorem taxes are considered measurable each year following the filing of the tax rolls by the Parish Assessor with the Louisiana Tax Commission. Accordingly, the entire tax roll, less an estimate for uncollectible taxes, is recorded as taxes receivable in the government-wide financial statements. Uncollectible taxes are those taxes which, based on past experience, will not be collected in the subsequent year and are primarily due to subsequent adjustments to the tax roll.

At the governmental fund level ad valorem taxes are recorded when measurable and available where only amounts received within the current year or within 60 days thereafter are recognized as revenue.

The following is a summary of maximum and levied ad valorem taxes and the expiration dates for each:

Fund	Expiration Date	Assessed Millage	Taxable Assessed Valuations	Taxes Assessed for:	
				General Purpose	Other Purposes
Governmental Activities					
Parish - Outside	Statutory	2.320	\$ 401,888,793	\$ 932,382	\$ -
Parish - Inside	Statutory	1.160	138,031,034	160,116	-
Health Unit Fund					
Parish - Outside	12/31/2024	2.500	401,888,800	-	1,004,722
Parish - Inside	12/31/2024	2.500	138,031,200	-	345,078
Road Fund					
Parish - Outside	12/31/2022	5.000	401,888,600	-	2,009,443
Parish - Inside	12/31/2022	5.000	138,031,200	-	690,156
Fire District No. 8	12/31/2027	16.630	11,675,225	-	194,159
Library Debt Service Fund	12/31/2023	1.500	539,921,333	-	809,882
Total				\$ 1,092,498	\$ 5,053,440

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 7. Deferred Outflows of Resources - Refunding of Debt

In 2012, the Council implemented GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, and GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. These Statements provide guidance on reporting the difference between the reacquisition price and the net carrying amount of the old debt for current and advance refunding resulting in defeasance of debt. The difference is reported as a deferred outflow of resources or a deferred inflow of resources and recognized as a component of interest expense over the remaining life of the old debt. At December 31, 2018, the Council had a deferred amount on refunding of debt of \$3,327,689, which resulted from the advance refunding of the Library General Obligation Bonds, Series 2004; the Road Project Revenue Bonds, Series 2006; the Jail Project Revenue Bonds, Series 2006; the North Park Project Revenue Bonds, Series 2008; the Live Oak Project Revenue Bonds, Series 2008 and 2015; and the Office of Motor Vehicles Project Revenue Bonds, Series 2016.

Note 8. Interfund Receivables and Payables

The following schedule is a summary of due from/(to) other funds including long-term advances reported in the fund financial statements and net internal balances as reported on the statement of net position as of December 31, 2018:

	Due from Other Funds	Due to Other Funds	Net Internal Balances
Governmental Activities			
Governmental Funds			
Balance Sheet			
General Fund	\$ 7,458,178	\$ (837,948)	\$ 6,620,230
Health Unit Fund	300,000	(227,549)	72,451
Road Fund	1,388,509	(1,303,434)	85,075
Jail Sales Tax Fund	-	(6,356,550)	(6,356,550)
Non-Major Funds	-	(398,823)	(398,823)
	9,146,687	(9,124,304)	22,383
Business-Type Activities			
Utility Enterprise Fund			
Statement of Net Position	517,617	(540,000)	(22,383)
	517,617	(540,000)	(22,383)
Total	\$ 9,664,304	\$ (9,664,304)	\$ -

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 9. Payables

The payables, as reported on the statement of net position at December 31, 2018, included the following:

	Governmental Activities	Business-Type Activities	Total
Accounts Payable	\$ 3,640,932	\$ 16,312	\$ 3,657,244
Accrued Wages	254,872	2,665	257,537
Accrued Expenses and Withholdings	357,029	4,062	361,091
Customer Deposits	-	4,500	4,500
Total	\$ 4,252,833	\$ 27,539	\$ 4,280,372

Note 10. Capital Assets

The following is a summary of the changes in capital assets for the year ended December 31, 2018:

Governmental Activities	Balance January 1, 2018	Increases	Decreases	Balance December 31, 2018
Capital Assets Not Being Depreciated				
Land	\$ 6,600,721	\$ 829,012	\$ (389,828)	\$ 7,039,905
Construction in Progress	7,574,992	4,721,039	(8,320,256)	3,975,775
Total Capital Assets Not Being Depreciated	14,175,713	5,550,051	(8,710,084)	11,015,680
Capital Assets Being Depreciated				
Buildings	74,609,115	-	-	74,609,115
Sewer System	2,126,234	-	-	2,126,234
Machinery and Equipment	8,047,961	505,904	(555,366)	7,998,499
Infrastructure	154,193,482	6,835,684	-	161,029,166
Furniture and Fixtures	527,323	8,287	-	535,610
Recreational Facilities	3,758,232	1,552,050	-	5,310,282
Total Capital Assets Being Depreciated	243,262,347	8,901,925	(555,366)	251,608,906
Less Accumulated Depreciation for:				
Buildings	(16,416,265)	(1,815,656)	-	(18,231,921)
Sewer System	(808,681)	(141,749)	-	(950,430)
Machinery and Equipment	(6,780,914)	(592,689)	555,366	(6,818,237)
Infrastructure	(112,832,428)	(9,770,452)	-	(122,602,880)
Furniture and Fixtures	(327,548)	(42,796)	-	(370,344)
Recreational Facilities	(634,202)	(119,823)	-	(754,025)
Total Accumulated Depreciation	(137,800,038)	(12,483,165)	555,366	(149,727,837)
Total Capital Assets Being Depreciated, Net	105,462,309	(3,581,240)	-	101,881,069
Capital Assets, Net	\$ 119,638,022	\$ 1,968,811	\$ (8,710,084)	\$ 112,896,749

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 10. Capital Assets (Continued)

Business-Type Activities	Balance January 1, 2018	Increases	Decreases	Balance December 31, 2018
Capital Assets Not Being Depreciated				
Land	\$ 13,243	\$ -	\$ -	\$ 13,243
Construction in Progress	3,374	96,548	(99,922)	-
Total Capital Assets Not Being Depreciated	16,617	96,548	(99,922)	13,243
Capital Assets Being Depreciated				
Utility System	9,661,275	99,922	-	9,761,197
Total Capital Assets Being Depreciated	9,661,275	99,922	-	9,761,197
Less Accumulated Depreciation for:				
Utility System	(2,969,451)	(310,796)	-	(3,280,247)
Total Accumulated Depreciation	(2,969,451)	(310,796)	-	(3,280,247)
Total Capital Assets Being Depreciated, Net	6,691,824	(210,874)	-	6,480,950
Capital Assets, Net	\$ 6,708,441	\$ (114,326)	\$ (99,922)	\$ 6,494,193

Property, plant, and equipment are stated at cost, less an allowance for accumulated depreciation. Donated capital assets are recorded at estimated fair market value at the date of donation. Depreciation expense is computed using the straight-line method over the estimated useful lives of the assets as described in Note 1. During the year ended December 31, 2018, the Council recorded an impairment of \$389,828 on land that was acquired with hazard mitigation federal grant funds.

Depreciation was charged to governmental functions as follows:

General Government	\$ 1,236,633
Public Safety	682,112
Public Works	9,734,392
Health and Welfare	174,343
Culture and Recreation	655,685
Total	\$ 12,483,165

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 11. Long-Term Debt

The following is a summary of debt transactions of the Council for the year ended December 31, 2018:

	Debt Payable			Debt Payable	
	January 1, 2018	Additions	Deletions	December 31, 2018	Due Within 1 Year
Governmental Activities					
Compensated Absences	\$ 459,487	\$ -	\$ (89,586)	\$ 369,901	\$ 92,475
Net Pension Liability	753,491	-	(753,491)	-	-
Library General Obligation Refunding Bonds, Series 2012	4,400,000	-	(570,000)	3,830,000	590,000
Road Project Revenue Refunding Bonds, Series 2014	16,920,000	-	(3,985,000)	12,935,000	4,140,000
Jail Project Revenue Refunding Bonds, Series 2014	6,270,000	-	(1,475,000)	4,795,000	1,535,000
Live Oak Sports Complex Project Revenue Bonds, Series 2008	100,000	-	(100,000)	-	-
Live Oak Sports Complex Project Refunding Bonds, Series 2015	3,730,000	-	(30,000)	3,700,000	135,000
Livingston Parish Recreation District No. 2 Project Revenue Bonds, Series 2017	1,860,000	-	-	1,860,000	5,000
North Park Project Revenue Bonds, Series 2008	350,000	-	(170,000)	180,000	180,000
North Park Project Revenue Refunding Bonds, Series 2014	8,815,000	-	(125,000)	8,690,000	130,000
Office of Motor Vehicles Project Revenue Bonds, Series 2009	235,000	-	(115,000)	120,000	120,000
Office of Motor Vehicles Revenue Refunding Bonds, Series 2016	4,260,000	-	(35,000)	4,225,000	35,000
Sewer District No. 2 Project Revenue Bonds, Series 2009	120,000	-	(60,000)	60,000	60,000
Courthouse Project Revenue Bonds, Series 2011	15,675,000	-	(390,000)	15,285,000	405,000
GOMESA Revenue Bonds, Series 2018	-	8,000,000	-	8,000,000	-
Unamortized Premium on Debt	1,400,335	-	(507,848)	892,487	368,622
Unamortized Discount on Debt	(133,593)	-	(120,085)	(253,678)	(8,180)
Capital Lease	139,138	-	(97,746)	41,392	41,392
Total Governmental Activities	65,353,858	8,000,000	(8,623,756)	64,730,102	7,829,309
Business-Type Activities					
Compensated Absences	5,354	17	-	5,371	-
Water Revenue Bonds, Series 2007	2,020,154	-	(50,300)	1,969,854	52,480
Community Development Water System Loan	223,700	-	(14,400)	207,900	15,100
Total Business-Type Activities	2,249,208	17	(64,700)	2,183,125	67,580
Total Debt	\$ 67,603,066	\$ 8,000,017	\$ (8,688,456)	\$ 66,913,227	\$ 7,896,889

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 11. Long-Term Debt (Continued)

Governmental Activity Debt

Library General Obligation Refunding Bonds, Series 2012

Library General Obligation Refunding Bonds, Series 2012 - \$6,180,000, dated May 10, 2012, due in annual installments of principal and semi-annual installments of interest through March 1, 2024; variable interest rate ranging from 2.00% to 3.00%.

\$ 3,830,000

A schedule of the outstanding Library General Obligation Refunding Bonds, Series 2012, principal and interest requirements is as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 590,000	\$ 88,331	\$ 678,331
2020	605,000	76,381	681,381
2021	625,000	63,300	688,300
2022	645,000	48,609	693,609
2023	670,000	30,900	700,900
2024	695,000	10,425	705,425
Total	<u>\$ 3,830,000</u>	<u>\$ 317,946</u>	<u>\$ 4,147,946</u>

The Debt Service Fund is designed to achieve a proper matching of revenues and debt service on the bonds within each bond year. For purposes of this Arbitrage Certificate and compliance with Arbitrage Regulations, "Bond Year" shall mean the 1-year period ending on each principal payment date of the bonds, which is March 1st of each year. All amounts deposited in the Debt Service Fund will be applied to the next payment of principal or interest on the bonds following such transfer. All amounts deposited in the Debt Service Fund are expected to be depleted at least once each bond year, except for a reasonable carryover amount which will not exceed the greater of (i) the earnings on the Debt Service Fund for the immediately preceding bond year, or (ii) 1/12 of the principal and interest payments on the bonds for the immediately preceding bond year. At December 31, 2018, the Library Debt Service Fund had a debt service restricted fund balance of \$828,674.

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 11. Long-Term Debt (Continued)

Governmental Activity Debt (Continued)

Road Project Revenue Refunding Bonds, Series 2014

Road Project Revenue Refunding Bonds, Series 2014 - \$21,105,000, dated March 28, 2014, due in annual installments of principal and semi-annual installments of interest through March 1, 2021; variable interest rate ranging from 3.00% to 4.00%.

\$ 12,935,000

A schedule of the outstanding Road Project Revenue Refunding Bonds, Series 2014, principal and interest requirements is as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 4,140,000	\$ 434,600	\$ 4,574,600
2020	4,310,000	265,600	4,575,600
2021	4,485,000	89,700	4,574,700
Total	\$ 12,935,000	\$ 789,900	\$ 13,724,900

The Road Project Revenue Bonds were issued through the Louisiana Local Government Environmental Facilities and Community Development Authority (the Authority) for the purpose of providing funding to finance the construction, acquisition, extension, expansion, and improvement of roads, bridges, and related road drainage projects throughout Livingston Parish. As a condition to enter into this debt, the Council pledged lawfully available funds to secure payment of these bonds as defined in the agreement between the Council and the Authority. In addition, as a condition of the loan, the Authority determined that it is financially advantageous to fund the Reserve Fund Requirement of this loan with a reserve fund instrument consisting of a surety bond in the amount of \$466,545.

According to the terms of the Trust Indentures, the Council established the Road 06 Debt Service Fund. All amounts deposited in the Debt Service Fund are expected to be depleted at least once each bond year, except for a reasonable carryover amount which will not exceed the greater of (i) the earnings on the Debt Service Fund for the immediately preceding bond year, or (ii) 1/12 of the next principal payment per month and 1/6 of the next interest payment per month on the bonds for the immediately preceding bond year. At December 31, 2018, the Road 06 Debt Service Fund was fully funded with an actual balance of \$3,670,032.

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 11. Long-Term Debt (Continued)

Governmental Activity Debt (Continued)

Jail Project Revenue Refunding Bonds, Series 2014

Jail Project Revenue Refunding Bonds, Series 2014 - \$7,775,000, dated March 28, 2014, due in annual installments of principal and semi-annual installments of interest through March 1, 2021; variable interest rate ranging from 3.00% to 4.00%.

\$ 4,795,000

A schedule of the outstanding Jail Project Revenue Refunding Bonds, Series 2014, principal and interest requirements is as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 1,535,000	\$ 161,100	\$ 1,696,100
2020	1,600,000	98,400	1,698,400
2021	1,660,000	33,200	1,693,200
Total	<u>\$ 4,795,000</u>	<u>\$ 292,700</u>	<u>\$ 5,087,700</u>

The Jail Project Revenue Bonds were issued through the Authority for the purpose of providing funding to finance the construction, acquisition, expansion, improvement, equipment, and furnishings of jail facilities in Livingston Parish. As a condition to enter into this debt, the Council pledged lawfully available funds, including jail tax revenues, to secure payment of these bonds as defined in the agreement between the Council and the Authority. In addition, as a condition of the loan, the Authority determined that it is financially advantageous to fund the Reserve Fund Requirement of this loan with a Reserve Fund Instrument consisting of a surety bond in the amount of \$170,915.

According to the terms of the Trust Indentures, the Council established the Jail Debt Service Fund. All amounts deposited in the Debt Service Fund are expected to be depleted at least once each bond year, except for a reasonable carryover amount which will not exceed the greater of (i) the earnings on the Debt Service Fund for the immediately preceding bond year, or (ii) 1/12 of the next principal payment per month and 1/6 of the next interest payment per month on the bonds for the immediately preceding bond year. At December 31, 2018, the Jail Debt Service Fund was fully funded with an actual balance of \$1,364,154.

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 11. Long-Term Debt (Continued)

Governmental Activity Debt (Continued)

Live Oak Sports Complex Project Revenue Refunding Bonds, Series 2015

Live Oak Sports Complex Project Revenue Refunding Bonds, Series 2015 - \$3,820,000, dated December 17, 2015, due in annual installments of principal and semi-annual installments of interest through September 1, 2038; variable interest rate ranging from 1.25% to 4.25%.

\$ 3,700,000

A schedule of the outstanding Live Oak Sports Complex Project Revenue Refunding Bonds, Series 2015, principal and interest requirements is as follows:

Year Ending December 31,	Principal	Interest	Total
2019	\$ 135,000	\$ 130,990	\$ 265,990
2020	135,000	128,290	263,290
2021	140,000	125,590	265,590
2022	145,000	122,790	267,790
2023	145,000	118,440	263,440
2024 - 2028	815,000	517,075	1,332,075
2029 - 2033	990,000	337,381	1,327,381
2034 - 2038	1,195,000	135,835	1,330,835
Total	\$ 3,700,000	\$ 1,616,391	\$ 5,316,391

According to the terms of the Trust Indentures, the Council established the Live Oak Sports Complex Debt Service Fund. All amounts deposited in the Debt Service Fund are expected to be depleted at least once each bond year, except for a reasonable carryover amount which will not exceed the greater of (i) the earnings on the Debt Service Fund for the immediately preceding bond year, or (ii) 1/12 of the next principal payment per month and 1/6 of the next interest payment per month on the bonds for the immediately preceding bond year. At December 31, 2018, the Live Oak Sports Complex Debt Service Fund was fully funded with an actual balance of \$281,249.

Livingston Parish Recreation District No. 2 Project Revenue Bonds, Series 2017

Livingston Parish Recreation District No. 2 Project Revenue Bonds, Series 2017 - \$1,860,000, dated July 18, 2017, due in annual installments of principal and semi-annual installments of interest through September 1, 2044; interest rate of 3.75%.

\$ 1,860,000

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 11. Long-Term Debt (Continued)

Governmental Activity Debt (Continued)

Livingston Parish Recreation District No. 2 Project Revenue Bonds, Series 2017 (Continued)

A schedule of the outstanding Livingston Parish Recreation District No 2. Project Revenue Bonds, Series 2017, principal and interest requirements is as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 5,000	\$ 69,750	\$ 74,750
2020	10,000	69,563	79,563
2021	5,000	69,188	74,188
2022	5,000	69,000	74,000
2023	10,000	68,813	78,813
2024 - 2028	40,000	339,375	379,375
2029 - 2033	45,000	331,313	376,313
2034 - 2038	55,000	322,125	377,125
2039 - 2043	1,500,000	207,188	1,707,188
2044 - 2048	185,000	6,938	191,938
Total	\$ 1,860,000	\$ 1,553,253	\$ 3,413,253

Livingston Parish Recreation District No 2. Project Revenue Bonds, Series 2017 are included in the Live Oak Sports Complex Debt Service Fund along with the Live Oak Sports Complex Project Revenue Bonds, Series 2008 and Series 2015.

North Park Project Revenue Bonds, Series 2008

North Park Project Revenue Bonds, Series 2008 - \$8,635,000, dated October 30, 2008, due in annual installments of principal and semi-annual installments of interest through October 1, 2038; variable interest rate ranging from 6.90% to 7.00%. During 2014, the bond maturities for the years 2020 through 2038 were refunded.

\$ 180,000

A schedule of the outstanding North Park Project Revenue Bonds, Series 2008, principal and interest requirements is as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 180,000	\$ 10,980	\$ 190,980
Total	\$ 180,000	\$ 10,980	\$ 190,980

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 11. Long-Term Debt (Continued)

Governmental Activity Debt (Continued)

North Park Project Revenue Bonds, Series 2008 (Continued)

The North Park Project Revenue Bonds were issued through the Authority for the purpose of providing funding to finance the cost of acquiring, designing, constructing, and developing of an indoor basketball court, a multi-purpose gym, a health and fitness center, an indoor/outdoor pool and splash park, a pond walking trail, tennis facilities, soccer facilities, and expansion of existing ball fields within Recreation District No. 3 of Livingston Parish. As a condition to enter into this debt, the Council pledged lawfully available funds to secure payment of these bonds as defined in the agreement between the Council and the Authority. In addition, as a condition of the loan, a Reserve Fund Requirement for this loan was necessary to complete the financing. The Reserve Fund was initially funded with a withholding of the bond proceeds of \$647,488.

The Council entered into a Local Service Agreement with Recreation District No. 3 of Livingston Parish where the Recreation District agreed to repay the principal and interest on the bonds in exchange for the Council to administer the construction funds.

North Park Project Revenue Refunding Bonds, Series 2014

North Park Project Revenue Refunding Bonds, Series 2014 - \$9,195,000, dated June 18, 2014, due in annual installments of principal and semi-annual installments of interest through October 1, 2038; variable interest rate ranging from 3.00% to 4.10%.

\$ 8,690,000

A schedule of the outstanding North Park Project Revenue Refunding Bonds, Series 2014, principal and interest requirements is as follows:

Year Ending December 31,	Principal	Interest	Total
2019	\$ 130,000	\$ 321,265	\$ 451,265
2020	330,000	317,365	647,365
2021	340,000	307,465	647,465
2022	350,000	297,265	647,265
2023	360,000	286,765	646,765
2024 - 2028	1,965,000	1,259,565	3,224,565
2029 - 2033	2,350,000	874,785	3,224,785
2034 - 2038	2,865,000	361,620	3,226,620
Total	\$ 8,690,000	\$ 4,026,095	\$ 12,716,095

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 11. Long-Term Debt (Continued)

Governmental Activity Debt (Continued)

North Park Project Revenue Refunding Bonds, Series 2014 (Continued)

According to the terms of the Trust Indentures, the Council established the North Park Debt Service Fund. All amounts deposited in the Debt Service Fund are expected to be depleted at least once each bond year, except for a reasonable carryover amount which will not exceed the greater of (i) the earnings on the Debt Service Fund for the immediately preceding bond year, or (ii) 1/12 of the next principal payment per month and 1/6 of the next interest payment per month on the bonds for the immediately preceding bond year. At December 31, 2018, the North Park Debt Service Fund was fully funded with an actual balance of \$782,403.

Office of Motor Vehicles Project Revenue Bonds, Series 2009

Office of Motor Vehicles Project Revenue Bonds, Series 2009 - \$4,820,000, dated September 30, 2009, due in annual installments of principal and semi-annual installments of interest through September 1, 2039; variable interest rate ranging from 3.00% to 4.75%. During 2016, the bond maturities for the years 2020 through 2039 were refunded.

\$ 120,000

A schedule of the outstanding Office of Motor Vehicles Project Revenue Bonds, Series 2009, principal and interest requirements is as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 120,000	\$ 4,140	\$ 124,140
Total	<u>\$ 120,000</u>	<u>\$ 4,140</u>	<u>\$ 124,140</u>

The Office of Motor Vehicles Project Revenue Bonds were issued through the Authority for the purpose of providing funding to finance the construction, equipping, and furnishing of a building for the Livingston Parish Office of Motor Vehicles. As a condition to enter into this debt, the Council pledged lawfully available funds, including motor vehicle service fees of \$3 per transaction, to secure payment of these bonds as defined in the agreement between the Council and the Authority. In addition, as a condition of the loan, the Authority determined that it is financially advantageous to fund the Reserve Fund Requirement of this loan with a Reserve Fund Instrument consisting of a surety bond in the amount of \$65,854.

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 11. Long-Term Debt (Continued)

Governmental Activity Debt (Continued)

Office of Motor Vehicles Project Revenue Refunding Bonds, Series 2016

Office of Motor Vehicles Project Revenue Refunding Bonds, Series 2016 - \$4,310,000, dated May 25, 2016, due in annual installments of principal and semi-annual installments of interest through September 1, 2039; variable interest rate ranging from 3.55% to 4.75%.

\$ 4,225,000

A schedule of the outstanding Office of Motor Vehicles Project Revenue Refunding Bonds, Series 2016, principal and interest requirements is as follows:

Year Ending December 31,	Principal	Interest	Total
2019	\$ 35,000	\$ 124,660	\$ 159,660
2020	160,000	124,275	284,275
2021	165,000	122,275	287,275
2022	170,000	118,975	288,975
2023	175,000	113,875	288,875
2024 - 2028	910,000	514,513	1,424,513
2029 - 2033	1,080,000	342,850	1,422,850
2034 - 2038	1,255,000	163,930	1,418,930
2039 - 2043	275,000	8,800	283,800
Total	\$ 4,225,000	\$ 1,634,153	\$ 5,859,153

According to the terms of the Trust Indentures, the Council established the Livingston Debt Service Fund. All amounts deposited in the Debt Service Fund are expected to be depleted at least once each bond year, except for a reasonable carryover amount which will not exceed the greater of (i) the earnings on the Debt Service Fund for the immediately preceding bond year, or (ii) 1/12 of the next principal payment per month and 1/6 of the next interest payment per month on the bonds for the immediately preceding bond year. At December 31, 2018, the Livingston Debt Service Fund was fully funded with an actual balance of \$103,363.

Sewer District No. 2 Project Revenue Bonds, Series 2009

Sewer District No. 2 Project Revenue Bonds, Series 2009 - \$2,500,000, dated December 1, 2009, due in annual installments of principal and semi-annual installments of interest through March 1, 2039; variable interest rate ranging from 2.50% to 5.125%. During 2016, the bond maturities for the years 2020 through 2039 were refunded.

\$ 60,000

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 11. Long-Term Debt (Continued)

Governmental Activity Debt (Continued)

Sewer District No. 2 Project Revenue Bonds, Series 2009 (Continued)

A schedule of the outstanding Sewer District No. 2 Project Revenue Bonds, Series 2009, principal and interest requirements is as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 60,000	\$ 3,600	\$ 63,600
Total	\$ 60,000	\$ 3,600	\$ 63,600

The Sewer District No. 2 Project Revenue Bonds were issued through the Authority for the purpose of providing funding to finance the acquisition, construction, extension, and improvement of the sewerage system of Sewerage District No. 2 of Livingston Parish. As a condition to enter into this debt, the Council pledged lawfully available funds to secure payment of these bonds as defined in the agreement between the Council and the Authority. In addition, as a condition of the loan, a Reserve Fund Requirement for this loan was necessary to complete the financing. The Reserve Fund was funded with a withholding of the bond proceeds of \$64,802.

According to the terms of the Trust Indentures, the Council established the Sewer No. 2 Debt Service Fund. All amounts deposited in the Debt Service Fund are expected to be depleted at least once each bond year, except for a reasonable carryover amount which will not exceed the greater of (i) the earnings on the Debt Service Fund for the immediately preceding bond year, or (ii) 1/12 of the next principal payment per month and 1/6 of the next interest payment per month on the bonds for the immediately preceding bond year. At December 31, 2018, the Sewer No. 2 Debt Service Fund was fully funded with an actual balance of \$132,121.

The Council entered into a Local Service Agreement with Sewerage District No. 2 of Livingston Parish where the Sewerage District agreed to repay the principal and interest on the bonds in exchange for the Council to administer the construction funds.

During 2016, the bond maturities for the years 2020 through 2039 were refunded and transferred to Sewerage District No. 2 of Livingston Parish.

Courthouse Project Revenue Bonds, Series 2011

Courthouse Project Revenue Bonds, Series 2011 - \$17,865,000, dated September 1, 2011, due in annual installments of principal and semi-annual installments of interest through September 1, 2041; variable interest rate ranging from 2.00% to 5.00%.

\$ 15,285,000

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 11. Long-Term Debt (Continued)

Governmental Activity Debt (Continued)

Courthouse Project Revenue Bonds, Series 2011 (Continued)

A schedule of the outstanding Courthouse Project Revenue Bonds, Series 2011, principal and interest requirements is as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 405,000	\$ 685,956	\$ 1,090,956
2020	415,000	673,806	1,088,806
2021	430,000	661,356	1,091,356
2022	440,000	648,456	1,088,456
2023	460,000	628,656	1,088,656
2024-2028	2,655,000	2,796,880	5,451,880
2029-2033	3,330,000	2,116,088	5,446,088
2034-2038	4,165,000	1,285,520	5,450,520
2039-2043	2,985,000	280,275	3,265,275
Total	\$ 15,285,000	\$ 9,776,993	\$ 25,061,993

The Courthouse Project Revenue Bonds were issued through the Authority for the purpose of providing funding to finance the construction, acquisition, equipping, and furnishing of a building to serve as the Livingston Parish Courthouse. As a condition to enter into this debt, the Council pledged lawfully available funds, including special filing charges imposed by the Courthouse Financing Act, to secure payment of these bonds as defined in the agreement between the Council and the Authority. In addition, as a condition of the loan, the Authority determined that it is financially advantageous to fund the Reserve Fund Requirement of this loan with a Reserve Fund Instrument consisting of a surety bond in the amount of \$205,967.

According to the terms of the Trust Indentures, the Council established the Courthouse Debt Service Fund. All amounts deposited in the Debt Service Fund are expected to be depleted at least once each bond year, except for a reasonable carryover amount which will not exceed the greater of (i) the earnings on the Debt Service Fund for the immediately preceding bond year, or (ii) 1/12 of the next principal payment per month and 1/6 of the next interest payment per month on the bonds for the immediately preceding bond year. At December 31, 2018, the Courthouse Debt Service Fund was fully funded with an actual balance of \$370,191.

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 11. Long-Term Debt (Continued)

Governmental Activity Debt (Continued)

GOMESA Revenue Bonds, Series 2018

GOMESA Revenue Bonds, Series 2018 - \$8,000,000, dated December 1, 2018, due in annual installments of principal and semi-annual installments of interest through November 1, 2038; interest rate 5.375%

\$ 8,000,000

A schedule of the outstanding GOMESA Revenue Bonds, Series 2018, principal and interest requirements is as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ -	\$ 157,667	\$ 157,667
2020	-	430,000	430,000
2021	-	430,000	430,000
2022	270,000	422,744	692,744
2023	285,000	407,828	692,828
2024 - 2028	1,685,000	1,784,366	3,469,366
2029 - 2033	2,205,000	1,264,603	3,469,603
2034 - 2038	2,880,000	585,069	3,465,069
2039 - 2043	675,000	18,141	693,141
Total	\$ 8,000,000	\$ 5,500,418	\$ 13,500,418

The GOMESA Revenue Bonds were issued through the Authority for the purposes of (i) financing qualified GOMESA Projects within the Parish, and (ii) paying the costs of issuance of the Bonds. As a condition to enter into this debt, the Council pledged GOMESA revenues (revenues required to be distributed to the Gulf of Mexico states pursuant to GOMESA).

According to the terms of the Trust Indentures, the Council established the GOMESA Debt Service Fund. All amounts deposited in the Debt Service Fund are expected to be depleted at least once each bond year, except for a reasonable carryover amount which will not exceed the greater of (i) the earnings on the Debt Service Fund for the immediately preceding bond year, or (ii) 1/12 of the next principal payment per month and 1/6 of the next interest payment per month on the bonds for the immediately preceding bond year. At December 31, 2018, the GOMESA Debt Service Fund was funded with an actual balance of \$315,334.

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 11. Long-Term Debt (Continued)

Governmental Activity Debt (Continued)

Defeased Debt Outstanding

In prior years, the Council defeased general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust account to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Council's financial statements. At December 31, 2018, \$3,911,209 of defeased bonds remained outstanding.

Capital Lease Obligation

In 2014, the Council entered into a lease agreement as lessee for financing the acquisition of tractors valued at \$471,592. The tractors have a five-year estimated useful life. In 2018, \$94,318 was included in depreciation expense. This lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of future minimum lease payments as of the inception date. At December 31, 2018, the leased equipment had a net book value of \$35,370.

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2018, were as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2019	\$ 41,629
Less: Amount Representing Interest	<u>(237)</u>
Present Value of Minimum Lease Payments	<u>\$ 41,392</u>

Business-Type Activity Debt

Water Revenue Bonds, Series 2007

Water Revenue Bonds, Series 2007 - \$2,572,000, dated September 26, 2007, due in annual installments of principal and semi-annual installments of interest through September 26, 2041; interest rate of 4.25%.

\$ 1,969,854

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 11. Long-Term Debt (Continued)

Business-Type Activity Debt

Water Revenue Bonds, Series 2007 (Continued)

A schedule of the outstanding Water Revenue Bonds, Series 2007, principal and interest requirements is as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 52,480	\$ 82,705	\$ 135,185
2020	54,754	80,430	135,184
2021	57,127	78,057	135,184
2022	59,602	75,581	135,183
2023	62,186	75,581	137,767
2024 - 2028	353,768	322,154	675,922
2029 - 2033	437,364	238,558	675,922
2034 - 2038	540,713	135,208	675,921
2038 - 2041	351,860	21,684	373,544
Total	\$ 1,969,854	\$ 1,109,958	\$ 3,079,812

The Water Revenue Bonds were issued for the purpose of financing the cost of constructing and acquiring improvements, extensions, and replacements to the waterworks system.

Community Development Water System Loan

Community Development Water System Loan - \$350,000, drawn on various dates, due in various monthly increments, with interest calculated at variable rates, with the final payment due November 1, 2029.

\$ 207,900

A schedule of the outstanding Community Development Water System Loan principal and interest requirements is as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 15,100	\$ 2,794	\$ 17,894
2020	15,800	2,581	18,381
2021	16,800	2,356	19,156
2022	16,800	2,124	18,924
2023	16,800	2,124	18,924
2024 - 2028	105,267	5,343	110,610
2028 - 2029	21,333	152	21,485
Total	\$ 207,900	\$ 17,474	\$ 225,374

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 11. Long-Term Debt (Continued)

Business-Type Activity Debt (Continued)

Community Development Water System Loan (Continued)

The Council authorized this loan by Ordinance 03-247, dated June 12, 2003, and has drawn a total of \$223,700. This loan requires principal repayments through 2029. The loan proceeds were used to finance improvements to the Council's waterworks systems serving Bruce's Harbor, Springfield Terrace, and Haynes Settlement.

The annual requirements to amortize the loan balance outstanding using an estimated current interest rate of 1.38% is shown in the above schedule. The actual future amounts of interest paid may vary from this schedule depending on fluctuations in the variable rate applied to the loan.

Debt Service Requirements to Maturity

The annual requirements to repay the debt of the Council, with the exception of compensated absences, including principal and interest, are as follows:

Year Ending December 31,	Government Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2019	\$ 7,376,392	\$ 2,193,039	\$ 9,569,431	\$ 67,580	\$ 85,499	\$ 153,079
2020	7,565,000	1,753,680	9,318,680	70,554	83,011	153,565
2021	7,850,000	1,902,074	9,752,074	73,927	80,413	154,340
2022	2,025,000	1,727,839	3,752,839	76,402	77,705	154,107
2023	2,105,000	1,655,277	3,760,277	78,986	77,705	
2024 - 2028	8,765,000	7,222,199	15,987,199	459,035	327,497	786,532
2029 - 2033	10,000,000	5,267,020	15,267,020	458,697	238,710	697,407
2034 - 2038	12,415,000	68,711,853	81,126,853	540,713	135,208	675,921
2039 - 2043	5,435,000	514,404	5,949,404	351,860	21,684	373,544
2044 - 2048	185,000	6,938	191,938	-	-	-
	63,721,392	\$ 90,954,323	\$ 154,675,715	\$ 2,177,754	\$ 1,127,432	\$ 3,305,186
Net Unamortized Premiums (Discounts)	638,809					
	<u>\$ 64,360,201</u>					

Louisiana Revised Statute 39:562 limits the amount of outstanding general obligation bonded debt of any subdivision for any one of the purposes authorized to 10% of the assessed valuation of the taxable property of such subdivision, including both (1) homestead exempt property, which shall be included on the assessment roll for the purposes of calculating debt limitation and (2) nonexempt property, as ascertained by the last assessment for parish, municipal, or local purposes prior to delivery of the bonds representing such indebtedness, regardless of the date of the election at which said bonds were approved. For the year ended December 31, 2018, the Council's general obligation debt limit was \$78,463,576. The Council's general obligation debt did not exceed the legal limits as of December 31, 2018.

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 12. Restricted Assets

Restricted assets were applicable to the following at December 31, 2018:

	Funds Raised for:			Total
	Debt Reserves	Debt Service	Other	
Governmental Activities				
Library General Obligation Refunding Bonds, Series 2012	\$ -	\$ 600,481	\$ -	\$ 600,481
Road Project Revenue Refunding Bonds, Series 2014	-	3,670,032	-	3,670,032
Jail Project Revenue Refunding Bonds, Series 2014	-	1,364,154	-	1,364,154
Live Oak Sports Complex Project Revenue Bonds, Series 2008	-	-	-	-
Live Oak Sports Complex Project Revenue Bonds, Series 2015	2	100,683	154,195	254,880
Livingston Parish Recreation District No. 2 Project Revenue Bonds, Series 2017	-	30,073	-	30,073
North Park Project Revenue Bonds, Series 2008	198,720	47,745	-	246,465
North Park Project Revenue Refunding Bonds, Series 2014	454,087	112,816	-	566,903
Office of Motor Vehicles Project Revenue Bonds, Series 2009	-	42,453	-	42,453
Office of Motor Vehicles Project Revenue Refunding Bonds, Series 2016	-	60,910	-	60,910
Sewer District No. 2 Project Revenue Bonds, Series 2009	64,899	71,818	-	136,717
Courthouse Project Revenue Bonds, Series 2011	-	370,191	-	370,191
Gulf of Mexico Energy Security Act Federal Grant Advance	-	-	795,875	795,875
GOMESA Revenue Bonds, Series 2018	-	157,667	7,569,995	7,727,662
Total Governmental Activities	717,708	6,629,023	8,520,065	15,866,796
Business-Type Activities				
Water Revenue Bonds, Series 2007	135,360	11,265	-	146,625
Total Business-Type Activities	135,360	11,265	-	146,625
Total Restricted Assets - Cash	\$ 853,068	\$ 6,640,288	\$ 8,520,065	\$ 16,013,421

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 13. Sales and Use Tax

On January 21, 1996, the voters of Livingston Parish approved a parish-wide fifteen-year, 1% sales and use tax dedicated for (i) constructing, acquiring, extending, expanding, improving, maintaining, and operating roads, bridges, and related road drainage throughout the Parish, and acquiring equipment related thereto and (ii) constructing, acquiring, extending, expanding, improving, operating, maintaining, equipping, and furnishing jail facilities of the Parish. An election was held on January 21, 2006 to rededicate 1/4th of the 1% road construction sales tax and to extend the collection of the sales tax until 2021. The proposition was passed by the taxpayers of the Parish. The tax is split, 75% to roads and 25% to the jail. The Council has set up the Road Fund to account for the sales tax and ad valorem tax collections dedicated to the maintaining and improving of parish-wide roads and streets and the related drainage improvements associated therewith. The Jail Sales Tax Fund was set up to account for the sales tax collections and expenditures related to the jail.

The total sales and use tax revenue for the year ended December 31, 2018, was as follows:

	Sales and Use Tax Revenue	Percentage
Jail Sales Tax Fund	\$ 4,613,350	25%
Road Fund	13,840,049	75%
Total Sales and Use Tax	\$ 18,453,399	100%

In accordance with Paragraph (B)(1) of Section 3 of Article VII of the Constitution of the State of Louisiana, the Council entered into an agreement with all of the sales and use taxing authorities of the Parish of Livingston, designating the Sales Tax Department of the Livingston Parish School Board as the single tax collection entity.

Note 14. Changes in Fiduciary Fund Deposits and Disbursements

The Livingston Parish School Board remits the sales taxes collected within Gravity Drainage District No. 2 of Livingston Parish to the Council. Upon receipt of the sales taxes from the School Board, the Council disburses the funds to Gravity Drainage District No. 2 of Livingston Parish. Since the Council does not hold any funds due to Gravity Drainage District No. 2 of Livingston Parish as of December 31, 2018, a fiduciary statement is not included in the basic financial statements.

Following is a schedule of the total sales taxes collected for and disbursed to Gravity Drainage District No. 2 of Livingston Parish for fiscal year ended December 31, 2018:

Balance Due at 12/31/18	Collected	Disbursed	Balance Due at 12/31/18
\$ -	\$ 1,039,587	\$ (1,039,587)	\$ -

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 15. Operating Leases

The Council leases equipment under non-cancelable operating leases. Total costs for such leases were \$613,418, for the year ended December 31, 2018.

The future minimum lease payments for these leases are as follows:

Year Ending December 31,	Amount
2019	\$ 526,417
2020	492,034
2021	346,662
2022	43,346
2023	<u>1,315</u>
Total	<u>\$ 1,409,774</u>

Note 16. Pension Plan

The Council contributes to a cost-sharing, multiple-employer defined benefit pension plan administered by the Parochial Employees' Retirement System of Louisiana (PERS or the System). The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. The employees of the Council are members of Plan B. PERS was established by the Louisiana Legislature as of January 1, 1953, by Act 205 of 1952. PERS is administered by a Board of Trustees consisting of seven members. The plan issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to P.O. Box 14619, Baton Rouge, LA 70898-4619, or by calling 225-928-1361.

Plan Description

All permanent employees working at least 28 hours per week and who are paid wholly or in part from Council funds shall become members on the date of employment. New employees meeting the age and Social Security criteria have up to 90 days from the date of hire to elect to participate.

Any member can retire providing he/she meets one of the following criteria:

For employees hired prior to January 1, 2007:

1. Age 55 with thirty (30) years of creditable service
2. Age 60 with a minimum of ten (10) years of creditable service
3. Age 65 with a minimum of seven (7) years of creditable service

For employees hired after January 1, 2007:

1. Age 55 with thirty (30) years of creditable service
2. Age 62 with ten (10) years of creditable service
3. Age 67 with seven (7) years of creditable service

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 16. Pension Plan (Continued)

Plan Description (Continued)

Generally, the monthly amount of the retirement allowance for any member of Plan B shall consist of an amount equal to 2% of the members' final average compensation multiplied by the members' years of creditable service. However, under certain conditions, as outlined in the statutes, the benefits are limited to specified amounts.

Employees who terminate with at least the amount of credited service stated previously, and who do not withdraw their employee contributions, may retire at the age specified previously and receive the benefit accrued to their date of termination. PERS also provides death and disability benefits. Benefits are established by state statute.

Funding Policy

Contributions to the System include one-fourth of 1% of the taxes shown to be collectible by the tax rolls of each parish, except Orleans and East Baton Rouge Parishes. These tax dollars are divided between Plan A and Plan B, based proportionately on the salaries of the active members of each plan prior to January 1, 2002. Prior to January 1, 2002, state statute required employees covered by Plan B to contribute 2% of their salaries in excess of \$100 per month to the System. Effective January 1, 2002, the state statute was amended to require employees covered by Plan B to contribute 3% of their salaries per month to the plan.

The contribution rates in effect for the year ended December 31, 2018, were as follows:

	Parish Council Percentage	Parish Employees Percentage
Parochial Employees' Retirement System Plan B	7.50%	3.00%

The contributions made to PERS for December 31, 2018, which substantially equaled the required contribution, were as follows:

	Contributions
Parochial Employees' Retirement System Plan B	
Parish Council Contribution	\$ 475,776
Parish Employees Contribution	175,491
Total Contribution	\$ 651,267

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 16. Pension Plan (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2018, the Council reported an asset of \$734,771 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2017, and was determined by actuarial valuation as of that date. The Council's proportion of the net pension asset was based on a projection of the Council's long-term share of contributions to the pension plan relative to the projected contributions of all municipalities, actuarially determined. At December 31, 2017, the Council's proportion was 5.839842%.

For the year ended December 31, 2018, the Council recognized pension expense of \$672,457. At December 31, 2018, the Council reported deferred outflows of resources and deferred inflows of resources related to its pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ -	\$ 382,658
Changes in Assumptions	432,319	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	864,792
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions		
Changes in Proportion	1,585	96
Difference in Contributions	5,503	-
Council Contributions Subsequent to the Measurement Date	475,776	-
Totals	\$ 915,183	\$ 1,247,546

In the year ending December 31, 2019, \$475,776 reported as deferred outflows of resources related to the Council's contributions subsequent to the measurement date will be recognized. Other amounts reported as deferred inflows of resources and deferred outflows of resources will be recognized in pension expense as follows:

Year Ending December 31,	Amount
2019	\$ (36,375)
2020	(115,409)
2021	(319,789)
2022	(336,566)
Total	\$ (808,139)

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 16. Pension Plan (Continued)

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining net pension asset as of December 31, 2018, are as follows:

Valuation Date	December 31, 2017
Actuarial Cost Method	Entry Age Normal
Investment Return	7.00% (Net of Investment Expense)
Expected Remaining Service Lives	4 Years
Projected Salary Increases	5.25% (2.75% Merit / 2.50% Inflation)
Cost-of-Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost-of-living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.
Mortality	RP-2000 Employee Sex Distinct Table was selected for employees. RP-2000 Healthy Annuitant Sex Distinct Tables were selected for annuitants and beneficiaries. RP-2000 Disabled Lives Mortality Table was selected for disabled annuitants.

The discount rate used to measure the total pension liability was 7.00% for Plan B. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates, and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement System's Actuarial Committee. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Note 16. Pension Plan (Continued)**Actuarial Assumptions (Continued)**

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up), and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward-looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.00% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.62% for the year ended December 31, 2017.

Best-estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of December 31, 2017, are summarized in the following table:

Asset Class	Target Asset Allocation	Long-Term Expected Portfolio Real Rate of Return
Fixed Income	35%	1.24%
Equity	52%	3.57%
Alternatives	11%	0.69%
Real Assets	2%	0.12%
	100%	5.62%
Inflation		2.00%
Expected Arithmetic Normal Return		7.62%

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 16. Pension Plan (Continued)

Sensitivity to Changes in Discount Rate

The following presents the net pension liability (asset) of the Council using the discount rate of 7.00% as well as what the liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Council's Proportionate Share of the Net Pension Liability (Asset)	\$ 1,565,676	\$ (734,771)	\$ (2,675,279)

Note 17. Other Retirement Commitments

Certain other employees are members of other retirement systems. The Council withholds contributions to the following systems: Louisiana State Employees' Retirement System; Registrar of Voters Employees' Retirement System; and District Attorneys' Retirement System. Contributions to these other systems represent less than 5% of combined retirement contributions.

Note 18. Other Postemployment Benefits (OPEB)

No plan currently exists to provide Council employees with other postemployment benefits.

Note 19. Deferred Compensation Plan

During 1996, the Council began a deferred compensation plan created under Section 457 of the Internal Revenue Code. The National Association of Counties Deferred Compensation Program (the Plan) is available to all employees and permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

The Council has implemented GASB Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457, Deferred Compensation Plans*. Under this Statement, governments who have no responsibility for the Plan and are not formally considered the Plan's trustee are not required to report the Plan in their financial statements. Since the Council's Plan was held in a custodial account with a third-party administrator, the assets and liabilities are not presented in the Council's financial statements.

Note 20. Landfill Closure and Post-Closure Care Costs

On March 27, 2000, the Council adopted Ordinance Number 00-11 whereby the Council approved an agreement with Waste Management of Louisiana, LLC (Waste Management) concerning the operation of Woodside Landfill. Under the terms of the agreement, Waste Management agreed to become the permit holder of the Woodside Landfill's DEQ permit (previously the Council was the permit holder). As the permit holder, Waste Management assumed full responsibility for all obligations imposed by the permit, including defending and holding harmless the Council from any and all liabilities arising out of the permit including, but not limited to: all closure, post-closure, monitoring, and financial responsibility requirements of the existing Woodside Landfill facility. Accordingly, at December 31, 2000, the Council removed all municipal solid waste landfill closure and post-closure liability from its long-term debt.

In addition, Waste Management agreed to pay the Council 5% of the gross revenue derived from the disposal of solid waste of the landfill for a period of two years from the date of the agreement and 6.5% thereafter of gross revenues until the facility has reached full capacity. Furthermore, Waste Management agreed to pay the Council 6.5% of gross revenues on an additional adjacent landfill site owned by Waste Management subject to a minimum royalty of \$600,000 contingent on gross revenues collected by Waste Management equal to or exceeding \$8,000,000 per year at that facility. For the year ended December 31, 2018, the total royalties under this agreement were \$1,806,630. In addition, Waste Management agreed to pay the Council \$40,000 annually to fund the salary and related expense of an employee who will be responsible for acting as a liaison with the public on matters pertaining to residential garbage collections and waste disposal.

Note 21. Deficit Fund Equity

At December 31, 2018, the Jail Sales Tax Fund deficit was \$9,649,863. This accumulated deficit was caused by expenditures exceeding revenues during the current and prior years and is expected to remain as a deficit until the existing jail bonds are paid off in 2021. The deficit has been funded by advances from the General Fund of \$3,431,708 and the Health Unit Fund of \$300,000, as of December 31, 2018. The Jail Sales Tax Fund will repay these advances once resources are available. In addition, at December 31, 2018, the Jail Sales Tax Fund owes the General Fund \$1,563,528 and the Road Fund \$1,061,314, for a total of \$2,624,842, which is included in the governmental fund financial statements as due to other funds.

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 22. Compensation Paid to Parish President and Council Members

In compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature, compensation paid to the Council is included in the legislative expenditures of the General Fund. In accordance with Louisiana Revised Statute 33:1233, the Council has elected the monthly payment method of compensation. Under this method, the Council Members may receive up to \$1,200 per month. Compensation paid to the Parish President and to the Members of the Council is as follows:

Name / Contact Number	Title	Address	Amount
L. Layton Ricks, Jr. (225) 686-4400	Parish President	P. O. Box 427 Livingston, LA 70754	\$ 157,435
Jeff Ard (225) 305-6665	District 1 Council Member	34403 Weiss Road Walker, LA 70785	14,335
Gary "Frog" Talbert (225) 250-7417	District 2 Council Member	33460 Marion Drive Denham Springs, LA 70706	14,335
Maurice "Scooter" Keen (225) 305-8996	District 3 Council Member	33781 Clinton Allen Road Denham Springs, LA 70706	14,335
John Wascom (225) 445-5027	District 4 Council Member	522 Centerville Street Denham Springs, LA 70726	14,335
R.C. "Bubba" Harris (225) 363-5155	District 5 Council Member	10865 Highway 1033 Denham Springs, LA 70726	14,335
Jeff Averett (225) 305-4194	District 6 Council Member	16135 Highway 16 French Settlement, LA 70733	14,335
Tracy Girlinghouse (225) 236-8774	District 7 Council Member	28300 Magnolia Drive Walker, LA 70785	14,335
Tab Lobell (985) 507-7008	District 8 Council Member	26470 Highway 42 Holden, LA 70744	14,335
Shane Mack (985) 974-0909	District 9 Council Member	29863 Amvets Road Albany, LA 70711	14,335
Total			<u>\$ 286,450</u>

Current terms expire December 31, 2019.

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 23. Risk Management

The Council is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; employee health and life; and natural disasters. The Council has purchased various insurance policies to cover such risks. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Council. Settled claims have not exceeded this insurance coverage in any of the past three years.

Note 24. Litigation and Claims

At December 31, 2018, the Council was the defendant in several pending lawsuits filed in the Twenty-First Judicial District Court. Although the suits are still pending, the President and Council deny any liability and are actively defending the Council's position. Based on the opinion of legal counsel on the possible outcome of these lawsuits, it is the opinion of management that the disposition of these matters will not have a material adverse effect on the financial position of the Council.

Note 25. Commitments and Contingencies

In the fall of 2008, the Parish suffered damages from Hurricanes Gustav and Ike. The Council entered into contracts for debris removal, for debris removal contract monitoring services, and for debris site burning. The Council submitted the estimated cost of the hurricane cleanup to FEMA on FEMA designated forms called project worksheets (PWs). Subsequent to the contracted cleanup work being performed within the Parish, the Council submitted the necessary forms for reimbursement. Total claims submitted to FEMA as of December 31, 2018, amount to approximately \$58,000,000. Of this amount, FEMA has denied approximately \$47,500,000. FEMA has denied paying a substantial portion of the expenses incurred by the Council on debris cleanup work related to removal of hazardous leaning trees and hazardous hanging limbs. In addition, FEMA has denied the expense reimbursement claims the Council made on hurricane debris removal and monitoring services performed within the gravity drainage districts and outside the gravity drainage districts within the Parish. The Council is appealing these denials by FEMA. As of the date of this report, the appeals and contested claims of the Council with FEMA are still continuing, and a decision has not been finalized.

Due to the unresolved disputes and uncertainties involving the appeals with FEMA, the Council cannot make a reasonable estimate to include in the financial statements for the additional unpaid debris cleanup costs or associated federal assistance reimbursement. This estimate could be material to these financial statements and the amount can vary significantly, depending on the results of the appeal with FEMA.

LIVINGSTON PARISH COUNCIL

Notes to Financial Statements

Note 25. Commitments and Contingencies (Continued)

At December 31, 2018, the Council has various active construction projects and has spent \$2,554,452 on these contracts. The Council's remaining commitment on these contracts is \$7,014,454. Additionally, the Council has entered into multiple engineering contracts and has spent \$3,549,545 as of year-end. The Council's remaining commitment on these contracts is \$1,873,765.

Note 26. Tax Abatements

Louisiana Economic Development provides incentives for economic development which include an industrial ad valorem tax exemption for up to ten years. During the year ended December 31, 2018, there were thirteen tax abatements under the industrial tax exemption. During the year ended December 31, 2018, total ad valorem taxes abated for the Council was \$113,573.

Note 27. Revenues and Expenditures Actual Compared to Budget

The following funds had actual revenues and/or other sources and expenditures and/or other uses with unfavorable budget variances exceeding 5% for the year ended December 31, 2018, in the following categories or functions:

	Final Budget	Actual	Unfavorable Variance	Unfavorable Variance Percentage
Jail Sales Tax Fund				
Total Expenditures and Other Uses	\$ 3,844,549	\$ 4,153,993	\$ (309,444)	-8.05%

State law requires that budgets be amended when actual revenues are less than budgeted revenues or actual expenditures exceed budgeted expenditures by 5% or more.

REQUIRED SUPPLEMENTARY INFORMATION (PART II)

LIVINGSTON PARISH COUNCIL
Schedule of Council's Proportionate Share of the
Net Pension Liability
For the Year Ended December 31, 2018

	2018	2017	2016
Council's Portion of the Net Pension Liability	5.839842%	5.800218%	6.041681%
Council's Proportionate Share of the Net Pension Liability (Asset)	\$ (734,771)	\$ 753,491	\$ 1,075,693
Council's Covered Payroll	\$ 5,953,925	\$ 5,808,263	\$ 5,756,578
Council's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	-12.34%	12.97%	18.69%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	104.02%	95.50%	99.89%

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

See independent auditor's report.

LIVINGSTON PARISH COUNCIL
Schedule of Council's Pension Contributions
For the Year Ended December 31, 2018

	2018	2017	2016
Contractually Required Contribution	\$ 475,776	\$ 476,314	\$ 464,661
Contributions in Relation to the Contractually Required Contribution	<u>(475,776)</u>	<u>(476,314)</u>	<u>(464,661)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Council's Covered Payroll	\$ 6,343,680	\$ 5,953,925	\$ 5,808,263
Contributions as a Percentage of Covered Payroll	7.50%	8.00%	8.00%

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

See independent auditor's report.

OTHER SUPPLEMENTARY INFORMATION

LIVINGSTON PARISH COUNCIL

Fund Descriptions

NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Bingo Fund - This fund is used to account for the proceeds of collections from bingo operators within the Parish of Livingston, and to account for the expenditure of those funds.

Office of Emergency Preparedness Fund - This fund accounts for the operations of the Parish Office of Emergency Preparedness and the federal and state grants that it monitors.

Jury Mileage Fund - This fund was created by Section 571.11 of Title 15 of the Louisiana Revised Statutes of 1950, which provides that fines and forfeitures imposed by district courts and district attorney conviction fees in criminal cases be transferred to the Parish Treasurer and deposited in a special Jury Mileage Fund to be used for the expenses of the criminal court of the Parish. Expenditures are made from the fund on motion of the district attorney and approval of the district judge. The statute also requires that one-half of the balance remaining in the fund at December 31st each year be transferred to the General Fund.

Off-Duty Officer Witness Fund - This fund accounts for the court costs and bond forfeiture revenues, witness fees, and related expenditures. As required by Louisiana Revised Statute 15, Section 255, the fund balance remaining at December 31st each year, which is in excess of the total amount paid from the fund as witness fees for off-duty officers in that year, is transferred to the Jury Mileage Fund.

Hazard Mitigation Grant Fund - This fund is funded by federal grants to be expended for the acquisition or elevation of repetitively flooded structures located in the Parish.

Court Fee Special Revenue Fund - This fund accounts for the court fee revenues received from the Clerk of Court for the purpose of designing, constructing, renovating, equipping, operating, and maintaining a new Livingston Parish Courthouse and transfers to the Courthouse Debt Service Fund for the payment on the debt service of the Courthouse Project Revenue Bonds, Series 2011.

Public, Educational, and Governmental (PEG) Access Fund - This fund accounts for the collection of PEG fees collected by various cable television providers operating within the Parish that are used to pay for television broadcasts of the proceedings of the Council meetings over a contracted cable channel.

Mosquito Abatement Fund - This fund accounts for activities in the Parish to reduce mosquito populations.

Mosquito Abatement Districts 2 and 3 Fund - This fund accounts for activities in Districts 2 and 3 to reduce mosquito populations.

Fire District - This fund accounts for revenues and expenditures of Livingston Parish Fire District No. 8. The Parish is temporarily taking custody of these funds for the District.

LIVINGSTON PARISH COUNCIL

Fund Descriptions (Continued)

NON-MAJOR GOVERNMENTAL FUNDS (Continued)

Capital Projects Funds

Parish Transportation Capital Project Fund - This fund was created to account for Parish Transportation Fund Act funds received from the State of Louisiana and to dedicate these funds to projects on the 3-year road list. These funds are only spent on capital outlay projects.

Live Oak Sports Complex Capital Project Fund - This fund is used to account for proceeds of the Live Oak Sports Complex Project Revenue Bonds, Series 2008, that are dedicated for constructing additions and renovations in Livingston Recreation District No. 2.

Debt Service Funds

Road Debt Service Fund - This fund accounts for the principal, interest, and related charges for the Road Project Revenue Bonds, Series 2006 and 2014 Refunding Bonds, the transfers from the Road Fund, and the accumulated restricted cash for the repayment of the bonds.

Jail Debt Service Fund - This fund accounts for the principal, interest, and related charges for the Jail Project Revenue Bonds, Series 2006 and the Series 2014 Refunding Bonds, the transfers from the Jail Sales Tax Fund, and the accumulated restricted cash for the repayment of the bonds.

Library Debt Service Fund - This fund accounts for the principal, interest, and related charges for the Library General Obligation Refunding Bonds, Series 2012, the ad valorem taxes collected, the unrestricted cash, the accumulated restricted cash for the repayment of the bonds, and the ad valorem tax receivable collectible at year-end.

Live Oak Sports Complex Debt Service Fund - This fund accounts for the principal, interest, and related charges for the Live Oak Sports Complex Project Revenue Bonds, Series 2008 and the Series 2015 Refunding Bonds, the collection of payments from Livingston Recreation District No. 2 in accordance with a cooperative endeavor agreement between the Recreation District and the Council, and the accumulated restricted cash for the repayment of the bonds, including the reserve funds set aside by the bond indenture.

Livingston Debt Service Fund - This fund accounts for the principal, interest, and related charges for the Office of Motor Vehicles Project Revenue Bonds, Series 2009, and the accumulated restricted cash for the repayment of the bonds, including the reserve funds set aside by the bond indenture.

North Park Debt Service Fund - This fund accounts for the principal, interest, and related charges for the North Park Project Revenue Bonds, Series 2008 and the Series 2014 Refunding Bonds, the collection of payments from Livingston Recreation District No. 3 in accordance with a cooperative endeavor agreement between the Recreation District and the Council, and the accumulated restricted cash for the repayment of the bonds, including the reserve funds set aside by the bond indenture.

LIVINGSTON PARISH COUNCIL

Fund Descriptions (Continued)

NON-MAJOR GOVERNMENTAL FUNDS (Continued)

Debt Service Funds (Continued)

Sewer No. 2 Debt Service Fund - This fund accounts for the principal, interest, and related charges for the Sewer District No. 2 Project Revenue Bonds, Series 2009, the collection of payments from Livingston Sewerage District No. 2 in accordance with a cooperative endeavor agreement between the Sewerage District and the Council, and the accumulated restricted cash for the repayment of the bonds, including the reserve funds set aside by the bond indenture.

GOMESA Debt Service Fund - This fund accounts for the principal, interest, and related charges for the GOMESA Revenue Bonds, Series 2018, the transfers of funds from the General Fund, and the accumulated restricted cash for the repayment of the bonds, including the reserve funds set aside by the bond indenture.

Courthouse Debt Service Fund - This fund accounts for the principal, interest, and related charges for the Courthouse Project Revenue Bonds, Series 2011, the transfers of funds from the Court Fee Special Revenue Fund, and the accumulated restricted cash for the repayment of the bonds, including the reserve funds set aside by the bond indenture.

LIVINGSTON PARISH COUNCIL

Combining Balance Sheet -
Non-Major Governmental Funds
December 31, 2018

	Bingo Fund	Office of Emergency Preparedness Fund	Jury Mileage Fund	Off-Duty Officer Witness Fund	Hazard Mitigation Grant Fund	Court Fee Special Revenue Fund	Public, Educational, and Governmental Access Fund	Mosquito Abatement Fund	Mosquito Abatement 2 & 3 Fund	Fire District Special Revenue Fund	Parish Transportation Capital Project Fund
Assets											
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,044,059	\$ -	\$ -	\$ -	\$ 9,316	\$ -
Pooled Cash in Other Funds	2,082	-	96,639	62,689	-	-	93,383	79,674	22,764	-	1,785,063
Receivables	-	75,571	-	-	741	-	28,265	-	-	1,114	-
Restricted Cash	-	-	-	-	-	-	-	-	-	-	-
Due from Component Units	-	-	-	-	-	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	-	-	-	-	-	-
Due from Other Governments	2,179	426,660	21,130	12,436	1,379,133	1,719,180	-	46,298	-	212,640	88,882
Total Assets	\$ 4,261	\$ 502,231	\$ 117,769	\$ 75,125	\$ 1,379,874	\$ 3,763,239	\$ 121,648	\$ 125,972	\$ 22,764	\$ 223,070	\$ 1,873,945
Liabilities and Fund Balances											
Liabilities											
Accounts Payable	\$ -	\$ 476,248	\$ (8,903)	\$ (14,237)	\$ 743,568	\$ 326,158	\$ 117,963	\$ -	\$ -	\$ 7,723	\$ 828,664
Deficit in Pooled Cash	-	(6,093)	-	-	297,194	1,680,649	-	-	-	29,371	-
Accrued Expenses Payable	4	29,440	-	-	-	2,106	-	-	-	-	-
Due to Component Units	-	-	-	-	-	-	-	-	-	-	-
Due to Other Governments	-	-	84,758	55,612	-	-	-	-	-	-	-
Due to Other Funds	-	-	-	-	334,823	-	-	-	-	-	-
Total Liabilities	4	500,595	75,855	41,375	1,375,585	2,008,913	117,963	-	-	37,094	828,664
Fund Balances (Deficits)											
Restricted for											
Construction	-	-	-	-	-	-	-	-	-	-	1,045,281
Criminal Court	-	-	41,914	-	-	-	-	-	-	-	-
Criminal Court Witness	-	-	-	33,750	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-	-	-	-
Assigned to											
Bingo	4,257	-	-	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-	-	-	-
Court Fees	-	-	-	-	-	1,754,326	-	-	-	-	-
Other Purposes	-	-	-	-	-	-	-	125,972	22,764	185,976	-
Unassigned	-	1,636	-	-	4,289	-	3,685	-	-	-	-
Total Fund Balances (Deficits)	4,257	1,636	41,914	33,750	4,289	1,754,326	3,685	125,972	22,764	185,976	1,045,281
Total Liabilities and Fund Balances (Deficits)	\$ 4,261	\$ 502,231	\$ 117,769	\$ 75,125	\$ 1,379,874	\$ 3,763,239	\$ 121,648	\$ 125,972	\$ 22,764	\$ 223,070	\$ 1,873,945

See independent auditor's report.

Schedule 1

Live Oak Sports Complex Capital Project Fund	Road Debt Service Fund	Jail Debt Service Fund	Library Debt Service Fund	Live Oak Sports Complex Debt Service Fund	Livingston Debt Service Fund	North Park Debt Service Fund	Sewer No. 2 Debt Service Fund	GOMESA Debt Service Fund	Courthouse Debt Service Fund	Total Non-Major Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 157,667	\$ -	\$ 2,211,042
-	-	-	-	-	-	-	-	-	-	2,142,294
-	-	-	-	-	-	-	-	-	-	105,691
-	3,670,032	1,364,154	600,481	284,953	103,363	813,368	136,717	157,667	370,191	7,500,926
116,320	-	-	-	-	-	-	509	-	-	116,829
-	-	-	-	-	-	-	-	-	-	-
-	-	-	1,382,398	-	-	4,000	-	-	-	5,294,936
\$ 116,320	\$ 3,670,032	\$ 1,364,154	\$ 1,982,879	\$ 284,953	\$ 103,363	\$ 817,368	\$ 137,226	\$ 315,334	\$ 370,191	\$ 17,371,718
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,477,184
-	-	-	1,067,584	-	-	4,000	-	-	-	3,073,715
-	-	-	-	-	-	-	-	-	-	31,550
116,320	-	-	-	704	-	27,965	2,105	-	-	147,004
-	-	-	31,611	-	-	-	-	-	-	171,981
-	-	-	55,000	3,000	-	3,000	3,000	-	-	398,823
116,320	-	-	1,154,205	3,704	-	34,965	5,105	-	-	6,300,347
-	-	-	-	-	-	-	-	-	-	1,045,281
-	-	-	-	-	-	-	-	-	-	41,914
-	-	-	-	-	-	-	-	-	-	33,750
-	3,670,032	1,364,154	828,674	281,249	103,363	782,403	132,121	315,334	370,191	7,847,521
-	-	-	-	-	-	-	-	-	-	4,257
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	1,754,326
-	-	-	-	-	-	-	-	-	-	334,712
-	-	-	-	-	-	-	-	-	-	9,610
-	3,670,032	1,364,154	828,674	281,249	103,363	782,403	132,121	315,334	370,191	11,071,371
\$ 116,320	\$ 3,670,032	\$ 1,364,154	\$ 1,982,879	\$ 284,953	\$ 103,363	\$ 817,368	\$ 137,226	\$ 315,334	\$ 370,191	\$ 17,371,718

LIVINGSTON PARISH COUNCIL

**Combining Schedule of Revenues, Expenditures, and
Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended December 31, 2018**

	Bingo Fund	Office of Emergency Preparedness Fund	Jury Mileage Fund	Off-Duty Officer Witness Fund	Hazard Mitigation Grant Fund	Court Fee Special Revenue Fund	Public, Educational, and Governmental Access Fund	Mosquito Abatement Fund	Mosquito Abatement 2 & 3 Fund	Fire District Special Revenue Fund	Parish Transportation Capital Project Fund
Revenues											
Taxes											
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 183,234	\$ -
Franchise Taxes	-	-	-	-	-	-	113,289	-	-	-	-
Licenses and Permits	13,737	-	-	-	-	-	-	-	-	-	-
Fines and Forfeitures	-	-	127,333	75,123	-	2,884,423	-	-	-	-	-
Intergovernmental Revenues											
Federal Sources	-	3,389,842	-	-	3,296,385	-	-	-	-	-	-
State and Local Sources	-	24,346	-	-	-	-	-	-	-	30,385	1,050,282
Miscellaneous	-	91,928	-	-	-	-	-	32	-	9,400	-
Use of Money and Property	-	(12,121)	-	-	18,473	27,200	-	-	-	51	-
Total Revenues	13,737	3,493,995	127,333	75,123	3,314,858	2,911,623	113,289	32	-	223,070	1,050,282
Expenditures											
Current Expenditures											
General Government	-	-	117,448	72,125	-	5,736	195,492	-	-	-	-
Public Safety	-	4,537,207	-	-	1,433,194	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-	-	-	-	1,374,396
Culture and Recreation	-	-	-	-	-	-	-	-	-	-	-
Total Current Expenditures	-	4,537,207	117,448	72,125	1,433,194	5,736	195,492	-	-	-	1,374,396
Debt Service											
Principal	-	-	-	-	-	-	-	-	-	-	-
Interest and Fees	-	-	-	-	-	4,000	-	-	-	-	-
Total Debt Service	-	-	-	-	-	4,000	-	-	-	-	-
Capital Outlay											
General Government	-	-	-	-	-	1,903,961	-	-	-	-	-
Public Safety	-	38,420	-	-	2,389,779	-	-	-	-	37,094	-
Culture and Recreation	-	-	-	-	-	-	-	-	-	-	-
Total Capital Outlay	-	38,420	-	-	2,389,779	1,903,961	-	-	-	37,094	-
Total Expenditures	-	4,575,627	117,448	72,125	3,822,973	1,913,697	195,492	-	-	37,094	1,374,396
Excess (Deficiency) of Revenues Over Expenditures	13,737	(1,081,632)	9,885	2,998	(508,115)	997,926	(82,203)	32	-	185,976	(324,114)
Other Financing Sources (Uses)											
Transfers In	-	1,287,000	-	-	470,000	-	88,500	-	22,764	-	-
Transfers Out	(25,000)	(9,000)	-	-	-	(1,118,756)	-	(22,764)	-	-	-
Transfers from Component Units	-	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	(25,000)	1,278,000	-	-	470,000	(1,118,756)	88,500	(22,764)	22,764	-	-
Net Change in Fund Balances	(11,263)	196,368	9,885	2,998	(38,115)	(120,830)	6,297	(22,732)	22,764	185,976	(324,114)
Fund Balances (Deficits), Beginning of Year	15,520	(194,732)	32,029	30,752	42,404	1,875,156	(2,612)	148,704	-	-	1,369,395
Fund Balances (Deficits), End of Year	\$ 4,257	\$ 1,636	\$ 41,914	\$ 33,750	\$ 4,289	\$ 1,754,326	\$ 3,685	\$ 125,972	\$ 22,764	\$ 185,976	\$ 1,045,281

See independent auditor's report.

Schedule 2

Road Debt Service Fund	Jail Debt Service Fund	Library Debt Service Fund	Live Oak Sports Complex Debt Service Fund	Livingston Debt Service Fund	North Park Debt Service Fund	Sewer No. 2 Debt Service Fund	GOMESA Debt Service Fund	Courthouse Debt Service Fund	Total Non-Major Governmental Funds
\$ -	\$ -	\$ 766,810	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 950,044
-	-	-	-	-	-	-	-	-	113,289
-	-	-	-	-	-	-	-	-	13,737
-	-	-	-	-	-	-	-	-	3,086,879
-	-	-	-	-	-	-	-	-	6,886,227
-	-	-	-	-	-	-	-	-	1,105,013
-	-	-	-	-	-	-	-	-	101,360
28,809	10,755	1,715	-	1,553	-	-	-	5,012	81,447
28,809	10,755	768,525	-	1,553	-	-	-	5,012	12,137,986
-	-	-	-	-	-	-	-	-	390,801
-	-	-	-	-	-	-	-	-	5,970,401
-	-	-	-	-	-	-	-	-	1,374,386
-	-	31,611	-	-	-	-	-	-	31,611
-	-	31,611	-	-	-	-	-	-	7,767,209
3,985,000	1,475,000	570,000	130,000	150,000	295,000	60,000	-	390,000	7,055,000
597,100	221,300	100,931	213,699	132,980	346,366	3,600	-	697,656	2,317,632
4,582,100	1,696,300	670,931	343,699	282,980	641,366	63,600	-	1,087,656	9,372,632
-	-	-	-	-	-	-	-	-	1,903,861
-	-	-	-	-	-	-	-	-	2,465,293
-	-	-	258,013	-	-	-	-	-	258,013
-	-	-	258,013	-	-	-	-	-	4,628,267
4,582,100	1,696,300	702,542	602,712	282,980	641,366	63,600	-	1,087,656	21,768,108
(4,553,291)	(1,685,545)	65,983	(602,712)	(281,427)	(641,366)	(63,600)	-	(1,082,644)	(9,630,112)
4,658,133	1,726,636	-	-	283,253	-	-	-	1,088,756	9,625,042
-	-	-	-	-	-	-	315,334	-	(860,186)
-	-	-	305,452	-	632,179	62,800	-	-	1,000,431
4,658,133	1,726,636	-	305,452	283,253	632,179	62,800	315,334	1,088,756	9,765,287
104,842	41,091	65,983	(297,260)	1,826	(9,187)	(800)	315,334	6,112	135,175
3,585,190	1,323,063	762,891	578,509	101,537	791,590	132,921	-	364,079	10,936,196
\$ 3,670,032	\$ 1,364,154	\$ 828,674	\$ 281,249	\$ 103,363	\$ 782,403	\$ 132,121	\$ 315,334	\$ 370,191	\$ 11,071,371

LIVINGSTON PARISH COUNCIL
Schedule of Insurance in Force
For the Year Ended December 31, 2018

Schedule 3

Issuer	Expiration Date	Coverage	Amount
AmRisc	9/28/2019	Property and Mobile Equipment	
		Blanket	\$ 5,000,000
		Earthquake	5,000,000
		Flood (Zones A & V)	2,500,000
Henry Insurance Services	7/13/2019	General Liability	1,000,000
			/per occurrence 3,000,000 aggregate limit
One Beacon	9/28/2019	Commercial	
		Vehicles and Equipment Terms	60,345,948
		Property and Equipment Terms	64,653,248
Great American	9/28/2019	Crime	
		Employee Theft	250,000
		Forgery or Alteration	250,000
		Inside the Premises - Theft of Money/Securities	250,000
		Inside the Premises - Robbery or Safe Burglary	250,000
		Outside the Premises	250,000
		Computer Fraud	250,000
Money Orders and Counterfeit Paper Currency	250,000		
Hartford	9/28/2019	Boiler and Machinery	
		Equipment Breakdown Limit	60,345,948

See independent auditor's report.

LIVINGSTON PARISH COUNCIL
Schedule of Sewer Rates and
Number of Customers
For the Year Ended December 31, 2018

Schedule 4

Records maintained by Livingston Parish Council indicated the number of residential and commercial users for sewer systems for the year ended December 31, 2018, were as follows:

Residential Customer Count	491	Commercial Customer Count	11
Flat Fee	\$30	Flat Fee	\$40

See independent auditor's report.

LIVINGSTON PARISH COUNCIL
Schedule of Compensation, Benefits, and Other Payments
to Agency Head
For the Year Ended December 31, 2018

Schedule 5

Agency Head
L. Layton Ricks, Jr., Parish President

Purpose	Amount
Salary	\$157,435
Benefits - Insurance	\$10,915
Benefits - Retirement	\$11,808
Benefits - Other	\$0
Car Allowance	\$0
Vehicle Provided by Government	\$0
Per Diem	\$0
Reimbursements	\$933
Travel	\$2,109
Registration Fees	\$0
Conference Travel	\$0
Continuing Professional Education Fees	\$0
Housing	\$0
Unvouchered Expenses	\$0
Special Meals	\$0

See independent auditor's report.

**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**

Independent Auditor's Report

To the Honorable Parish President
and Members of the Livingston Parish Council
Livingston, Louisiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the primary government financial statements of the governmental activities, the business-type activities, each major fund, the budgetary comparison schedules of the major funds, and the aggregate remaining fund information of Livingston Parish Council (the Council), as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements, and have issued our report thereon dated June 18, 2019. Our report expresses an adverse opinion on the aggregate discretely presented component units due to their exclusion from the financial statements.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Council's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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 Council's internal control. Accordingly, we do not express an opinion on the effectiveness of the Council's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a deficiency in internal control described in the accompanying schedule of findings and questioned costs that we consider to be a significant deficiency, which is identified as item 2018-001.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Council's financial statements are free from 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 an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards*, which is identified as item 2018-002.

Livingston Parish Council's Responses to Findings

The Council's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The Council's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Council's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Council's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



A Professional Accounting Corporation

Baton Rouge, LA
June 18, 2019

**REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY UNIFORM GUIDANCE**

Independent Auditor's Report

To the Honorable Parish President
and Members of the Livingston Parish Council
Livingston, Louisiana

Report on Compliance for Each Major Federal Program

We have audited Livingston Parish Council's (the Council) compliance with the types of compliance requirements described in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Council's major federal programs for the year ended December 31, 2018. The Council's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Council's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Council'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 on compliance for each major federal program. However, our audit does not provide a legal determination of the Council's compliance.

Opinion on Each Major Federal Program

In our opinion, the Council complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2018.

Report on Internal Control Over Compliance

Management of the Council is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Council's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Council's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



A Professional Accounting Corporation

Baton Rouge, LA
June 18, 2019

LIVINGSTON PARISH COUNCIL
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2018

Schedule 6

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant Number	Expenditures
United States Department of Agriculture			
Natural Resources Conservation Service Emergency Watershed Protection Program	10.923	68-7217-17-208	<u>\$ 3,204,937</u>
United States Department of Housing and Urban Development			
Passed through the Louisiana Office of Community Development CDBG Entitlement Grants - Rapid Rehousing	14.218	None	463,020
CDBG - State-Administered CDBG Community Development Block Grant - Gustav/Ike Recovery	14.228	None	<u>531,497</u>
Total United States Department of Housing and Urban Development			<u>994,517</u>
United States Department of the Interior			
Bureau of Ocean Energy Management, Regulation and Enforcement Gulf of Mexico Energy Security Act of 2006 - ARRA	15.435		<u>694,064</u>
United States Department of Transportation			
Federal Highway Administration Passed through Louisiana Department of Transportation and Development Highway Planning and Construction Cluster Council on Aging Grant	20.509	None	<u>199,388</u>
United States Department of Homeland Security / Federal Emergency Management Agency			
Passed through Governor's Office of Homeland Security and Emergency Preparedness Disaster Grants - Public Assistance Hazard Mitigation Grant Program	97.036	None	72,587
Hazard Mitigation Grant Program S Satsuma Drainage	97.039	1786-063-0010	1,183,216
Hazard Mitigation Grant Program Flood Mitigation Assistance	97.029	EMT-2016-FM-E0005 (2)	870,405
Hazard Mitigation Grant Program Flood Mitigation Assistance	97.029	EMT-2018-FM-E001 (1)	431,841
Hazard Mitigation Grant Program Live Oak Retrofit	97.039	4080-063-003	70,644
Hazard Mitigation Grant Program Middle Colyell	97.039	1603-063-0007	378,098
Hazard Mitigation Grant Program Livingston Generator Project	97.039		71,018
Hazard Mitigation Grant Program Acquisition and Elevation	97.039	4263-063-0002	275,793
Hazard Mitigation Grant Program Town of Walker Safe Room	97.039	1786-063-0016	86,220
Emergency Management Performance Grant: Emergency Management Performance Grant 2018	97.042		29,830
Homeland Security Cluster: State Homeland Security Program (SHSP) 2015	97.067	None	4,369
State Homeland Security Program (SHSP) 2018	97.067	None	<u>66,220</u>
Total United States Department of Homeland Security / Federal Emergency Management Agency			<u>3,540,241</u>
Total Expenditures of Federal Awards			<u>\$ 8,633,147 *</u>

* These amounts do not include amounts from FEMA that are currently being contested and/or prior year amounts released by FEMA in 2011 that are being contested concerning the debris removal costs from Hurricane Gustav.

See independent auditor's report.

Basis of Presentation

The schedule of expenditures of federal awards includes the grant activity of Livingston Parish Council and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Sub-Recipients

Livingston Parish Council provided federal awards to the following sub-recipients:

- \$199,388 to Livingston Parish Council on Aging on CFDA number 20.509
- \$70,644 to Livingston Parish School Board and \$86,220 to Town of Walker on CFDA number 97.039
- \$463,020 to Rebuild Livingston on CFDA number 14.218

Indirect Cost Rate

The Council did not elect to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

See independent auditor's report.

LIVINGSTON PARISH COUNCIL
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2018

Part I - Summary of Auditor's Results

Financial Statements

1. Type of auditor's report	Unmodified
2. Internal control over financial reporting	
a. Material weaknesses identified?	None
b. Significant deficiencies identified?	Yes
c. Noncompliance material to the financial statements?	Yes
d. Other matters identified?	None

Federal Awards

1. Internal control over major programs	
a. Material weaknesses identified?	None
b. Significant deficiencies identified?	None
2. Type of auditor's report issued on compliance for each major program	Unmodified
3. Audit findings disclosed that are required in accordance with the Uniform Guidance	No
4. Identification of major programs	
10.923 Emergency Watershed Protection Program	
14.218 CDBG Entitlement Grants	
97.039 Hazard Mitigation Grant Program	
5. Dollar threshold used to distinguish between Type A and B programs	\$750,000
6. Auditee qualified as a low-risk auditee?	Yes

See independent auditor's report.

LIVINGSTON PARISH COUNCIL
Schedule of Findings and Questioned Costs (Continued)
For the Year Ended December 31, 2018

Part II - Findings and Questioned Costs Related to the Financial Statements

2018-001 Permits and Licenses

<i>Criteria:</i>	Permit sales revenue should be reconciled to the general ledger monthly and include a complete listing of all permit transactions or licenses for the month. This is necessary to account for all of the licenses in the permit system and to document a complete record of transactions.
<i>Condition:</i>	During the testing of permits and licenses, we noted that there were gaps in the sequence of numbers assigned to EMP permits.
<i>Cause:</i>	Unknown.
<i>Effect:</i>	Gaps in the sequence of numbers assigned to EMP permits may indicate the existence of errors in the documentation for permits.
<i>Recommendation:</i>	We recommend that management consider purchasing software which would improve the accounting for permit revenue.
<i>Management's Response:</i>	The Permit Department is exploring new software options that would be able to handle the permitting and reconciliation requirements.

2018-002 Failure to Amend Budget (LRS 39:1310)

<i>Criteria:</i>	The Council is required to follow the requirements of the Louisiana Local Government Budget Act at LRS 39:1301 through 39:1315.
<i>Condition:</i>	State law requires that budgets be amended when actual revenues are less than budgeted revenues or actual expenditures exceed budgeted expenditures and other financing uses exceed budgeted amounts by 5% or more. During the year ended December 31, 2018, the Jail Sales Tax Fund has an unfavorable variance of more than 5%. See Note 27. Also, the Jail Sales Tax Fund had a fund deficit at December 31, 2018. The Jail Sales Tax Fund budgeted deficit is also a violation of LRS 39:1301 through 39:1315.
<i>Cause:</i>	Unknown.
<i>Effect:</i>	The Council did not comply with all of the requirements of the Louisiana Local Government Budget Act as outlined above.

LIVINGSTON PARISH COUNCIL
Schedule of Findings and Questioned Costs (Continued)
For the Year Ended December 31, 2018

Recommendation: We recommend the monitoring of actual costs accumulated by department and fund more closely and making appropriate budget amendments to comply with the law requiring the budget to actual variance to be within 5%. We further recommend that the Council be provided a budgetary report that contains actual balances as of the date of the report including a column showing the variance between the actual and budgetary balances to assist with identifying unfavorable budget variances.

Additionally, the Council should review the funds with fund balance deficits and develop a funding plan for the elimination of those deficits.

*Management's
Response:*

Management will take this under advisement.

Part III - Other Matters Related to the Financial Statements

None.

Part IV - Findings and Questioned Costs Related to Major Federal Programs

None.

LIVINGSTON PARISH COUNCIL
Schedule of Prior Audit Findings
For the Year Ended December 31, 2017

2017-001 Permits and Licenses

Status: This finding has not been resolved. See current year finding 2018-001 in the accompanying schedule of findings and questioned costs.

2017-002 Failure to Amend Budget (LRS 39:1310)

Status: This finding has not been resolved. See current year finding 2018-002 in the accompanying schedule of findings and questioned costs.

AGREED-UPON PROCEDURES REPORT

Livingston Parish Council

Independent Accountant's Report
on Applying Agreed-Upon Procedures

For the Period of January 1, 2018 - December 31, 2018

To the Honorable Parish President, Members of
Livingston Parish Council, and
Louisiana Legislative Auditor

We have performed the procedures enumerated below which were agreed to by Livingston Parish Council (the Council) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2018 to December 31, 2018. The Council's management is responsible for those C/C areas identified in the SAUPs. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and results are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the entity's operations):
 - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
 - b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.
 - c) ***Disbursements***, including processing, reviewing, and approving.
 - d) ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

- e) **Payroll/Personnel**, including (1) payroll processing and (2) reviewing and approving time and attendance records, including leave and overtime worked.
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- h) **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Results: We reviewed the Council's policies and procedures and noted that each of the required elements was included for a, b, c, d, e, g, h, and i. We noted that the Council did not have policies for contracting and debt service, 1f and 1j, respectively.

Board or Finance Committee

- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds. *Alternately, for those entities reporting on the non-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
 - c) For governmental entities, obtain the prior year audit report and observe the unrestricted fund balance in the general fund. If the general fund had a negative ending unrestricted fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unrestricted fund balance in the general fund.

Results: During the fiscal year, the Council met with a quorum twice a month. Monthly budget-to-actual comparisons on the general fund were included in the Finance Committee minutes. The Council had a positive 2017 unrestricted balance in the General Fund; therefore, item c was not applicable.

Bank Reconciliations

3. Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
 - a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);
 - b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
 - c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Results: For the accounts selected, 4 out of the 5 were prepared within 2 months of the related statement closing date. LaPorte noted that one reconciliation had been prepared 3 days out of the acceptable timeframe. The bank reconciliations had been reviewed appropriately, and LaPorte noted that there were no outstanding checks over 12 months from the statement closing date.

Collections

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

Results: We obtained management's representation that the listing provided is complete.

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
 - a) Employees that are responsible for cash collections do not share cash drawers/registers.
 - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.
 - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
 - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee verifies the reconciliation.

Results: We noted three cash collection locations. We noted that employees who collect cash are not allowed to deposit cash in the bank or post entries, and that employees responsible for reconciling cash collections are not responsible for making deposits, per policy and procedures. We noted that the employees were not allowed to share cash drawers.

6. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.

Results: We noted that the Council had a bond to cover employee theft.

7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:

- a) Observe that receipts are sequentially pre-numbered.
- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
- c) Trace the deposit slip total to the actual deposit per the bank statement.
- d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).
- e) Trace the actual deposit per the bank statement to the general ledger.

Results: We noted that there were only 3 bank accounts that received manual deposits. We noted no exceptions in our testing of deposits except for procedure 7d. LaPorte was unable to perform procedure 7d due to the lack of indication of when checks were received.

Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

Results: We obtained management's representation that the listing provided is complete.

9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
 - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - b) At least two employees are involved in processing and approving payments to vendors.

- c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
- d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

Results: Per discussion with Jennifer Meyers, LaPorte noted that at least 2 employees are involved in purchasing process, that employees responsible for processing payments are prohibited from adding/modifying vendors, and that checks are mailed by employees who are not responsible for the processing payments. Per policies and procedures, checks require dual signatures in order to be processed.

- 10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:
 - a) Observe that the disbursement matched the related original invoice/billing statement.
 - b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

Results: We noted no exceptions in our testing of non-payroll disbursements.

Travel and Travel-Related Expense Reimbursements (excluding card transactions)

- 14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
 - a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
 - b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
 - c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
 - d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Results: We noted that all reimbursements tested agreed to the reimbursement rates established by the State of Louisiana, had documentation of the business/public purpose and was reviewed and approved by someone other than the person receiving the reimbursement. However, we noted that 2 of the 5 reimbursements that were reimbursed by using actual costs, supporting documentation was present but did not include documentation for ground transportation on one and did not include documentation for parking for the other.

Payroll and Personnel

16. Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

Results: We obtained management's representation that the listing provided is complete.

17. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
- a) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)
 - b) Observe that supervisors approved the attendance and leave of the selected employees/officials.
 - c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

Results: We noted no exceptions on the procedures we performed.

18. Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employee/officials' cumulative leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.

Results: We noted no exceptions on the procedures we performed.

19. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

Results: We obtained management's representation that the employee and employer portions are paid and filed by the required deadlines.

This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to perform, and did not perform an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the results of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

A handwritten signature in cursive script that reads "LaForte".

A Professional Accounting Corporation

Baton Rouge, LA
June 10, 2019



LIVINGSTON PARISH

Office of the President

An Equal Opportunity Employer

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Parish President

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RE: Statewide Agreed-upon Procedures

The management of the Livingston Parish Council wishes to provide the following responses relative to the results of the Year 2 Statewide agreed-upon procedures engagement:

- 1) In response to the results of the Written Policies and Procedures section, item 1f and 1j, policies and procedures for both contracting and debt service will be written and implemented immediately.
- 2) In response to the results of the Bank Reconciliations section, item 3a, bank reconciliations are usually completed timely, this one instance was simply an oversight. All bank reconciliations will be completed timely in the future.
- 3) In response to the results of the Collections section, item 7d, all deposits are made the following business day, however collections procedures will now include a date stamp as to the date the payment was collected.
- 4) In response to the results of the Travel and Expense Reimbursement section, item 14b, all original receipts will be attached to reimbursements in the future.

Sincerely,


Jennifer Meyers
Director of Finance