

**Bossier Parish Police Jury
Benton, Louisiana
Primary Government Financial Statements
As of and For the Year Ended December 31, 2017
With Supplemental Information Schedules**

Bossier Parish Police Jury
Benton, Louisiana

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Benton, Louisiana

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Independent Auditors' Report

To the Members of the
Bossier Parish Police Jury
Benton, Louisiana

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Bossier Parish Police Jury, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the basic financial statements of the Bossier Parish Police Jury'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 misstatements, 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 entity'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 entity'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 the Aggregate Discretely Presented Component Units

The financial statements do not include financial data for the Bossier Parish Police Jury's aggregate discretely presented component units. Accounting principles generally accepted in the United States of America require the financial data for those component units to be reported with the financial data of the Parish's primary government unless the Bossier Parish Police Jury also issues financial statements for the financial reporting entity that include the financial data for its component units. The Bossier Parish Police Jury has not issued such reporting entity financial statements. The amount by which this departure would affect the assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues, and expenses of the government-wide financial statements has not been determined.

Adverse Opinion

In our opinion, because of the significance of the matter described in the "Basis for Adverse Opinion on the 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 the Bossier Parish Police Jury, as of December 31, 2017 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 previously present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Bossier Parish Police Jury as of December 31, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year ended in accordance with accounting principles generally accepted in the United States of America.

Effect of Adopting New Accounting Standard

As discussed in Note 20, GASB has issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which replaces the requirements of Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB. The scope of this statement addresses accounting and financial reporting for OPEB that is provided to the employees of state and local governmental employers. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. The effective date of the Statement is for fiscal years beginning after June 15, 2017. Bossier Parish Police Jury has not yet determined the effect of the standard on its financial statements, but expects that the new standard will have a material effect on the financial statements for the year ended December 31, 2018. Our opinion is not modified with respect to that matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4 – 11 and 59 - 65, respectively, the Schedule of Funding Progress for Retiree Health, Dental, and Life Plans shown on page 66, the Schedule of Contributions on page 67, and the Schedule of Proportionate Share of Net Pension Liability on page 68, 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 inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, the basic financial statements, and

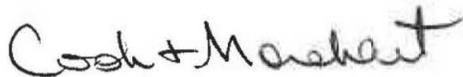
other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Bossier Parish Police Jury's basic financial statements. The accompanying other supplementary information listed in the table of contents and shown on pages 69 - 78 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, shown on pages 79 - 80, is presented for purposes of additional analysis and is also not a required part of the basic financial statements. The information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such 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 financial statements or to the 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 as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 21, 2018, on our consideration of the Bossier Parish Police Jury's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 Bossier Parish Police Jury'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 the Bossier Parish Police Jury's internal control over financial reporting and compliance.



Cook & Morehart
Certified Public Accountants
June 21, 2018

BOSSIER PARISH POLICE JURY

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the Bossier Parish Police Jury's financial performance provides an overview of the Police Jury's financial activities for the fiscal year ended December 31, 2017. Please read it in conjunction with our financial statements, which begin on page 12.

FINANCIAL HIGHLIGHTS

- The assets of the Police Jury exceeded its liabilities at the close of 2017 by \$324,837,682. Of this amount, \$28,972,295 (unrestricted net position) may be used to meet the ongoing obligations to citizens and creditors in accordance with the Police Jury's fund designation and fiscal policies.
- The Police Jury's net position increased by \$7,789,287 or 2%.
- The Police Jury's total general and program revenues were \$63,499,984 in 2017 compared to \$66,117,025 in 2016.
- During the year ended December 31, 2017, the Police Jury had total expenses, excluding depreciation, of \$44,234,675, compared to \$40,941,488 for 2016.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 12-13) provide information about the activities of the Police Jury as a whole and present a longer-term view of the Police Jury's finances. Fund financial statements start on page 14. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Police Jury's operations in more detail than the government-wide statements by providing information about the Police Jury's most significant funds.

Reporting the Police Jury as a Whole

Our analysis of the Police Jury as a whole begins on page 12. One of the most important questions asked about the Police Jury's finances is "Is the Police Jury as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the funds maintained by the Police Jury as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. Accrual of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Police Jury's *net position* and changes in them. You can think of the Police Jury's net position – the difference between assets and liabilities – as one way to measure the Police Jury's financial health, or *financial position*. Over time, *increases* or *decreases* in the Police Jury's net position is one indicator of whether its *financial health* is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the Police Jury's property tax base, to assess the overall health of the Police Jury.

In the Statement of Net Position and the Statement of Activities, we divide the Police Jury into two kinds of activities: governmental activities and business-type activities.

Governmental activities – the majority of the expenses paid from the funds maintained by the Police Jury are reported here, consisting primarily of personal services, materials and supplies, travel, repairs and maintenance and other program services. Ad valorem taxes and sales taxes finance most of these activities.

Business-type activities - the Police Jury charges a fee to customers to help it cover the costs of certain water and sewer services it provides. The Consolidated Waterworks / Sewerage District No. 1 and 2 are reported here.

Reporting the Police Jury's Most Significant Funds

Our analysis of the major funds maintained by the Police Jury begins on page 14. The fund financial statements begin on page 14 and provide detailed information about the most significant funds maintained by the Police Jury – not the Police Jury as a whole. The Police Jury's *governmental funds* use the following accounting approaches:

Governmental funds – Most of the Police Jury's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using the *modified accrual* accounting method, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the Police Jury's general government operations and the expenses paid from those funds. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance certain Police Jury expenses. We describe the relationship (or differences) between governmental *activities* (reported in the Statement of Net Position and the Statement of Activities) and governmental *funds* in a reconciliation at the bottom of the fund financial statements.

Proprietary Funds - When the Consolidated Waterworks / Sewerage Districts No. 1 and 2 charge customers for the services it provides, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the Police Jury's enterprise fund (a component of proprietary fund) is the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds.

Also included in the proprietary fund financial statements is the Police Jury's Internal Service Fund, which is used to account for the accumulation of resources used to fund claims under the police jury's partially self-insured health insurance plan.

THE POLICE JURY AS A WHOLE

The Police Jury's combined net position changed from a year ago, increasing from \$317,048,395 to \$324,837,682. A comparative analysis of the funds maintained by the Police Jury is presented below.

Table 1
Net Position

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Current and other assets	\$ 69,044,855	\$ 74,790,572	\$ 2,775,356	\$ 2,553,057	\$ 71,820,211	\$ 77,343,629
Capital assets, net	296,613,640	297,300,857	52,669,897	51,693,865	349,283,537	348,994,722
Internal balances	10,236,612	10,671,612	(10,236,612)	(10,671,612)		
Total assets	<u>375,895,107</u>	<u>382,763,041</u>	<u>45,208,641</u>	<u>43,575,310</u>	<u>421,103,748</u>	<u>426,338,351</u>
Deferred Outflows Of Resources						
Pension related	<u>4,052,905</u>	<u>5,606,532</u>			<u>4,052,905</u>	<u>5,606,532</u>
Current liabilities	3,126,107	3,166,743	253,621	1,859,551	3,379,728	5,026,294
Long-term liabilities	55,494,964	69,473,252	25,870,504	24,097,293	81,365,468	93,570,545
Total liabilities	<u>58,621,071</u>	<u>72,639,995</u>	<u>26,124,125</u>	<u>25,956,844</u>	<u>84,745,196</u>	<u>98,596,839</u>
Unavailable revenue -						
property taxes	15,024,249	15,264,561			15,024,249	15,264,561
advance on federal grant		391,084				391,084
Pension related	549,526	644,004			549,526	644,004
	<u>15,573,775</u>	<u>16,299,649</u>			<u>15,573,775</u>	<u>16,299,649</u>
Net investment in capital assets,	256,612,382	254,524,242	16,562,781	16,924,960	273,175,163	271,449,202
Restricted	20,490,392	21,839,722	2,199,832	1,934,465	22,690,224	23,774,187
Unrestricted	28,650,392	23,065,965	321,903	(1,240,959)	28,972,295	21,825,006
Total net position	<u>\$ 305,753,166</u>	<u>\$ 299,429,929</u>	<u>\$ 19,084,516</u>	<u>\$ 17,618,466</u>	<u>\$ 324,837,682</u>	<u>\$ 317,048,395</u>

Net position of the Police Jury's governmental activities increased by \$6,323,237 or 2%. Unrestricted net position, the part of net position that can be used to finance Police Jury expenses without constraints or other legal requirements, increased from \$23,065,965 at December 31, 2016 to \$28,650,392 at December 31, 2017.

Net position of the Police Jury's business-type activities increased by \$1,466,050 or 8%, due in large part to the transfer of assets purchased with capital outlay funds to the Consolidated Waterworks / Sewerage District No. 1 from the Police Jury and the addition of customers by acquiring new systems.

Table 2
Change in Net Position

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Revenues						
Program revenues						
Charges for services	\$ 2,785,118	\$ 2,575,098	\$ 2,629,841	\$ 2,111,216	\$ 5,414,959	\$ 4,686,314
Operating grants and contributions	7,554,672	5,602,453			7,554,672	5,602,453
Capital grants and contributions	8,756,527	15,181,710	373,997	996,332	9,130,524	16,178,042
General revenues						
Ad valorem taxes	15,162,380	15,540,600			15,162,380	15,540,600
Sales taxes	16,826,716	15,363,510			16,826,716	15,363,510
Other taxes	1,445,322	1,197,788			1,445,322	1,197,788
Franchise taxes	592,017	552,838			592,017	552,838
Investment earnings	583,106	467,982	31,416	16,582	614,522	484,564
Gaming tax revenues	3,877,776	3,880,370			3,877,776	3,880,370
State revenue sharing	562,617	541,938			562,617	541,938
Miscellaneous revenues	2,283,602	2,088,608	34,577		2,318,179	2,088,608
Transfers	(522,578)	(1,479,173)	522,578	1,479,173		
Total revenues	<u>59,907,275</u>	<u>61,513,722</u>	<u>3,592,409</u>	<u>4,603,303</u>	<u>63,499,684</u>	<u>66,117,025</u>
Expenses						
General government	9,342,062	10,136,014			9,342,062	10,136,014
Public safety	6,910,469	6,470,708			6,910,469	6,470,708
Public works	18,873,522	16,851,235			18,873,522	16,851,235
Public utilities	479,692	359,950			479,692	359,950
Health and Welfare	5,718,344	5,114,398			5,718,344	5,114,398
Culture and recreation	7,957,448	6,636,404			7,957,448	6,636,404
Economic development	2,695,721	2,360,352			2,695,721	2,360,352
Interest on long-term debt	1,606,780	2,108,579			1,606,780	2,108,579
Sewer and water			2,126,359	1,653,730	2,126,359	1,653,730
Total expenses	<u>53,584,038</u>	<u>50,037,640</u>	<u>2,126,359</u>	<u>1,653,730</u>	<u>55,710,397</u>	<u>51,691,370</u>
Increase (decrease) in net position	<u>\$ 6,323,237</u>	<u>\$ 11,476,082</u>	<u>\$ 1,466,050</u>	<u>\$ 2,949,573</u>	<u>\$ 7,789,287</u>	<u>\$ 14,425,655</u>

Total revenues decreased \$2,617,341 or 4% from total revenues in the year ended December 31, 2016 of \$66,117,025 to total revenues of \$63,499,684 in the year ended December 31, 2017.

Governmental Activities

Total revenues for the governmental activities decreased approximately \$1,606,447, due in part to a decrease in capital grants related to donated infrastructure for acceptance of subdivisions into the jury's road maintenance system.

The cost of all governmental activities this year was \$53,584,038. These costs were covered by \$19,096,317 of program revenues, with the remaining costs covered by property taxes, sales taxes, and other general revenues.

Business-type Activities

Total revenues for the business-type decreased \$1,010,894 (22%) from total revenues in the year ended December 31, 2016 of \$4,603,303 to total revenues of \$3,592,409 in the year ended December 31, 2017, due to a decrease in transfers from the Governmental funds in relation to capital outlay funding.

The cost of all business-type activities this year was \$2,126,359. These costs were covered by program revenues consisting of charges for services and capital grant and contributions.

THE POLICE JURY'S FUNDS

As the Police Jury completed the year, its governmental funds (as presented in the balance sheet on page 14) reported a *combined* fund balance of \$58,973,334, which is less than last year's fund balance of \$65,641,841.

General Fund Budgetary Highlights

The Police Jury adopted a budget for its General Fund for the year ended December 31, 2017, and amended the budget one time during the year. The budgetary comparison is presented as required supplementary information and shown on page 59. Highlights for the year are as follows:

- General fund expenditures were lower than amended budget due to lower expenditures than anticipated for general government activities.
- Revenues were slightly more than amended budget, due in part to higher ad valorem taxes than anticipated.

The Police Jury's General Fund balance of \$6,357,321 reported on page 14 differs from the General Fund's *budgetary* fund balance of \$4,629,972, reported in the budgetary comparison schedule on page 59. This is primarily due to the Police Jury budgeting on the cash basis of accounting.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of Decemer 31, 2017, the Police Jury had invested \$349,283,537 in capital assets. (see table 3 below)

Table 3
Capital Assets (Net)

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Land	\$ 16,382,001	\$ 16,356,170	\$ 1,458,369	\$ 1,458,369	\$ 17,840,370	\$ 17,814,539
Goodwill			1,226,000	1,226,000	1,226,000	1,226,000
Construction in Process	11,547,951	11,272,552		28,567,031	11,547,951	39,839,583
Buildings	78,362,866	79,795,906	49,646,231	20,098,225	128,009,097	99,894,131
Infrastructure	185,255,941	184,496,248			185,255,941	184,496,248
Equipment, Furnishings, Vehicles	3,046,068	3,714,576	339,297	344,240	3,385,365	4,058,816
Library Books & Materials	2,018,813	1,665,405			2,018,813	1,665,405
Total Capital Assets (Net)	<u>\$ 296,613,640</u>	<u>\$ 297,300,857</u>	<u>\$ 52,669,897</u>	<u>\$ 51,693,865</u>	<u>\$ 349,283,537</u>	<u>\$ 348,994,722</u>

DEBT

At December 31, 2017, the Police Jury had \$81,418,973 in long-term liabilities outstanding, versus \$93,570,545 at December 31, 2016. (See Table 4 below)

**Table 4
Outstanding Debt At Year End**

	Governmental Activities		Business-type Activities		Totals	
	2017	2016	2017	2016	2017	2016
Revenue Bonds:						
Series 2012 - Utility Revenue Bonds	\$	\$	\$ 16,326,504	\$ 14,097,293	\$ 16,326,504	\$ 14,097,293
Series 2015 - Utility Revenue Bonds			9,544,000	10,000,000	9,544,000	10,000,000
Series 2010 Build America Bond	2,685,000	3,533,000			2,685,000	3,533,000
Revenue Bonds Series 2012 (LCDA CWWSO)	11,400,000	11,550,000			11,400,000	11,550,000
Series 2016A -Revenue Bond	6,040,000	7,760,000			6,040,000	7,760,000
Series 2016B -Revenue Bond	8,000,000	8,000,000			8,000,000	8,000,000
Unamortized premium						
Series 2012	477,817	496,930			477,817	496,930
Series 2016A	163,443	196,685			163,443	196,685
Series 2015 - refunding bonds	11,235,000	11,375,000			11,235,000	11,375,000
Revenue Bonds Series 2007 (LCDA Improvements)		11,240,000				11,240,000
Compensated absences	531,389	465,775			531,389	465,775
Net pension liability	3,053,911	3,912,591			3,053,911	3,912,591
Other post-employment benefits	11,961,909	10,943,271			11,961,909	10,943,271
Totals	\$ 55,548,469	\$ 69,473,252	\$ 25,870,504	\$ 24,097,293	\$ 81,418,973	\$ 93,570,545

State law restricts the amount of debt that the Police Jury may issue. The aggregate principal amount of debt may not exceed 10% of the assessed valuation for property tax purposes for all real and personal property located within the parish. The Police Jury's total debt outstanding at year-end was below this limitation.

More detailed information about the debt are presented in Note 9 to the Financial Statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The Police Jury's management considered many factors when setting a fiscal year December 31, 2018 budget. Amounts available for appropriation in the governmental funds are expected to hold flat in sales tax revenues. Ad valorem taxes will increase due to continued residential and commercial development.

CONTACTING THE POLICE JURY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens and taxpayers with a general overview of the finances for those funds maintained by the police jury and to show the police jury's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Bossier Parish Police Jury,
P. O. Box 70, Benton, Louisiana 71006.

Bossier Parish Police Jury
Benton, Louisiana
Statement of Net Position
December 31, 2017

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and cash equivalents	\$ 34,777,030	\$ 100,270	\$ 34,877,300
Restricted cash	3,785,071	2,398,214	6,183,285
Investments	10,290,000		10,290,000
Receivables	19,222,405	276,872	19,499,277
Prepaid expenses	970,349		970,349
Capital assets, net			
Non-depreciable	27,929,952	2,684,369	30,614,321
Depreciable (net)	268,683,688	49,985,528	318,669,216
Internal balances	10,236,612	(10,236,612)	
Total assets	<u>375,895,107</u>	<u>45,208,641</u>	<u>421,103,748</u>
Deferred Outflows Of Resources			
Pension related	<u>4,052,905</u>		<u>4,052,905</u>
Liabilities			
Current			
Accounts payable and accrued expenses	3,126,107	55,239	3,181,346
Payable from restricted assets:			
Customer deposits		198,382	198,382
Non-current liabilities:			
Due within one year	5,268,293	1,294,000	6,562,293
Due in more than one year	50,226,671	24,576,504	74,803,175
Total liabilities	<u>58,621,071</u>	<u>26,124,125</u>	<u>84,745,196</u>
Deferred Inflows of Resources			
Unavailable revenue			
Property taxes	15,024,249		15,024,249
Pension related	549,526		549,526
Total Deferred Inflows of Resources	<u>15,573,775</u>		<u>15,573,775</u>
Net Position			
Net investment in capital assets	256,612,382	16,562,781	273,175,163
Restricted for:			
Capital projects	7,153,337		7,153,337
Public safety	1,837,060		1,837,060
Culture and recreation	7,741,466		7,741,466
Debt service	2,180,273	2,199,832	4,380,105
Health and welfare	1,578,256		1,578,256
Unrestricted	28,650,392	321,903	28,972,295
Total net position	<u>\$ 305,753,166</u>	<u>\$ 19,084,516</u>	<u>\$ 324,837,682</u>

The accompanying notes are an integral part of this statement.

Bossier Parish Police Jury
Benton, Louisiana
Statement of Activities
For the Year Ended December 31, 2017

	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
Functions / Programs:							
Governmental Activities							
General government:							
Legislative	\$ 278,520	\$	\$	\$	\$ (278,520)	\$	\$ (278,520)
Judicial	3,115,434	1,207,052			(1,908,382)		(1,908,382)
Elections	16,102				(16,102)		(16,102)
Finance and administrative	1,787,162	20,700			(1,766,462)		(1,766,462)
Other	4,144,844	536,201	182,733		(3,425,910)		(3,425,910)
Public safety	6,910,469	402,398	571,905	131,685	(5,804,481)		(5,804,481)
Public works	18,873,522	544,545	90,877	8,624,842	(9,613,258)		(9,613,258)
Public utilities	479,692				(479,692)		(479,692)
Health and welfare	5,718,344		6,709,157		990,813		990,813
Culture and recreation	7,957,448	74,222			(7,883,226)		(7,883,226)
Economic development	2,695,721				(2,695,721)		(2,695,721)
Interest on long-term debt	1,606,780				(1,606,780)		(1,606,780)
Total governmental activities	<u>53,584,038</u>	<u>2,785,118</u>	<u>7,554,672</u>	<u>8,756,527</u>	<u>(34,487,721)</u>		<u>(34,487,721)</u>
Business-type Activities							
Sewer and water	2,126,359	2,629,841		373,997		877,479	877,479
Total business-type activities	<u>2,126,359</u>	<u>2,629,841</u>		<u>373,997</u>		<u>877,479</u>	<u>877,479</u>
Total Government	<u>\$ 55,710,397</u>	<u>\$ 5,414,959</u>	<u>\$ 7,554,672</u>	<u>\$ 9,130,524</u>	<u>(34,487,721)</u>	<u>877,479</u>	<u>(33,610,242)</u>
General revenues:							
Ad valorem taxes					15,162,380		15,162,380
Sales taxes					16,826,716		16,826,716
Gaming tax revenues					3,877,776		3,877,776
Franchise taxes					592,017		592,017
Other taxes					1,445,322		1,445,322
Investment earnings & dividends					583,106	31,416	614,522
State revenue sharing					562,617		562,617
Miscellaneous					2,283,602	34,577	2,318,179
Transfers					(522,578)	522,578	
Total general revenues					<u>40,810,958</u>	<u>588,571</u>	<u>41,399,529</u>
Change in net position					6,323,237	1,466,050	7,789,287
Net position - beginning					299,429,929	17,618,466	317,048,395
Net position - ending					<u>\$ 305,753,166</u>	<u>\$ 19,084,516</u>	<u>\$ 324,837,682</u>

The accompanying notes are an integral part of this statement.

Bossier Parish Police Jury
Benton, Louisiana
Balance Sheet
Governmental Funds
December 31, 2017

	General	Highway	Library	Capital Improvements	Corrections	LCDA Sewer Construction	Section 8 Fund	Other Governmental Funds	Total Governmental Funds
Assets									
Cash and cash equivalents	\$ 5,036,669	\$ 4,704,371	\$ 8,999,856	\$ 6,503,138	\$ 2,177,476	\$	\$	\$ 7,355,520	\$ 34,777,030
Investments	1,090,000	1,500,000	5,100,000		2,000,000			600,000	10,290,000
Receivables	2,873,028	3,233,595	6,963,002	2,296,299	2,843,713			1,012,768	19,222,405
Restricted cash		374,337				317,309	630,221	2,463,204	3,785,071
Due from other fund	25,109	79,260	35,816	7,712	8		2,180	8,721	158,806
Advance to Waterworks/Sewer District						10,236,612			10,236,612
Total assets	\$ 9,024,806	\$ 9,891,563	\$ 21,098,674	\$ 8,807,149	\$ 7,021,197	\$ 10,553,921	\$ 632,401	\$ 11,440,213	\$ 78,469,924
Liabilities, Deferred Inflows of Resources, and Fund Balances									
Liabilities:									
Accounts payable	\$ 437,265	\$ 1,088,727	\$ 454,301	\$ 89,863	\$ 218,300	\$	\$ 20,528	\$ 217,275	\$ 2,526,259
Due to other fund	251,218	183,861	76,484	8,898	10,614		4,133	12,876	548,084
Total liabilities	688,483	1,272,588	530,785	98,761	228,914		24,661	230,151	3,074,343
Deferred inflows of resources:									
Unavailable revenue									
Property Taxes	1,957,253	1,993,272	7,289,374		2,965,801			818,549	15,024,249
Other	21,749	86,956		1,289,293					1,397,998
Total deferred inflows of resources	1,979,002	2,080,228	7,289,374	1,289,293	2,965,801			818,549	16,422,247
Fund balances:									
Nonspendable						10,236,612			10,236,612
Restricted		374,338	10,896,082	7,191,765	1,663,229	317,309	607,740	3,815,364	24,865,827
Assigned	2,073,924	6,164,409	2,382,433	227,330	2,163,253			6,576,149	19,587,498
Unassigned	4,283,397								4,283,397
Total fund balances	6,357,321	6,538,747	13,278,515	7,419,095	3,826,482	10,553,921	607,740	10,391,513	58,973,334
Total liabilities, deferred inflows of resources and fund balances	\$ 9,024,806	\$ 9,891,563	\$ 21,098,674	\$ 8,807,149	\$ 7,021,197	\$ 10,553,921	\$ 632,401	\$ 11,440,213	\$ 78,469,924

The accompanying notes are an integral part of this statement.

Bossier Parish Police Jury
 Benton, Louisiana
 Reconciliation of the Balance Sheet of Governmental Funds
 to the Statement of Net Position
 December 31, 2017

Fund balances - total governmental funds	\$	58,973,334
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		296,613,640
Premiums on debt issuances are recognized as an other financing source in the governmental funds, however, they are amortized over the life of the issuance in the statement of net position.		(641,260)
Long-term liabilities and other amounts are not due and payable in the current period and therefore are not reported in the funds.		
Bonds payable		(39,360,000)
Accrued interest		(210,570)
Compensated absences		(477,884)
OPEB		(11,961,909)
Net pension liability		(3,053,911)
Deferred inflows - pension related		(549,526)
Other long-term assets and other amounts are not available to pay for current-period expenditures and therefore are unavailable in the funds.		
Unavailable revenue		1,397,998
Deferred outflows - pension related		4,052,905
The nonallocation method of accounting for prepayments is used in the fund statements, since the prepayment does not provide expendable financial resources.		970,349
		970,349
Net position of governmental activities	\$	305,753,166

The accompanying notes are an integral part of this statement.

Bossier Parish Police Jury
Benton, Louisiana
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2017

	General	Highway	Library	Capital Improvements	Corrections	LCDA Sewer Construction	Section 8 Fund	Other Governmental Funds	Total Governmental Funds
Revenues:									
Ad valorem taxes	\$ 1,977,500	\$ 2,011,282	\$ 7,355,120	\$	\$ 2,992,593	\$	\$	\$ 825,885	\$ 15,162,380
Sales tax	1,411,102	6,606,658		8,808,956					16,826,716
Gaming tax	1,030,983	1,183,298						1,663,495	3,877,776
Licenses and permits	1,045,582	250,954							1,296,536
Intergovernmental revenues	2,446,114	2,544,586	172,737	4,310	200,997		5,415,554	1,064,665	11,848,963
Fees, charges, and commissions for services	83,972	11,785	41,321		118,750			791,343	1,047,171
Fines and forfeitures		293,591	32,901					981,010	1,307,502
Interest and dividends	128,549	29,617	100,086	33,815	29,190	1,522	4,850	143,922	471,551
Miscellaneous	266,059	216,828	20,477	3,267	31,027		40,474	150,652	730,784
Total revenues	8,389,861	13,150,599	7,722,642	8,850,348	3,372,557	1,522	5,460,878	5,620,972	52,569,379
Expenditures:									
Current:									
General government:									
Legislative	399,293								399,293
Judicial	698,667							2,428,059	3,126,726
Elections	107,034								107,034
Finance and administrative	1,634,899							5,941	1,640,840
Other	301,268	104,454	227,091	2,368,423	92,395			27,764	3,121,395
Public safety	3,780,989				2,709,991			274,343	6,765,323
Public works		9,319,228		1,356,612				228,172	10,904,012
Health and welfare	180,498			52,727			4,730,178	705,024	5,668,427
Culture and recreation	22,500		5,009,589					365,057	5,397,146
Economic development	187,765			14,777			481,905	1,103,128	1,787,575
Public utilities	479,692								479,692
Capital outlay		1,389,309	1,735,788	84,505	72,719			400,877	3,683,198
Debt service:									
Principal retirement						150,000		2,708,000	2,858,000
Interest and other charges						526,193		1,193,227	1,719,420
Total expenditures	7,792,605	10,812,991	6,972,468	3,877,044	2,875,105	676,193	5,212,083	9,439,592	47,658,081
Excess (deficiency) of revenues over (under) expenditures	597,256	2,337,608	750,174	4,973,304	497,452	(674,671)	248,795	(3,818,620)	4,911,298
Other financing sources (uses):									
Transfers in	1,725,704				50,257	255,598		7,738,817	9,770,376
Transfers out	(1,270,222)	(1,299,650)		(5,194,096)				(2,346,213)	(10,110,181)
Payment to bond escrow agent								(11,240,000)	(11,240,000)
Total other financing sources (uses)	455,482	(1,299,650)		(5,194,096)	50,257	255,598		(5,847,396)	(11,579,805)
Excess (deficiency) of revenues and other sources over expenditures and other uses	1,052,738	1,037,958	750,174	(220,792)	547,709	(419,073)	248,795	(9,666,016)	(6,668,507)
Fund balances at beginning of year	5,304,583	5,500,789	12,528,341	7,639,887	3,278,773	10,972,994	358,945	20,057,529	65,641,841
Fund balances at end of year	\$ 6,357,321	\$ 6,538,747	\$ 13,278,515	\$ 7,419,095	\$ 3,826,482	\$ 10,553,921	\$ 607,740	\$ 10,391,513	\$ 58,973,334

The accompanying notes are an integral part of this statement.

Bossier Parish Policy Jury
 Benton, Louisiana
 Reconciliation of the Statement of Revenues, Expenditures, and Changes in
 Fund Balances of Governmental Funds to the Statement of Activities
 For the Year Ended December 31, 2017

Net change in fund balances - total governmental funds \$ (6,668,507)

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 and reported as depreciation expense.
 This is the amount by which depreciation (\$10,514,249) exceeded
 capital outlays (\$3,500,426) in the current period. (7,013,823)

The net effect of various transactions involving capital assets (sales,
 trade-ins, donated infrastructure, etc.) is to increase net assets. 6,326,611

The repayment of principal of long-term debt consumes current
 financial resources of governmental funds. 14,150,355

The nonallocation method of accounting for prepayments is used in the
 fund statements, since the prepayment does not provide expendable
 financial resources. (13,346)

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

Unavailable revenue 1,112,883
 Non-employer contributions to cost-sharing pension plan 109,535

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 the funds.

Compensated absences (12,109)
 Other post-employment benefits liabilities (1,018,638)
 Pension expense (710,004)

Accrued interest expense on long-term debt is reported in the government-
 wide statement of activities and changes in net assets, but does not require
 the use of current financial resources; therefore, accrued interest expense
 is not reported as expenditures in governmental funds. 60,280

Change in net position of governmental activities \$ 6,323,237

The accompanying notes are an integral part of this statement.

Bossier Parish Police Jury
Benton, Louisiana
Statement of Net Position
Proprietary Fund
December 31, 2017

	<u>Business-Type Activities- Enterprise Funds</u>	<u>Governmental Activities- Internal Service Fund</u>
Assets		
Current:		
Current assets:		
Cash and cash equivalents	\$ 100,270	\$
Receivables (net of allowance for uncollectibles)	276,872	
Restricted cash and cash equivalents	198,382	
Due from other funds		389,278
Total current assets	<u>575,524</u>	<u>389,278</u>
Noncurrent assets:		
Restricted cash and cash equivalents	2,199,832	
Capital assets:		
Land	1,458,369	
Goodwill	1,226,000	
Plant and equipment	52,304,632	
Less: accumulated depreciation	(2,319,104)	
Total noncurrent assets	<u>54,869,729</u>	
Total assets	<u>55,445,253</u>	<u>389,278</u>
Liabilities		
Current liabilities:		
Accounts payable	55,239	389,278
Sewer revenue bonds	1,294,000	
Payable from restricted assets:		
Customer deposits	198,382	
Total current liabilities	<u>1,547,621</u>	<u>389,278</u>
Noncurrent liabilities:		
Sewer revenue bonds	24,576,504	
Advance from police jury	10,236,612	
Total noncurrent liabilities	<u>34,813,116</u>	
Total liabilities	<u>36,360,737</u>	<u>389,278</u>
Net position		
Net investment in capital assets	16,562,781	
Restricted - debt service	2,199,832	
Unrestricted	321,903	
Total net position	<u>\$ 19,084,516</u>	<u>\$</u>

The accompanying notes are an integral part of this statement.

Bossier Parish Police Jury
Benton, Louisiana
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Fund
For the Year Ended December 31, 2017

	Business-Type Activities- Enterprise Funds	Governmental- Activities- Internal Service Funds
Operating revenues:		
Water sales	\$ 1,245,182	\$
Sewerage service charges	1,362,242	
Sprinkler fees	22,416	
Delinquent charges	16,743	
Miscellaneous revenues	17,834	
Premium charges		3,847,703
Total operating revenues	2,664,417	3,847,703
Operating expenses:		
Claims		
Workers compensation	15,756	
Insurance	120,258	
Chemicals	74,968	
Maintenance and repairs	220,744	
Miscellaneous expenses	151,540	
Office expense	6,574	
Materials and supplies	67,434	
Utilities and telephone	206,049	
Dues	22,436	
Utility billing fees	81,508	
Miscellaneous fees	55,354	
Professional services	11,385	
ACT 125 fee	9,069	
Bad debt	9,237	
Depreciation	961,473	
Insurance claims and expenses		3,847,703
Total operating expenses	2,013,785	3,847,703
Operating income	650,632	
Non-operating revenues (expenses):		
Interest income	31,416	
Interest expense	(112,573)	
Total non-operating revenues (expenses)	(81,157)	
Capital contributions	556,770	
Transfers in	595,403	
Transfers out	(255,598)	
Total other financing sources (uses)	896,575	
Change in net position	1,466,050	
Net position - beginning of year	17,618,466	
Net position - end of year	\$ 19,084,516	\$

The accompanying notes are an integral part of this statement.

Bossier Parish Police Jury
Benton, Louisiana
Statement of Cash Flows
Proprietary Fund
For the Year Ended December 31, 2017

	Business-Type Activities- Enterprise Funds	Governmental- Activities- Internal Service Fund
Cash Flows From Operating Activities		
Receipts from customers	\$ 2,709,114	\$
Receipts from interfund services		3,458,425
Cash payments to suppliers for goods and services	(936,272)	(3,458,425)
Other receipts (payments)	20,750	
Net Cash From Operating Activities	1,793,592	
Cash Flows From Non-Capital Financing Activities		
Transfers from other funds	595,403	
Transfers to other funds	(255,598)	
Contributed capital	30,984	
Net Cash from Non-capital Financing Activities	370,789	
Cash Flow From Investing Activities		
Interest income	31,416	
Net Cash From Investing Activities	31,416	
Cash flows from Capital and Related Financing Activities		
Proceeds from utility revenue bonds	3,020,211	
Acquisition / construction of capital assets	(3,039,898)	
Principal paid on capital debt	(1,247,000)	
Repayment on advance from police jury	(435,000)	
Interest paid on capital debt	(109,748)	
Net Cash (Used In) Capital and Related Financing Activities	(1,811,435)	
Net increase in cash and cash equivalents	384,362	
Cash, Beginning of year	2,114,122	
Cash, End of year	\$ 2,498,484	\$
Cash and cash equivalents are reflected on the Statement of Net Position as follows:		
Cash and cash equivalents	\$ 100,270	\$
Cash and cash equivalents - restricted, current	198,382	
Cash and cash equivalents - restricted, non-current	2,199,832	
Total	\$ 2,498,484	\$
Reconciliation of Operating Income to Net Cash Provided By/(Used In) Operating Activities		
Operating income (loss)	\$ 650,632	\$
Adjustments to reconcile operating income to net cash provided (used) by operating activities:		
Depreciation expense	961,473	
Accounts receivable	43,806	
Prepays	118,257	
Accounts payable and accrued expenses	699	
Customer deposits	18,725	
Net Cash Flows From Operating Activities	\$ 1,793,592	\$
Supplemental Schedule of Noncash Capital and Related Financing Activity:		
Capital assets acquired	\$ 3,565,684	\$
Donated assets	(343,013)	
Contributed capital from police jury	(182,773)	
	\$ 3,039,898	\$

The accompanying notes are an integral part of this statement.

Bossier Parish Police Jury
Benton, Louisiana
Notes to Financial Statements
December 31, 2017

INTRODUCTION

The Bossier Parish Police Jury is the governing authority for Bossier Parish and is a political subdivision of the State of Louisiana. The Police Jury is governed by 12 jurors representing the various districts within the parish. The jurors serve four-year terms that expire in December 2019.

Louisiana Revised Statute (R.S.) 33:1236 gives the police jury various powers in regulating and directing the affairs of the parish and its inhabitants. The more notable of those are the power to make regulations for its own government; to regulate the construction and maintenance of roads, bridges, and drainage systems; 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 tax, beer and alcoholic beverage permits, state revenue sharing, gaming tax revenues, and various other state and federal grants.

(1) Summary of Significant Accounting Policies

The Bossier Parish Police Jury's financial statements are prepared in conformity with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the Bossier Parish Police Jury are discussed below.

A. Reporting Entity

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

The Governmental Accounting Standards Board establishes criteria for determining which component units should be considered part of the Bossier Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the police jury to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Notes to Financial Statements
December 31, 2017
(Continued)

3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Blended Component Unit – Component units that are legally separate from the police jury, but are so intertwined with the police jury that they are, in substance, the same as the police jury are blended component units. For a component unit to be blended, the organization's board and the police jury must be substantively the same, or the organization must provide services entirely or almost entirely to the police jury. The following component unit is reported as part of the police jury and *blended* with the appropriate police jury funds:

Consolidated Waterworks / Sewerage District No. 1. The board of the Consolidated Waterworks / Sewerage District No. 1 is substantially the same as the police jury and policy jury can impose its will on the District by significantly influencing the activities of the District. Therefore, we conclude that they are part of the police jury and their financial statements should be blended with those of the police jury.

Consolidated Waterworks / Sewerage District No. 2. The board of the Consolidated Waterworks / Sewerage District No. 2 is substantially the same as the police jury and policy jury can impose its will on the District by significantly influencing the activities of the District. Therefore, we conclude that they are part of the police jury and their financial statements should be blended with those of the police jury.

Discrete Component Units – Component units that are legally separate from the police jury, but are financially accountable to the police jury, or whose relationship with the police jury are such that exclusion would cause the police jury's financial statements to be misleading or incomplete are discretely presented. The police jury has identified the following discrete component units:

Bossier Parish Sheriff's Office, Bossier Parish Clerk of Court, Bossier Parish Tax Assessor, and the District Attorney for the Twenty-Sixth Judicial District. Even though these are independently elected officials and are legally separate from the police jury, they are fiscally dependent on the police jury. The officials are fiscally dependent because the police jury has approval authority over the officials' capital budget. The police jury has approval authority over the officials' capital budget because the office space for the officials is furnished by the police jury, major capital purchases for the officials are included in the police jury's overall budget, and title to real property is in the name of the police jury. By using the fiscal dependency criterion, we conclude that these organizations are component units of the police jury.

Bossier Parish Communications District Number One. This entity was created by the police jury. The Communications District is governed by a Board of Commissioners which are appointed by the police jury. The police jury is financially accountable for the communication district because it appoints a voting majority of the governing board and has the ability to impose its will on them.

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Notes to Financial Statements
December 31, 2017
(Continued)

Other Special Districts

There are a number of special districts located in Bossier Parish (fire and ambulance) that each provide services to a limited number of parish citizens. The police jury appoints all board members of those districts which do not include a municipality within their boundaries. Therefore, the police jury can impose its will on these districts. While these districts are responsible for obtaining voter approval for the levy of taxes or debt issuance, all related Louisiana State Bond Commission approvals must be obtained through the police jury. The police jury appoints two of the five board members of those districts which include a municipality and therefore cannot impose its will on these entities. However, it would be misleading to include some like districts in the financial statements while excluding others. These agencies are:

East-Central Bossier Parish Fire Protection District No. 1
South Bossier Parish Fire Protection District No. 2
Ivan Fire Protection District No. 3
Benton Fire Protection District No. 4
Northeast Bossier Parish Fire Protection No. 5
Bossier Parish Emergency Medical Services District
Fire Protection District No. 7, Parish of Bossier

Complete financial statements of the individual component units may be obtained from their respective administration offices or from the Bossier Parish Police Jury at the Bossier Parish Courthouse in Benton, Louisiana.

The police jury has chosen to issue financial statements of the primary government (police jury) only; therefore, none of the previously listed discrete component units are included in the accompanying financial statements.

The Governmental Accounting Standards Board provides for the issuance of primary government financial statements that are separate from those of the reporting entity. However, the primary government's (police jury) financial statements are not a substitute for the reporting entity's financial statements. The accompanying primary government financial statements have been prepared in conformity with generally accepted accounting principles as applied to governmental units. These financial statements are not intended to and do not report on the reporting entity but rather are intended to reflect only the financial statements of the primary government (police jury).

Other Related Organizations

Considered in the determination of component units of the reporting entity were the following:

Cypress-Black Bayou Recreation and Water Conservation District and Shreveport-Bossier Convention and Tourist Bureau. The police jury appoints only one (1) board member and has no significant contact or influence to the recreation district and tourist bureau.

The police jury appoints one (1) of seven (7) board members of the Caddo-Bossier Port Commission but has no significant contact or influence within the Port Commission.

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The police jury appoints the board members of the Industrial Development Board of the Parish of Bossier, Inc., but does not have the ability to impose its will and no financial benefit/burden relationship exists between them.

It was determined that these governmental entities are not component units of the Bossier Parish Police Jury reporting entity because of the reasons listed above.

B. Basic Financial Statements – Government-Wide Statements

The Bossier Parish Police Jury's basic financial statements include both government-wide (reporting the funds maintained by the Bossier Parish Police Jury as a whole) and fund financial statements (reporting the Bossier Parish Police Jury's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The Consolidated Waterworks / Sewerage District No. 1 and No. 2 are classified as business-type activities. All other funds of the police jury are categorized as governmental activities.

In the government-wide Statement of Net Position, both the governmental activities and business-type activities columns are presented on a consolidated basis and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables, as well as long-term debt and obligations. The Bossier Parish Police Jury's net position is reported in three parts – net investment in capital assets; restricted net position; and unrestricted net position.

The government-wide Statement of Activities reports both the gross and net cost of each of the Bossier Parish Police Jury's functions. The functions are also supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.) The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating, and capital grants. Program revenues must be directly associated with the function. Amounts reported as program revenues include 1) charges to customers for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Operating grants include operating-specific and discretionary (either operating or capital) grants, including nonemployer contributions to cost-sharing pension plan, while the capital grants column reflects capital-specific grants.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary fund's principal ongoing operations of providing water and sewer services.

The net costs (by function) are normally covered by general revenue (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.).

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

C. Basic Financial Statements – Fund Financial Statements

The financial transactions of the Bossier Parish Police Jury are recorded in individual funds in
(Continued)

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the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The following fund types are used by the Bossier Parish Police Jury:

Governmental Funds – the focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Bossier Parish Police Jury:

- a. General fund is the general operating fund of the Bossier Parish Police Jury. It is used to account for all financial resources except those required to be accounted for in another fund.
- b. Special revenue funds are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.
- c. Debt service funds are used to account for all financial resources that are restricted, committed, or assigned to expenditure for principal and interest.
- d. Capital projects funds are used to account for financial resources that are restricted, committed, or assigned to expenditure for capital outlays.

Proprietary Funds – the focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary fund of the police jury:

- a. Enterprise funds are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges, or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The Consolidated Waterworks / Sewerage District No. 1 and No. 2 are reported in the enterprise fund.
- b. Internal Service Fund – The Internal Service Fund is used to account for the operations that provide services to other department or agencies of the government on a cost-reimbursement basis. The police jury's internal service fund is presented in the proprietary fund financial statements. Because the principal user of the internal service is the police jury's governmental activities, the financial statement of the internal service fund is consolidated into the governmental column when presented in the government-wide financial statements. To the extent possible, the cost of this service is reported in the appropriate functional activity. The internal service fund is used to account for the accumulation of resources used to fund claims under the police jury's partially self-insured health insurance plan.

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Bossier Parish Police Jury
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The emphasis in fund financial statements is on the major funds in the governmental category. Nonmajor funds by category are summarized into a single column. GASB sets forth minimum criteria (percentage of the assets, liabilities, revenues, or expenditures/expenses of fund category) for the determination of major funds.

The following major funds are presented in the fund financial statements:

General Fund – accounts for all financial resources except those required to be accounted for in another fund.

Highway Fund – accounts for property taxes, sales taxes, gaming revenues, grants, and various other revenues which are used to fund the construction and maintenance of parish highways, streets, and bridges

Library Fund – accounts for property taxes and various other revenues used to fund the operation and maintenance of the parish libraries.

Capital Improvements Fund – accounts for the sales taxes received for capital improvement purposes, including acquisition, construction, improvement, maintenance, and operations of a maximum security jail and courthouse facilities

Corrections Fund - accounts for the operation and maintenance of correctional facilities in Bossier Parish, including the furnishing of transportation and medical care for prisoners. Financing is provided by ad valorem tax revenue

LCDA Sewer Construction Fund – accounts for the proceeds of LCDA Revenue Bonds and the use of such proceeds for the acquisition and construction of sewer systems and sewer improvements.

The Section 8 Fund - accounts for the operation of a Section 8 Housing Subsidy Program funded by the United States Department of Housing and Urban Development. The program provides housing assistance payments to participating owners on behalf of eligible tenants to provide decent, safe and sanitary housing for low-income families at rents they can afford. Housing assistance payments are used to make up the difference between the approved rent due to the owner for the dwelling unit and the occupant family's required contribution toward the rent.

Consolidated Waterworks / Sewerage District No. 1 and No. 2 - The Consolidated Waterworks / Sewerage District No. 1 and No. 2 were created by the Bossier Parish Police Jury for the purpose of acquiring a waterworks and sewerage system, and constructing and acquiring improvements and extensions to the waterworks and sewerage system. This fund is reported as an enterprise fund in the accompanying financial statements.

D. Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

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1. Accrual:

The governmental funds in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual:

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under modified accrual basis of accounting, revenues are recorded when susceptible to accrual: i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end.

Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

E. Budgets

The Policy Jury uses the following budget practices:

Proposed budgets for the ensuing year are prepared by the Treasurer during October of each year. During the month of November, the finance committee reviews the proposed budgets and makes changes as it deems appropriate. The availability of the proposed budgets for public inspection and the date of the public hearing on the budgets are then advertised in the official journal. The police jury holds a public hearing on the proposed budgets in order to receive comments from the public and other interested parties. Changes are made to the proposed budgets based on the public hearing and the desires of the police jury as a whole. The budgets are then adopted during a regular meeting or a special meeting held no later than 15 days prior to the beginning of the fiscal year, and notice is published in the official journal.

The police jury receives periodic budget comparison statements during the year that are used as a tool to control the operations of the parish. The Treasurer presents necessary budget amendments to the police jury during the year when, in their judgment, actual operations differ materially from those anticipated in the original budgets. During a regular or special meeting, the police jury reviews the proposed amendments, makes changes as it feels necessary, and formally adopts the amendments. The adoption of the amendments is included in the police jury minutes published in the official journal.

The police jury exercises budgetary control at the functional level. Within functions, the Treasurer has the authority to make amendments of up to 5%, as necessary. Unexpended appropriations lapse at year end and must be reappropriated in the next year's budget to be expended.

The availability of proposed budgets and the date of the public hearing for the 2017 budgets were published in the official journal on November 16, 2016. The 2017 budget hearings were held, and the budgets adopted at the jury meeting on December 7, 2016. Notice of adoption of the budgets was subsequently advertised in the official journal.

For the year ended December 31, 2017, the police jury adopted budgets on a cash basis for all funds. There was one amendment to the budget during 2017.

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F. Cash, Cash Equivalents, and Investments

Cash includes amounts in petty cash, demand deposits, interest bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the police jury may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States

Investments are limited by R.S. 33:2955 and the police jury's investment policy. Investments are reported at fair value.

For the purposes of the Statement of Cash Flows, the Enterprise fund – Water and Sewer considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

G. Restricted Cash and Investments

Restricted cash and investments represents amounts restricted for specific funding source purposes and amounts required by debt covenants to be segregated for capital projects and debt service. It also includes amounts restricted for customer deposits for the Consolidated Waterworks/Sewerage District No. 1 and No. 2.

H. Capital Assets

Capital assets, except for infrastructure, purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Infrastructure assets purchased or acquired with an original cost of \$200,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received.

Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	40–75 years
Infrastructure	10–50 years
Furniture	7–10 years
Equipment	5–30 years
Vehicles	5–25 years
Library books and information	5 years

I. Revenues

Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected in December of the current year and January and February of the ensuing year. The 2017 tax levy is intended to fund the 2018 fiscal year and has been recorded as a receivable and deferred inflow of resources. Sales tax revenues are recorded in the period in which the underlying exchange has

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occurred. Gaming tax revenues are recorded in the period during which the exchange transactions on which the tax is imposed occur. Fines, forfeitures, fees, and court costs are recognized in the period they are collected by the Bossier Parish Sheriff. Interest income on demand and time deposits is recorded when earned.

Federal and state grants are recorded when the police jury is entitled to the funds, except for certain federal grants which require funds not expended to be returned to the funding source. On those grants revenue is recognized only upon expending those funds. Grant funds received but not expended are reflected in the fund financial statements as deferred inflows of resources.

J. Prepaid Items

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

K. Deferred Outflows / Inflows of Resources

The Police Jury's governmental activities and governmental funds report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The police jury has items that meet this definition and qualify for reporting in this category. Accordingly, the Police Jury has two types of these items, unavailable revenue and pension related, which are reported in the governmental funds balance sheet and statement of net position. The police jury reports unavailable revenue from several sources, including property taxes and various other receipts and reimbursements. These amounts are deferred and recognized as an inflow of resources in the period for which the amounts are levied or when the amounts become available.

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Police Jury currently has deferred outflows of resources related to pensions reported in the statement of net position.

L. Net Position

Government-wide net position is divided into three components: Net investment in capital assets consists of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets plus deferred outflows of resources less deferred inflows of resources related to those assets. Restricted net position consists of assets that are restricted by the Police Jury's creditors (for example, through debt covenants), by the state enabling legislation (through restrictions on shared revenues), by grantors (both federal and state), and by other contributors (less related liabilities and deferred inflows of resources). All other net position is reported as unrestricted net position. When an expense is incurred that can be paid using either restricted or unrestricted resources (net position), the Police Jury's policy is to first apply the expense toward restricted resources and then toward unrestricted resources

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M. Sales Taxes

During 1995 a special election was held in which a 1 ½% sales tax was passed in the Rural Sales Tax District of the Parish of Bossier, State of Louisiana. The sales tax is to be used for opening, operating, constructing and maintaining the public roads, bridges and drainage facilities

During 1999, a special election was held in which a ¼% sales tax was passed in the Sales Tax District No. 1 of Bossier Parish, State of Louisiana. The sales tax is to be used for constructing, improving, acquiring, operating and maintaining facilities and equipment, ambulance service and otherwise paying the cost of ambulance service for the residents of Bossier Parish.

During 2000, a special election was held in which a ½% sales tax was passed in the Parish of Bossier, State of Louisiana. The sales tax is to be allocated 70% to the Bossier Parish Police Jury and 30% to the Law Enforcement District of the Parish of Bossier, represented by the Sheriff of Bossier Parish.

The parish's share is to be used for capital improvement purposes including acquisition, construction, improvement, maintenance, and operations of a maximum security jail and courthouse facilities. The 30% which is allocated to the Law Enforcement District of the Parish is sent directly to the Sheriff of Bossier Parish and is not reflected in the financial statements of the police jury.

N. Compensated Absences

Employees of the police jury earn from 5 to 15 days of vacation leave each year, depending on their lengths of service. In the event that available vacation is not used by the end of the benefit year, employees will be allowed to carry over all unused vacation time. Upon termination of employment, unused vacation benefits will be paid in full. Accumulated vacation leave and sick, or a portion thereof, may be converted to additional retirement benefit credit upon application for normal retirement, based on the rules and regulations determined by the retirement system to which they contribute.

Employees of the police jury will accrue sick leave benefits which are calculated on the basis of a "benefit year" at the rate of 12 days per year. Unused sick leave will be allowed to accumulate without limit. Unused sick leave benefits will not be paid to employees while they are employed or upon termination of employment.

The current portion of compensated absences payable (the amount estimated to be used during the period of availability) is recorded as a liability in the fund financial statements. The entire balance of compensated absences payable is recognized as a liability in the government-wide financial statements. The non-current portion represents a reconciling item between the fund and government-wide statements.

O. Interfund Activity

Interfund activity is reported as either loans, reimbursements, or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

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P. Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Actual results could differ from those estimates.

Q. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities in the statement of net assets. Bonds payable are reported net of the applicable bond premium or discount. Debt issuance costs, except any portion related to prepaid insurance costs, is recognized as an expense in the period incurred.

In the fund financial statements, governmental funds 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.

R. Fund Balance

Fund balance amounts are reported within one of the fund balance categories listed below.

1. Nonspendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form, such as inventory or prepaid expenses, or (b) legally or contractually required to be maintained intact, such as a trust that must be retained in perpetuity.
2. Restricted fund balances are restricted when constraints placed on the use of resources are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
3. Committed fund balances include amounts that can be used only for the specific purposes as a result of constraints imposed by the Police Jury (the Police Jury's highest level of decision making authority). Committed amounts cannot be used for any other purpose unless the Police Jury removes those constraints by taking the same type of action (i.e. legislation, resolution, or ordinance).
4. Assigned fund balances are amounts that are designated by the Police Jury to be used for specific purposes, but are neither restricted nor committed. Amounts are assigned through the police jury's budgetary process.

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5. Unassigned fund balance are the residual classification for the Police Jury's general fund and include all spendable amounts not contained in the other classifications when both restricted and unrestricted fund balances are available for use, it is the Police Jury's policy to use restricted fund balance first, then unrestricted fund balance. Furthermore, committed fund balances are reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications can be used.

S. Fair Value Measurements

Generally accepted accounting principles require disclosure to be made about fair value measurements, the level of fair value hierarchy, and valuation techniques. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels:

Level 1 inputs – The valuation is based on quoted market prices for identical assets or liabilities traded in active markets;

Level 2 inputs – The valuation is based on quoted market prices for similar instruments traded in active markets, quoted prices for identical or similar instruments in markets that are not active, and inputs other than quoted prices that are observable for the asset or liability;

Level 3 inputs – The valuation is determined by using the best information available under the circumstances and might include the government's own data but should adjust those data if (a) reasonably available information indicates that other market participants would use different data or (b) there is something particular to the government that is not available to other market participants

The asset's or liability's fair value measurement level within the fair value hierarchy is based on lowest level of any input that is significant to the fair value measurement.

(2) Levied Taxes

The following is a summary of authorized and levied ad valorem taxes for the primary government for the year ended December 31, 2017:

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Parishwide taxes:			
General maintenance:			
Outside municipalities	4.00	2.77	Statutory
Within municipalities	2.00	1.38	Statutory
Road maintenance	2.07	2.07	2027
Library	7.57	7.57	2025
Health unit maintenance	.85	.85	2027
Correctional facilities	3.08	3.08	2021

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Since the 2017 tax levy is intended to fund the 2018 fiscal year, the levy has been recorded as a receivable and deferred inflow of resources. Amounts recognized as revenue from property taxes in 2017 represent collections in 2017 of the 2016 tax levy.

The differences between authorized and levied millages are the result of the reassessment of taxable property required by Article 7, Section 23 of the Louisiana Constitution of 1974.

(3) Cash, Cash Equivalents, and Investments

At December 31, 2017, the police jury has cash, cash equivalents, and investments (book balances), totaling \$51,350,585, as detailed below.

A. Cash and Cash Equivalents

Cash and cash equivalents at December 31, 2017 (book balances) totaled \$41,060,585, of which \$6,183,285 is shown as restricted. These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

B. Investments

Included in investments at December 31, 2017, are certificates of deposit totaling \$10,290,000 with maturities greater than 90 days. The investments are presented in the financial statements at fair value using level 2 fair value measure for certificates of deposits

C. Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. As of December 31, 2017, \$50,528,066 of the Police Jury's bank balances totaling \$51,946,587 were exposed to custodial credit risk as follows:

Uninsured and collateral held by the pledging bank's
trust department not in the Police Jury's name:

Cash and cash equivalents	\$ 11,457,646
Certificates of deposit	<u>39,070,420</u>
	<u>\$ 50,528,066</u>

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, R.S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified that the fiscal agent has failed to pay deposited funds upon demand.

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D. Restricted Cash and Investments

Restricted cash at December 31, 2017, consisted of amounts received but not yet expended for the following purposes:

Governmental Activities -	
Section 8 housing	\$ 630,220
Road construction	989,600
Debt service	<u>2,165,251</u>
Total – governmental activities	<u>\$ 3,785,071</u>
Business-type activities –	
Debt service	\$ 2,199,832
Customer deposits	<u>198,382</u>
Total – business-type activities	<u>\$ 2,398,214</u>

(4) Receivables

The following is a summary of receivables at December 31, 2017:

<u>Class of Receivable</u>	
Governmental activities –	
Ad valorem taxes	\$ 14,299,656
Sales and use taxes	1,996,812
Intergovernmental grants	1,663,903
Fees, charges, and commissions for services	48,463
Fines and forfeitures	114,121
Gaming	528,008
Mineral leases	34,843
Licenses and permits	55,459
Interest	66,208
Other	<u>414,932</u>
Total – governmental activities	<u>\$ 19,222,405</u>
Business-type activities –	
Accounts receivable – water and sewer charges	<u>\$ 276,872</u>

Accounts receivable for business-type activities are shown net of an allowance for doubtful accounts of \$21,076

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(5) Capital Assets

Capital asset activity for the year ended December 31, 2017, was as follows:

	Balance at Jan. 1, 2017	Transfers	Additions	Deletions	Balance at Dec. 31, 2017
Governmental Activities:					
Capital assets, not being depreciated:					
Land	\$ 16,356,170	\$	\$ 25,831	\$	\$ 16,382,001
Construction in progress	11,272,552	(644,894)	920,293		11,547,951
Total capital assets, not being depreciated	<u>27,628,722</u>	<u>(644,894)</u>	<u>946,124</u>		<u>27,929,952</u>
Capital assets, being depreciated:					
Buildings and improvements	112,308,895	522,335	1,013,699		113,844,929
Infrastructure	248,824,895	122,559	6,403,561		255,351,015
Furniture, equipment & vehicles	12,080,974		690,734	(555,528)	12,216,180
Library books and information material	6,494,961		799,147		7,294,108
Total capital assets, being depreciated	<u>379,709,725</u>	<u>644,894</u>	<u>8,907,141</u>	<u>(555,528)</u>	<u>388,706,232</u>
Less accumulated depreciation:					
Buildings and improvements	(32,512,989)		(2,969,074)		(35,482,063)
Infrastructure	(64,328,647)		(6,295,722)	529,295	(70,095,074)
Furniture, equipment & vehicles	(8,366,398)		(803,714)		(9,170,112)
Library books and information material	(4,829,556)		(445,739)		(5,275,295)
Total accumulated depreciation	<u>(110,037,590)</u>		<u>(10,514,249)</u>	<u>529,295</u>	<u>(120,022,544)</u>
Total capital assets, being depreciated, net	<u>269,672,135</u>	<u>644,894</u>	<u>(1,607,108)</u>	<u>(26,233)</u>	<u>268,683,688</u>
Governmental activities capital assets, net	<u>\$ 297,300,857</u>	<u>\$</u>	<u>\$ (660,984)</u>	<u>\$ (26,233)</u>	<u>\$ 296,613,640</u>

Depreciation expense was charged to Governmental Activities as follows:

Public safety	\$ 138,255
Public works	7,924,247
Health and welfare	21,403
Culture and recreation	865,620
Capital projects	277,965
Economic development	891,922
General government - other	394,837
	<u>\$ 10,514,249</u>

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	Balance at Jan. 1, 2017	Transfers	Additions	Deletions	Balance at Dec. 31, 2017
<u>Business-Type Activities:</u>					
Capital assets, not being depreciated:					
Land	\$ 1,458,369	\$	\$	\$	\$ 1,458,369
Goodwill	1,226,000				1,226,000
Construction in progress	28,567,031	(28,567,031)			
Total capital assets, not being depreciated	31,251,400	(28,567,031)			2,684,369
Capital assets, being depreciated:					
Furniture, equipment & vehicles	401,590				401,590
Plant and improvements	21,398,506	28,567,031	1,937,505		51,903,042
Total capital assets, being depreciated	21,800,096	28,567,031	1,937,505		52,304,632
Less accumulated depreciation:					
Furniture, equipment & vehicles	(57,350)		(4,943)		(62,293)
Buildings and improvements	(1,300,281)		(956,530)		(2,256,811)
Total accumulated depreciation	(1,357,631)		(961,473)		(2,319,104)
Total capital assets, being depreciated, net	20,442,465	28,567,031	976,032		49,985,528
Business-type activities capital assets, net	\$ 51,693,865	\$	\$ 976,032	\$	\$ 52,669,897

Included in current year additions above is \$343,014 of donated assets acquired in the acquisition of wastewater and sewerage collection and treatment systems.

Depreciation expense was charged to Business-Type Activities as follows:

Water and Sewer	\$ 961,473
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(Continued)

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(6) Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses at December 31, 2017, consisted of the following:

<u>Class of Payable</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Salaries and benefits	\$ 377,878	\$ -
Accounts	2,094,876	
Compensated absences	53,505	-
Other		13,201
Total – fund statements	<u>2,526,259</u>	
Internal service fund-claims payable	389,278	
Accrued interest	210,570	42,128
Total – government-wide statements	<u>\$ 3,126,107</u>	<u>\$ 55,329</u>

(7) Interfund Balances

Interfund balances, on the fund statements, at December 31, 2017 consisted of the following:

Due To	Due From							Total
	General	Highway	Library	Capital		Section 8	Non-Major Governmental Funds	
	\$	\$	\$	\$	\$	\$	\$	\$
General								
Highway	79,260							79,260
Library	35,816							35,816
Cap Impr	7,712							7,712
Corrections	8							8
Section 8	2,180							2,180
Non-Major Governmental	33,830							33,830
Sub-total governmental funds	158,806							158,806
Internal service	92,412	183,861	76,484	8,898	10,614	4,133	12,876	389,278
Total	\$ 251,218	\$ 183,861	\$ 76,484	\$ 8,898	\$ 10,614	\$ 4,133	\$ 12,876	\$ 548,084

Interfund balances are the result of the time lag between dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

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Bossier Parish Police Jury
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(8) Interfund Transfers

Interfund transfers for the year ended December 31, 2017 consisted of the following:

Transfer To	Transfer From						Total
	General	Highway	Capital Improvements	Non-Major Governmental Funds	Total Governmental Funds	Proprietary Fund	
General		\$ 75,000	\$ 1,158,000	\$ 492,704	\$ 1,725,704	\$	\$ 1,725,704
Highway							
Capital Impr							
Corrections	50,257				50,257		50,257
LCDA Sinking				1,258,106	1,258,106		1,258,106
LCDA Sewer Construction						255,598	255,598
Non-Major Governmental Funds	1,219,965	1,224,650	4,036,096		6,480,711		6,480,711
Proprietary Fund				595,403	595,403		595,403
Total fund statements	<u>\$ 1,270,222</u>	<u>\$ 1,299,650</u>	<u>\$ 5,194,096</u>	<u>\$ 2,346,213</u>	<u>\$ 10,110,181</u>	255,598	<u>\$ 10,365,779</u>

Transfers in - proprietary fund (595,403)

Reclassify contributed capital for government wide statements (182,773)

Total government wide statements \$ (522,578)

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Transfers in the government-wide financial statements have been adjusted for the reclassification of contributed capital transferred from governmental activities to business-type activities of \$182,773. This amount consists of the transfer of capital assets purchased with capital outlay funding from the sewer construction governmental fund to the Consolidated Waterworks / Sewerage District No. 1 enterprise fund.

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(9) Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2017, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Revenue Bonds:					
Series 2010 Build America Bonds	\$ 3,533,000	\$	\$(848,000)	\$ 2,685,000	\$ 871,000
Revenue Bonds Series 2012 (LCDA CWWSD)	11,550,000		(150,000)	11,400,000	150,000
Unamortized premium - series 2012	496,930		(19,113)	477,817	19,113
Series 2015 Revenue Refunding bonds	11,375,000		(140,000)	11,235,000	1,005,000
Sales Tax Refunding 2016A	7,760,000		(1,720,000)	6,040,000	2,980,000
Unamortized premium – Series 2016A	196,685		(33,242)	163,443	33,242
Sales Tax Refunding 2016B	8,000,000			8,000,000	
Revenue Bonds Series 2007 (LCDA Improvements)	<u>11,240,000</u>		<u>(11,240,000)</u>		
Total Revenue Bonds	<u>54,151,615</u>		<u>(14,150,355)</u>	<u>40,001,260</u>	<u>5,058,355</u>
Other long-term liabilities.					
Compensated absences	522,119	215,621	(206,351)	531,389	263,443
Other post-employment benefit obligations	10,943,271	1,018,638		11,961,909	
Net pension liability	<u>3,912,591</u>		<u>(858,680)</u>	<u>3,053,911</u>	
Total other long-term liabilities	<u>15,377,981</u>	<u>1,234,259</u>	<u>(1,065,031)</u>	<u>15,547,209</u>	<u>263,443</u>
Governmental activities long-term liabilities	<u>\$ 69,529,596</u>	<u>\$ 1,234,259</u>	<u>\$(15,215,386)</u>	55,548,469	5,321,798
Less amounts due within period of availability-- recorded in accounts payable				<u>(53,505)</u>	<u>(53,505)</u>
Total long-term liabilities, government-wide statements				<u>\$ 55,494,964</u>	<u>\$ 5,268,293</u>

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	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Business-type Activities:					
Utility Revenue Bonds:					
Series 2012	\$ 14,097,293	\$ 3,020,211	\$(791,000)	\$ 16,326,504	\$ 833,000
Series 2015	<u>10,000,000</u>	<u> </u>	<u>(456,000)</u>	<u>9,544,000</u>	<u>461,000</u>
Business-type activities long- term liabilities	<u>\$ 24,097,293</u>	<u>\$3,020,211</u>	<u>\$(1,247,000)</u>	<u>\$ 25,870,504</u>	<u>\$ 1,294,000</u>

Included in principal reduction for governmental activities is \$11,240,000 of Series 2007 Revenue Bonds, which were paid off – defeased in 2017 from proceeds of Series 2015 Revenue Refunding Bonds.

Governmental activities revenue bonds consist of the following issues:

Series 2010, Build America Bonds, original amount \$8,162,000 for the acquiring, upgrade, expansion and construction of parish owed public improvements; interest rate of 5.00%; due in annual installments of approximately \$720,000 to \$919,000 through 2020. Repayment of debt will be from any lawfully available funds.	\$ 2,685,000
Series 2012, Revenue Bonds, original amount \$11,835,000 for the acquisition, upgrade, expansion, construction and equipping parish owned public improvements; interest rate of 2.0% to 5.00%; due in annual installments of approximately \$413,060 to \$1,209,000 through 2042. Repayment of debt will be from any lawfully available funds.	11,400,000
Series 2015 Revenue Refunding Bonds, original amount of \$11,590,000, for the purpose of refunding certain maturities of the Series 2007 revenue bonds; interest rate 2.44%; due in annual installments of approximately \$75,000 through \$1,250,000 through 2027. Repayment of debt will be from any lawfully available funds. Funds provided through the Louisiana Local Government Environmental Facilities and Community Development Authority.	11,235,000

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Sales Tax Refunding Bonds, Series 2016A, original amount \$7,760,000 for the purpose of advance refunding the Series 2010A Bonds, thus providing debt reductions and recapture of the reserve fund; interest rate between 2% and 5%; due in annual installments of approximately \$1,720,000 to \$2,245,000 through 2019. Repayment of debt will be from sales tax revenues

6,040,000

Sales Tax Refunding Bonds, Series 2016B, original amount \$8,000,000 for the purpose of advance refunding the Series 2010A Bonds, thus providing debt reductions and recapture of the reserve fund; interest rate of 1.50%; interest only payments through December 31, 2019, then due in annual installments of approximately \$1,710,000 to \$3,110,000 beginning July, 2020 through 2022. Repayment of debt will be from sales tax revenues.

8,000,000

\$ 39,360,000

Business-type activities utility revenue bonds consist of the following issues:

Series 2012, Utilities Revenue Bonds, total amount available \$17,750,000 for constructing and acquiring improvements, extensions and replacements to the sewer system or any portion thereof; interest rate of .45% due in semi-annual installments of approximately \$39,938 through 2014 then annual amounts of approximately \$900, 000 to \$975,000 through 2034. Payable from income and revenues derived from the sewer system. As of December 31, 2017, \$17,689,504 had been drawn on this issue through the Clean Water State Revolving Fund administered by the Louisiana Department of Environmental Quality.

16,326,504

Series 2015, Utilities Revenue Bonds, total amount available \$10,000,000 for constructing and acquiring improvements extensions to the sewer portion of the system; interest rate of .45% due in semi-annual installments of approximately \$456,000 to \$546,000 through 2036. Payable from income and revenues derived from the sewer system. Funds provided through the Clean Water State Revolving Fund administered by the Louisiana Department of Environmental Quality.

9,544,000

\$ 25,870,504

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Payments on long-term debt – revenue bonds are made from debt service funds. Payments on utility revenue bonds are made from the Enterprise fund. Compensated absences liability will be liquidated through various governmental funds. The liability for compensated absences at December 31, 2017, was allocated to the following funds: General fund (21%), Highway fund (30%), Library fund (26%), Section 8 (3%), Corrections (2%) and Non-Major Governmental funds (18%).

Debt service requirements at December 31, 2017, were as follows:

<u>Fiscal Year</u>	<u>Revenue Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 5,006,000	\$ 1,089,315	\$ 6,095,315
2019	5,140,000	1,116,743	6,256,743
2020	5,244,000	905,411	6,149,411
2021	4,430,000	780,469	5,210,469
2022	2,995,000	699,517	3,694,517
2023-2027	6,920,000	2,852,095	9,772,095
2028-2032	1,185,000	2,188,875	3,373,875
2033-2037	3,175,000	1,731,125	4,906,125
2038-2042	<u>5,265,000</u>	<u>635,225</u>	<u>5,900,225</u>
	<u>\$39,360,000</u>	<u>\$11,998,775</u>	<u>\$51,358,775</u>

<u>Fiscal Year</u>	<u>Utility Revenue Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 1,294,000	\$ 113,121	\$ 1,407,121
2019	1,306,000	107,656	1,413,656
2020	1,319,000	101,750	1,420,750
2021	1,331,000	95,787	1,426,787
2022	1,344,000	89,768	1,433,768
2023-2027	6,914,000	356,524	7,270,524
2028-2032	7,249,000	197,226	7,446,226
2033-2036	<u>5,113,504</u>	<u>35,155</u>	<u>5,148,659</u>
	<u>\$25,870,504</u>	<u>\$ 1,096,987</u>	<u>\$26,967,491</u>

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(10) Pension Plan

The police jury participates in the Parochial Employees' Retirement System of Louisiana (System), a cost-sharing multiple-employer defined benefit pension plan established by Act 205 of the 1952 regular session of the Legislature of the State of Louisiana to provide retirement benefits to all employees of any parish in the state of Louisiana or any governing body or a parish which employs and pays persons serving the parish. Act 765 of the year 1979, established by the Legislature of the State of Louisiana, revised the System to create Plan A and Plan B to replace the "regular plan" and the "supplemental plan". Plan A was designated for employers out of Social Security. Plan B was designated for those employers that remained in Social Security on the revision date. The Retirement System is governed by Louisiana Revised Statutes, Title 11, Sections 1901 through 2025, specifically, and other general laws of the State of Louisiana.

All employees of the police jury are members of Plan A.

Plan Description

Parochial Employees' Retirement System of Louisiana is the administrator of a cost sharing multiple employer defined benefit pension plan. The System was established and provided for by R.S.11:1901 of the Louisiana Revised Statute (LRS). The System provides retirement benefits to employees of taxing districts of a parish or any branch or section of a parish within the State which does not have their own retirement system and which elects to become members of the System. The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to these appropriate statutes for more complete information.

Eligibility Requirements:

All permanent parish government employees (except those employed by Orleans, Lafourche and East Baton Rouge Parishes) who work at least 28 hours a week 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. As of January 1997, elected officials, except coroners, justices of the peace, and parish presidents may no longer join the System.

Retirement Benefits:

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

For employees hired prior to January 1, 2007:

1. Any age with thirty (30) or more years of creditable service.
2. Age 55 with twenty-five (25) years of creditable service.
3. Age 60 with a minimum of ten (10) years of creditable service.
4. Age 65 with a minimum of seven (7) years of creditable service.

For employees hired after January 1, 2007:

1. Age 55 with 30 years of service.
2. Age 62 with 10 years of service.
3. Age 67 with 7 years of service.

Generally, the monthly amount of the retirement allowance of any member of Plan A shall consist of an amount equal to three percent of the member's final average compensation multiplied by his/her years of creditable service. However, under certain conditions, as outlined in the statutes, the benefits are limited to specified amounts.

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Survivor Benefits:

Upon the death of any member of Plan A with five (5) or more years of creditable service who is not eligible for retirement, the plan provides for benefits for the surviving spouse and minor children, as outlined in the statutes. Any member of Plan A, who is eligible for normal retirement at time of death, the surviving spouse shall receive an automatic Option 2 benefit, as outlined in the statutes. A surviving spouse who is not eligible for Social Security survivorship or retirement benefits, and married not less than twelve (12) months immediately preceding death of the member, shall be paid an Option 2 benefit beginning at age 50.

Deferred Retirement Option Plan:

Act 338 of 1990 established the Deferred Retirement Option Plan (DROP) for the Retirement System. DROP is an option for that member who is eligible for normal retirement. In lieu of terminating employment and accepting a service retirement, any member of Plan A or B who is eligible to retire may elect to participate in the Deferred Retirement Option Plan (DROP) in which they are enrolled for three years and defer the receipt of benefits. During participation in the plan, employer contributions are payable but employee contributions cease. The monthly retirement benefits that would be payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP Fund.

Upon termination of employment prior to or at the end of the specified period of participation, a participant in the DROP may receive, at his option, a lump sum from the account equal to the payments into the account, a true annuity based upon his account balance in that fund, or roll over the fund to an Individual Retirement Account. Interest is accrued on the DROP benefits for the period between the end of DROP participation and the member's retirement date.

For individuals who become eligible to participate in the Deferred Retirement Option Plan on or after January 1, 2004, all amounts which remain credited to the individual's subaccount after termination in the Plan will be placed in liquid asset money market investments at the discretion of the board of trustees. These subaccounts may be credited with interest based on money market rates of return or, at the option of the System, the funds may be credited to self-directed subaccounts. The participant in the self-directed portion of this Plan must agree that the benefits payable to the participant are not the obligations of the state or the System, and that any returns and other rights of the Plan are the sole liability and responsibility of the participant and the designated provider to which contributions have been made.

Disability Benefits:

For Plan A, a member shall be eligible to retire and receive a disability benefit if they were hired prior to January 1, 2007, and has at least five years of creditable service or if hired after January 1, 2007, has seven years of creditable service, and is not eligible for normal retirement and has been officially certified as disabled by the State Medical Disability Board. Upon retirement caused by disability, a member of Plan A shall be paid a disability benefit equal to the lesser of an amount equal to three percent of the member's final average compensation multiplied by his years of service, not to be less than fifteen, or three percent multiplied by years of service assuming continued service to age sixty.

Cost of Living Increases:

The Board is authorized to provide a cost of living allowance for those retirees who retired prior to July 1973. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment

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income in excess of normal requirements. In addition, the Board may provide an additional cost of living increase to all retirees and beneficiaries who are over age sixty-five equal to 2% of the member's benefit paid on October 1, 1977, (or the member's retirement date, if later). Also, the Board may provide a cost of living increase up to 2.5% for retirees 62 and older. (RS 11:1937). Lastly, Act 270 of 2009 provided for further reduced actuarial payments to provide an annual 2.5% cost of living adjustment commencing at age 55.

Employer Contributions

According to state statute, contributions for all employers are actuarially determined each year. For the year ended December 31, 2016, the actuarially determined contribution rate was 10.52% of member's compensation for Plan A. However, the actual rate for the fiscal year ending December 31, 2016 was 13.0% for Plan A. The actual rate for the fiscal year ending December 31, 2017 was 12.5%. The police jury's contributions to the System for the years ended December 31, 2017, 2016, and 2015 were \$1,102,472, \$1,149,203, and \$1,227,901, respectively.

According to state statute, the System also receives $\frac{1}{4}$ of 1% of ad valorem taxes collected within the respective parishes, except for Orleans and East Baton Rouge parishes. The System also receives revenue sharing funds each year as appropriated by the Legislature. Tax monies and revenue sharing monies are apportioned between Plan A and Plan B in proportion to the member's compensation. These additional sources of income are used as additional employer contributions and are considered support from non-employer contributing entities. Non-employer contributions received by the System and attributable to the police jury during the years ended December 31, 2017 and 2016 were \$119,060 and \$108,153, respectively.

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

At December 31, 2017, the police jury reported a liability of \$3,053,911 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2016 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The historical employer contributions are used to determine the proportionate relationship of each employer to all employers of Parochial Employees' Retirement System of Louisiana. The employer's proportion was determined on a basis that is consistent with the manner in which contributions to the pension plan are determined. The resulting allocation percentages were used in calculating each employer's proportionate share of the pension amounts.

The allocation method used in determining each employer's proportion was based on each employer's contribution to the plan during the fiscal year ended December 31, 2016 as compared to the total of all employer's contributions received by the plan during the fiscal year ended December 31, 2016.

At December 31, 2016, the police jury's proportion was 1.482831%, which was a decrease of .131511% from its proportion measured as of December 31, 2015.

For the year ended December 31, 2017, the police jury recognized pension expense of \$1,971,722, plus employer's amortization of change in proportionate share and the difference between employer contributions and proportionate share of contributions, \$(6,954).

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At December 31, 2017, the police jury reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$	\$ 534,406
Changes of assumptions	579,802	
Net difference between projected and actual earnings on pension plan investments	2,369,948	
Changes in proportion and differences between employer contributions and proportionate share of contributions		15,120
Employer contributions subsequent to the measurement Date	<u>1,103,155</u>	
Total	<u>\$ 4,052,905</u>	<u>\$ 549,526</u>

The police jury reported a total of \$1,103,155 as deferred outflow of resources related to pension contributions made subsequent to the measurement period of December 31, 2016, which will be recognized as a reduction in net pension liability in the year ended December 31, 2018.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expenses as follows:

<u>Year</u>	<u>Amount</u>
2018	\$ 890,038
2019	951,375
2020	622,841
2021	<u>(64,030)</u>
Total	<u>\$ 2,400,224</u>

Actuarial Methods and Assumptions

The net pension liability was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net position.

A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2017, are as follows:

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Valuation Date	December 31, 2016
Actuarial Cost Method	Plan A – Entry Age Normal
Investment Rate of Return	7.00% (Net of investment expense)
Expected Remaining Service lives	4 years
Projected Salary Increases	Plan A – 5.25% (2.75% Merit/2.50% Inflation)
Inflation Rate	2.50%
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 increase 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 healthy 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 A. 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 Systems' 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.

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 7.66% for the year ended December 31, 2016. 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, 2016 are summarized in the following table:

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<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Portfolio Real Rate of Return</u>
Fixed income	35%	1.24%
Equity	52%	3.63%
Alternatives	11%	0.67%
Real assets	2%	0.12%
Totals	<u>100%</u>	<u>5.66%</u>
Inflation		<u>2.00%</u>
Expected Arithmetic Nominal Return		<u>7.66%</u>

The mortality rate assumption used was set based upon an experience study performed on plan data for the period January 1, 2010 through December 31, 2014. The data was then assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the System's liabilities. The RP-2000 Healthy Annuitant Mortality Sex Distinct Tables (set forward two years for males and set forward one year for females) projected to 2031 using Scale AA was selected for annuitants and beneficiaries. For disabled annuitants, the RP-2000 Disabled Lives Mortality Table set back 5 years for males and 3 years for females was selected. For active employees, the RP-2000 Employee Sex Distinct Tables set back 4 years for males and 3 years for females was used.

Sensitivity to Change in Discount Rate

The following presents the net pension liability of the participating employers calculated using the discount rate of 7.00%, as well as what the employers' net pension 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.

	PLAN A		
	<u>Changes in Discount Rate</u>		
	Current 1% Decrease <u>6.00%</u>	Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
Net Pension Liability (Asset)	\$9,135,472	\$3,053,911	\$(2,088,234)

Change in Net Pension Liability

The changes in the net pension liability for the year ended December 31, 2017 were recognized in the current reporting period as pension expense except as follows:

Differences between Expected and Actual Experience:

Differences between expected and actual experience with regard to economic or demographic factors in the measurement of the total pension liability were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan.

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Differences between Projected and Actual Investment Earnings:

Differences between projected and actual investment earnings on pension plan investments were recognized in pension expense using the straight-line amortization method over a closed five year period.

Change in Assumptions:

The changes of assumptions about future economic or demographic factors were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan.

Change in Proportion:

Changes in the employer's proportionate shares of the collective net pension liability and collective deferred outflows of resources and deferred inflows of resources since the prior measurement date were recognized in employer's pension expense/(benefit) using a the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided pensions through the pension plan.

Contributions – Proportionate Share

Differences between contributions remitted to the System and the employer's proportionate share are recognized in pension expense/(benefit) using the straight line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with a pension through the pension plan.

Retirement System Audit Report

Parochial Employees' Retirement System of Louisiana issued a stand-alone audit report on its financial statements for the year ended December 31, 2016. Access to the audit report can be found on the System's website: www.persla.org or on the Office of Louisiana Legislative Auditor's official website: www.lla.state.la.us.

Plan Fiduciary Net Position

Plan fiduciary net position is a significant component of the System's collective net pension liability. The System's plan fiduciary net position was determined using the accrual basis of accounting. The System's assets, liabilities, revenues and expenses were recorded with the use of estimates and assumptions in conformity with accounting principles generally accepted in the United States of America. Such estimates primarily related to unsettled transactions and events as of the date of the financial statements and estimates over the determination of the fair market value of the System's investments. Accordingly, actual results may differ from estimated amounts. The Plan's fiduciary net position has been determined on the same basis as that used by the plan.

Detailed information about the fiduciary net position is available in a stand-alone audit report on their financial statements for the year ended December 31, 2016. Access to these reports can be found on the Louisiana Legislative Auditor's website, www.la.gov.

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Notes to Financial Statements
December 31, 2017
(Continued)

(11) Other Postemployment Benefits

Plan Description – The Bossier Parish Police Jury administers a single-employer defined benefit Other Post Employment Benefit plan (OPEB). The Bossier Parish Police Jury's medical benefits are provided through a comprehensive medical plan and are made available to employees upon actual retirement.

Most employees are covered by the Parochial Employees' Retirement System of Louisiana, whose retirement eligibility (D.R.O.P. entry) provisions are as follows: 30 years of service at any age; age 55 and 25 years of service; age 60 and 10 years of service; or, age 65 and 7 years of service. For employees hired on and after January 1, 2007 retirement eligibility (D.R.O.P. entry) provisions are as follows; age 55 and 30 years of service; age 62 and 10 years of service; or, age 67 and 7 years of service. For the few employees not covered by that system, the same retirement eligibility has been assumed.

Dental insurance coverage is provided to retirees. The employer pays 80% of the cost of the dental insurance for the retiree dependents. We have used the unblended rates provided. All of the assumptions used for the valuation of the medical benefits have been used for dental insurance except for the trend assumption; zero trend was used for dental insurance. The dental actuarial costs and liabilities are included in the medical results.

Life insurance coverage is available to retirees and the blended rate (active and retired). The retiree pays 20% of the "cost" of the retiree life insurance, but it is based on the blended rate. Since GASB Codification Section P50 requires the use of "unblended" rates, we have used the 94GAR mortality table described below to "unblend" the rates so as to reproduce the composite blended rate overall as the rate structure to calculate the actuarial valuation results for life insurance. All of the assumptions used for the valuation of the medical benefits have been used except for the trend assumption; zero trend was used for life insurance. Retiree insurance coverage amounts are reduced to a flat \$9,000, although certain current retirees have different amounts from prior schedules.

Contribution Rates – Employees do not contribute to their post-employment benefits costs until they become retirees and begin receiving those benefits. The plan provisions and contribution rates are contained in the official plan documents.

Fund Policy – Until 2008, the Bossier Parish Police Jury recognized the cost of providing post-employment medical and life insurance benefits (the Bossier Parish Police Jury's portion of the retiree medical and life insurance benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis. In 2017 and 2016, the Bossier Parish Police Jury's portion of health care and life insurance funding cost for retired employees totaled \$384,850 and \$356,343, respectively.

Effective January 1, 2008, the Bossier Parish Police Jury implemented Government Accounting Standards Board Codification Section P50, *Accounting and Financial Reporting by Employers for Post employment Benefits Other than Pensions* (GASB Codification Section). This amount was applied toward the Net OPEB Benefit Obligation as shown in the following table.

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Notes to Financial Statements
December 31, 2017
(Continued)

Annual Required Contribution – The Bossier Parish Police Jury's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB Codification Section P50. The ARC is the sum of the Normal Cost plus the contribution to amortize the Unfunded Actuarial Accrued Liability (UAAL). A level dollar, open amortization period of 30 years (the maximum amortization period allowed by GASB Codification Section P50) has been used for the post-employment benefits. The actuarially computed ARC is as follows:

	<u>2017</u>	<u>2016</u>
Normal cost	\$ 737,288	\$ 708,931
30-year UAL amortization amount	861,320	828,192
Annual required contribution (ARC)	<u>\$ 1,598,608</u>	<u>\$ 1,537,123</u>

Net Post-employment Benefit Obligation (Asset) – The table below shows the Bossier Parish Police Jury's Net Other Post-employment Benefit (OPEB) Obligation for fiscal years ending December 31:

	<u>2017</u>	<u>2015</u>
Beginning Net OPEB Obligation	\$ 10,943,271	\$ 9,939,717
Annual required contribution	1,598,608	1,537,123
Interest on Net OPEB Obligation	437,730	397,589
ARC Adjustment	(632,850)	(574,815)
OPEB Cost	<u>1,403,488</u>	<u>1,359,897</u>
Contribution		
Current year retiree premium	(384,850)	(356,343)
Change in Net OPEB Obligation	<u>1,018,638</u>	<u>1,003,554</u>
Ending Net OPEB Obligation	<u>\$ 11,961,909</u>	<u>\$ 10,943,271</u>

The following table shows the Bossier Parish Police Jury's annual post employment benefits (PEB) cost, percentage of the cost contributed, and the net unfunded post employment benefits (PEB) liability for last three years:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual Cost Contributed</u>	<u>Net OPEB Liability (Asset)</u>
December 31, 2017	\$ 1,403,488	27.42%	\$ 11,961,909
December 31, 2016	\$ 1,359,897	26.20%	\$ 10,943,271
December 31, 2015	\$ 1,818,031	23.51%	\$ 9,939,717

Funded Status and Funding Progress – In 2017 and 2016, the Bossier Parish Police Jury made no contributions to its post-employment benefits plan. The plan is not funded, has no assets, and hence has a funded ratio of zero. Based on the January 1, 2016 actuarial valuation, the most recent valuation, the Actuarial Accrued Liability (AAL) at the end of the year December 31, 2017 was \$15,489,505 which is defined as that portion, as determined by a particular actuarial cost method (the Bossier Parish Police Jury uses the Projected Unit Credit Cost Method), of the actuarial present value of post-employment plan benefits and expenses which is not provided by normal cost.

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Notes to Financial Statements
December 31, 2017
(Continued)

	<u>2017</u>	<u>2016</u>
Actuarial Accrued Liability (AAL)	\$ 15,489,505	\$ 14,893,755
Actuarial Value of Plan Assets (AVP)		
Unfunded Act. Accrued Liability (UAAL)	\$ 15,489,505	\$ 14,893,755
Funded Ratio (AVP/AAL)	0.00%	0.00%
Covered Payroll (active plan members)	\$ 9,980,439	\$ 9,312,926
UAAL as a percentage of covered payroll	155.20%	159.93%

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

The required schedule of funding progress immediately following the notes presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

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

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

Actuarial Value of Plan Assets – There are not any plan assets. It is anticipated that in future valuations, should funding take place, a smoothed market value consistent with Actuarial Standards Board ASOP 6, as provided in paragraph number 125 of GASB Codification Section P50.

Turnover Rate – An age-related turnover scale based on actual experience has been used. The rates, when applied to the active employee census, produce a composite average annual turnover of approximately 5%.

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Notes to Financial Statements
December 31, 2017
(Continued)

Post-employment Benefit Plan Eligibility Requirements – Based on past experience, it has been assumed that entitlement to benefits will commence three years after eligibility to enter the D.R.O.P., as described above under "Plan Description". Medical benefits are provided to employees upon actual retirement.

Investment Return Assumption (Discount Rate) – GASB Codification Section P50 states that the investment return assumption should be the estimated long-term investment yield on the investments that are expected to be used to finance the payment of benefits (that is, for a plan which is funded). Based on the assumption that the ARC will not be funded, a 4% annual investment return has been used in this valuation.

Health Care Cost Trend Rate – The expected rate of increase in medical cost is based on a graded schedule beginning with 8% annually, down to an ultimate annual rate of 5.0% for ten year out and later.

Mortality Rate - The 1994 Group Annuity Reserving (94GAR) table, projected to 2002, based on a fixed blend of 50% of the unloaded male mortality rate and 50% of the unloaded female mortality rates, was used. This is a recently published mortality table which has been used in determining the value of accrued benefits in defined benefit pension plans. Projected future mortality improvement has not been used since it is our opinion that this table contains sufficiently conservative margin for the population involved in this valuation.

Method of Determining Value of Benefits – The "value of benefits" has been assumed to be the portion of the premium after retirement date expected to be paid by the employer for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid. The employer pays 80% of the cost of the medical insurance for the retirees and dependents. The rates provided applicable before age 65 are "blended" rates. Since GASB Codification Section P50 mandates that "unblended" rates be used, we have estimated the "unblended" rates for two broad groups: active and retired before Medicare eligibility. It has been assumed that the retiree rate before Medicare eligibility is 130% of the blended rate.

Inflation Rate - Included in both the Investment Return Assumption and the Healthcare Cost Trend rates above is an implicit inflation assumption of 2.50% annually.

Projected Salary Increases - This assumption is not applicable since neither the benefit structure nor the valuation methodology involves salary.

Post-retirement Benefit Increases - The plan benefit provisions in effect for retirees as of the valuation date have been used and it has been assumed for valuation purposes that there will not be any changes in the future.

Below is a summary of OPEB cost and contributions for the last three fiscal calendar years.

(Continued)

Bossier Parish Police Jury
 Benton, Louisiana
 Notes to Financial Statements
 December 31, 2017
 (Continued)

OPEB Costs and Contributions

	FY 2015	FY 2016	FY 2017
OPEB Cost	\$ 1,818,031	\$ 1,359,897	\$ 1,403,488
Contribution			
Retiree premium	<u>(427,487)</u>	<u>(356,343)</u>	<u>(384,850)</u>
Total contribution and premium	<u>(427,487)</u>	<u>(356,343)</u>	<u>(384,850)</u>
Change in net OPEB obligation	\$ <u>1,390,544</u>	\$ <u>1,003,554</u>	\$ <u>1,018,638</u>
% of contribution to cost	0.00%	0.00%	0.00%
% of contribution plus premium to cost	23.51%	26.20%	27.42%

(12) Criminal Court Fund

R.S. 15:571.11 requires that one-half of any balance remaining in the criminal court fund at year-end be transferred to the parish General Fund. The following details the amount due at December 31, 2017:

Balance due at January 1, 2016	\$	
Amount due for 2017		<u>25,104</u>
Total		25,104
Remitted during 2017		<u> </u>
Balance due at December 31, 2017	\$	<u>25,104</u>

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Notes to Financial Statements
December 31, 2017
(Continued)

(13) Commitments

The Police jury has an on-going project for the construction of a new North South Corridor. The estimated costs for the project are approximately \$15,962,000. Funding for this project is to be provided by federal funds at 80% of the construction costs and from police jury funds for the remaining 20%. As of December 31, 2017, the police jury has signed commitments for construction, engineering, and other contract in relation to this project of approximately \$2,055,246. As of December 31, 2017, approximately \$544,996 had been incurred on these contracts, with the balance remaining on those contracts to be incurred subsequent to December 31, 2017.

In addition to the North South Corridor project, as of December 31, 2017, the police jury has commitments for signed construction, engineering, and other contracts of approximately \$907,785. As of December 31, 2017, approximately \$461,798 had been incurred on those contracts, with the balance remaining in those contracts to be incurred subsequent to December 31, 2017.

(14) Donated Infrastructure

Included in governmental activities capital grants and contributions in the Statement of Activities is \$6,352,940 of donated infrastructure. The donations are the result of the Bossier Parish Police Jury's acceptance of subdivisions into the jury's road maintenance system.

Included in business-type activities capital grants and contributions in the Statement of Activities is \$343,014 of donated assets acquired in the acquisition of two wastewater and sewerage collection and treatment systems.

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Notes to Financial Statements
December 31, 2017
(Continued)

(15) Economic Dependency

The following are the principal taxpayers for the parish and their 2017 assessed valuation.

	<u>2017 Assessed Valuation</u>	<u>Percent of Total Assessed Valuation</u>
Aethon Energy Operating	\$ 31,960,943	2.90%
Southwestern Electric Power	20,402,480	1.80%
Horseshoe Entertainment	19,501,968	1.70%
Bossier Casino Venture	16,209,531	1.40%
BHP Billiton Petroleum	11,977,788	1.00%
Midcontinent Express Pipeline	11,116,180	1.00%
Gulf Crossing Pipeline	9,497,700	0.80%
Louisiana Riverboat	8,164,730	0.70%
Enable Midstream Partners	7,850,717	0.70%
City of Shreveport	<u>7,776,340</u>	<u>0.70%</u>
	<u>\$ 144,458,377</u>	<u>12.70%</u>

The police jury received gaming revenues of \$3,877,776 from local gaming establishments.

(16) Risk Management

The police jury purchases commercial insurance to provide workers compensation coverage and general liability and property insurance. There were no significant reductions in insurance coverage from the previous year.

Starting January 1, 2016, the Police Jury established a new partially self-funded health insurance policy. Under this policy the Jury pays Blue Cross and Blue Shield of Louisiana an admin fee to process dental, medical, and prescription drug claims. The Jury assumes all risk, except that which is covered by a medical stop-loss policy purchased from Blue Cross Blue Shield. The stop-loss policy has an individual limit of \$100,000. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have occurred but have not been reported. The estimated liability is based on generally accepted accounting principles, which require that a liability for claims be reported if information prior to the issuance of the financial statements and the amount of the loss can be reasonably estimated. Changes in the balances of the group's liability during 2017 are as follows:

	<u>Liability January 1</u>	<u>Claims and Changes in Estimates</u>	<u>Less Claims Payments</u>	<u>Liability December 31</u>
2017	\$ 229,821	\$ 4,341,620	\$(4,182,163)	\$ 389,278
2016	\$	\$ 3,057,574	\$(2,827,753)	\$ 229,821

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Notes to Financial Statements
December 31, 2017
(Continued)

(17) Fund Balance Classifications

The constraints on fund balance as listed in aggregate in the Statement of Revenues, Expenditures, and Changes in Fund Balance are detailed according to balance classification and fund, as follows:

	Major Special Revenue Funds						Major Capital Projects Fund	Major Debt Service fund	Other Governmental Funds	Total
	General Fund	Highway	Library	Capital Improvements	Corrections	Section 8	LCDA Sewer Construction	LCDA Sinking Fund		
Fund balances:										
Nonspendable	\$	\$	\$	\$	\$	\$	\$10,236,612	\$	\$	\$ 10,236,612
Restricted:										
Culture and recreation			10,896,082							10,896,082
Capital projects				7,191,785					615,263	7,807,028
Health and Welfare						607,740			1,148,020	1,755,760
Public safety					1,663,229				188,117	1,852,346
Debt service							317,309	131,043	1,731,921	2,180,273
Public works		374,338								374,338
Assigned:										
Public Safety	71,893				2,163,253				25,104	2,260,250
Public works		6,164,409								6,164,409
Culture and recreation			2,382,433						890,452	3,272,885
Capital projects	2,002,031			227,330					3,038,461	5,267,822
Health and Welfare									48,489	48,489
Debt service									1,978,356	1,978,356
Economic development									595,287	595,287
Unassigned	4,283,397									4,283,397
Total fund balances	\$ 6,357,321	\$ 6,538,747	\$ 13,278,515	\$ 7,419,095	\$ 3,826,482	\$ 607,740	\$10,553,921	\$ 131,043	\$10,260,470	\$ 58,973,334

(18) Subsequent Events

In May 2018, the Police Jury adopted a resolution declaring the intention of the parish to incur and refund debt and to make application to the Louisiana Local Government Environmental Facilities and Community Development Authority to request the issuance of its revenue and refunding bonds (Bossier Parish Improvements Projects) Series 2018, in an amount not to exceed \$50,000,000, for the purpose of financing capital projects and refunding certain maturities, to be issued in one or more series.

In March of 2018, the Police Jury awarded a contract for construction costs related to the on-going North South Corridor project, in the amount of \$13,906,955. Funding for this project is to be provided by federal funds at 80%, with the police jury paying the remaining 20% from existing funds.

In February 2018, the Police Jury approved funding of \$250,000 per year for 12 years, for a total of \$3,000,000, towards the cost of creating an entrance gate to Barksdale Air Force base off of I-220 and I-20. Payments under this contract are to begin in 2018.

Subsequent events have been evaluated through June 21, 2018, the date the financial statements were available to be issued.

(19) Customer Deposits

Deposits held for customers that are currently active on the water and sewer system total \$198,382 at December 31, 2017.

(20) Implementation of New Accounting Principle

GASB has issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which will require adoption in the year ended December 31, 2018. The statement may or will have a material effect on the police jury's financial statements once implemented. The police jury will be analyzing the effects of this pronouncement and plans to adopt it by its effective date.

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Notes to Financial Statements
December 31, 2017
(Continued)

(21) Litigation and Claims

At December 31, 2017, the police jury is involved in numerous lawsuits. In the opinion of legal counsel for the police jury, the potential loss on all claims and lawsuits will not be significant to the police jury's financial statements.

(22) Deferred Inflows of Resources

Deferred inflows of resources at December 31, 2017, consisted of the following:

	General Fund	Highway	Library	Corrections	Capital Improvements	Other Governmental Funds	Total
Unavailable revenue							
Property Tax	\$ 1,957,253	\$ 1,993,272	\$ 7,289,374	\$ 2,965,801	\$	\$ 818,549	\$15,024,249
Grants					1,289,293		1,289,293
Other	21,749	86,956					108,705
Total deferred inflows of resources	<u>\$ 1,979,002</u>	<u>\$ 2,080,228</u>	<u>\$ 7,289,374</u>	<u>\$ 2,965,801</u>	<u>\$ 1,289,293</u>	<u>\$ 818,549</u>	16,422,247
Reclassify deferred inflows for government wide statements							
Other							(1,397,998)
Pension related							<u>549,526</u>
Total government wide statements							<u>\$15,573,775</u>

(23) Advance to Consolidated Waterworks / Sewerage District No. 1

The police jury provided proceeds of revenue bond borrowings not to exceed \$11,835,000 to the Consolidated Waterworks / Sewerage District No. 1 (District) for the purpose of financing the purchase of existing water and sewerage systems within the District and other costs of establishment of the system. This arrangement was formalized through a cooperative endeavor agreement between the police jury and the District in order to provide interim financing sufficient to purchase existing systems as needed by the District. It is the intent for the District to repay the advance from the police jury through funds generated by operations. The amount of the advance outstanding as of December 31, 2017, was approximately \$10,236,612. This amount is shown in the accompanying fund financial statements as advance to waterworks / sewerage district and advance from police jury, and is shown as internal balances on the accompanying government-wide financial statements.

Bossier Parish Policy Jury
 Benton, Louisiana
 Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund
 For the Year Ended December 31, 2017

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues:				
Ad valorem taxes	\$ 1,932,000	\$ 1,942,000	\$ 2,018,032	\$ 76,032
Sales tax	1,350,000	1,350,000	1,382,139	32,139
Licenses and permits	940,000	1,084,000	1,179,403	95,403
Intergovernmental revenues	1,658,744	2,280,190	2,203,108	(77,082)
Fees, charges, and commissions for services	150,500	150,500	72,599	(77,901)
Other revenues	185,791	636,072	699,030	62,958
Total revenues	6,217,035	7,442,762	7,554,311	111,549
Expenditures:				
Current:				
General government:				
Legislative	448,250	448,250	397,062	51,188
Judicial	768,900	784,900	717,659	67,241
Elections	274,100	275,250	117,926	157,324
Finance and administrative	2,136,700	2,114,797	1,754,083	360,714
Other	299,733	300,586	302,086	(1,500)
Public safety	1,575,000	2,294,768	2,356,815	(62,047)
Health and welfare	184,860	184,860	180,752	4,108
Culture and recreation	70,500	22,500	22,500	
Capital projects	1,500	1,500		1,500
Economic development	221,111	195,984	190,053	5,931
Total expenditures	5,980,654	6,623,395	6,038,936	584,459
Excess (deficiency) of revenues over expenditures	236,381	819,367	1,515,375	696,008
Other financing sources (uses):				
Operating transfers in			75,000	75,000
Operating transfers out	(550,257)	(550,257)	(550,257)	
Total other financing sources (uses)	(550,257)	(550,257)	(475,257)	75,000
Excess (deficiency) of revenues and other sources over expenditures and other uses	(313,876)	269,110	1,040,118	771,008
Fund balances at beginning of year	3,597,331	3,597,331	3,589,854	(7,477)
Fund balances at end of year	\$ 3,283,455	\$ 3,866,441	\$ 4,629,972	\$ 763,531

See accompanying note to the required supplementary schedule.

Bossier Parish Policy Jury
 Benton, Louisiana
 Required Supplementary Information
 Budgetary Comparison Schedule
 Highway Fund
 For the Year Ended December 31, 2017

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive
	Original	Final		(Negative)
Revenues:				
Ad valorem taxes	\$ 1,970,000	\$ 1,970,000	\$ 2,057,361	\$ 87,361
Sales tax	6,200,000	6,285,000	6,450,043	165,043
Gaming Tax	1,275,000	1,275,000	1,170,812	(104,188)
License and permits	170,000	220,650	246,129	25,479
Intergovernmental revenues	1,445,000	2,287,789	2,770,127	482,338
Fines and forfeitures	125,000	215,000	268,290	53,290
Use of money and property	8,000	19,566	113,620	94,054
Other revenues	65,000	296,056	142,926	(153,130)
Total revenues	11,258,000	12,569,061	13,219,308	650,247
Expenditures:				
Current:				
General government:				
Finance and administrative	187,000	188,000	105,228	82,772
Public works	10,621,900	12,634,253	10,508,144	2,126,109
Total expenditures	10,808,900	12,822,253	10,613,372	2,208,881
Excess (deficiency) of revenues over expenditures	449,100	(253,192)	2,605,936	2,859,128
Other financing sources (uses):				
Operating transfer in				
Operating transfers out	(1,224,650)	(1,224,650)	(1,299,650)	(75,000)
Total other financing sources (uses)	(1,224,650)	(1,224,650)	(1,299,650)	(75,000)
Excess (deficiency) of revenues and other sources over expenditures and other uses	(775,550)	(1,477,842)	1,306,286	2,784,128
Fund balances at beginning of year	5,337,980	5,337,980	5,346,247	8,267
Fund balances at end of year	\$ 4,562,430	\$ 3,860,138	\$ 6,652,533	\$ 2,792,395

See accompanying note to the required supplementary schedule.

Bossier Parish Policy Jury
 Benton, Louisiana
 Required Supplementary Information
 Budgetary Comparison Schedule
 Library Fund
 For the Year Ended December 31, 2017

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues:				
Ad valorem taxes	\$ 7,280,000	\$ 7,280,000	\$ 7,523,632	\$ 243,632
Intergovernmental revenues	161,000	161,000	168,737	7,737
Fees, charges, and commissions for services	40,000	40,000	41,321	1,321
Fines and forfeitures	40,000	40,000	32,901	(7,099)
Use of money and property	2,000	69,600	76,990	7,390
Other revenues	17,000	24,400	19,055	(5,345)
Total revenues	<u>7,540,000</u>	<u>7,615,000</u>	<u>7,862,636</u>	<u>247,636</u>
Expenditures:				
Current:				
General government:				
Finance and administrative	235,000	235,000	229,920	5,080
Culture and recreation	7,305,000	7,380,000	6,928,279	451,721
Total expenditures	<u>7,540,000</u>	<u>7,615,000</u>	<u>7,158,199</u>	<u>456,801</u>
Excess (deficiency) of revenues over expenditures			704,437	704,437
Fund balances at beginning of year	<u>13,416,296</u>	<u>13,416,296</u>	<u>13,416,093</u>	<u>(203)</u>
Fund balances at end of year	<u>\$ 13,416,296</u>	<u>\$ 13,416,296</u>	<u>\$ 14,120,530</u>	<u>\$ 704,234</u>

See accompanying note to the required supplementary schedule.

Bossier Parish Policy Jury
 Benton, Louisiana
 Required Supplementary Information
 Budgetary Comparison Schedule
 Capital Improvements
 For the Year Ended December 31, 2017

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Sales tax	\$ 8,650,000	\$ 8,650,000	\$ 8,717,980	\$ 67,980
Use of money and property	15,000	38,267	32,864	(5,403)
Other revenues				
Total revenues	8,665,000	8,688,267	8,750,844	62,577
Expenditures:				
Current:				
General government:				
Other Administration	2,891,144	2,902,044	2,445,675	456,369
Public works	154,241	1,351,498	1,453,179	(101,681)
Health and Welfare	53,000	67,000	59,150	7,850
Economic development	1,500,000	1,514,777	14,777	1,500,000
Total expenditures	4,598,385	5,835,319	3,972,781	1,862,538
Excess (deficiency) of revenues over expenditures	4,066,615	2,852,948	4,778,063	1,925,115
Other financing sources (uses):				
Operating transfers in				
Operating transfers out	(5,395,553)	(5,260,053)	(5,194,096)	65,957
Total other financing sources (uses)	(5,395,553)	(5,260,053)	(5,194,096)	65,957
Excess (deficiency) of revenues and other sources over expenditures and other uses	(1,328,938)	(2,407,105)	(416,033)	1,991,072
Fund balances at beginning of year	6,920,905	6,920,905	6,920,525	(380)
Fund balances at end of year	\$ 5,591,967	\$ 4,513,800	\$ 6,504,492	\$ 1,990,692

See accompanying note to the required supplementary schedule.

Bossier Parish Policy Jury
 Benton, Louisiana
 Required Supplementary Information
 Budgetary Comparison Schedule
 Corrections
 For the Year Ended December 31, 2017

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues:				
Ad valorem taxes	\$ 2,875,000	\$ 2,920,000	\$ 3,061,154	\$ 141,154
Intergovernmental revenues	97,043	97,043	196,872	99,829
Fees, charges, and commissions for services	125,000	125,000	119,354	(5,646)
Other revenues	111,420	133,998	28,449	(105,549)
Use of money and property		19,000	21,925	2,925
Total revenues	<u>3,208,463</u>	<u>3,295,041</u>	<u>3,427,754</u>	<u>132,713</u>
Expenditures:				
Current:				
General government:				
Other Administration	92,000	93,546	93,546	
Public safety	4,161,403	4,178,724	2,754,935	1,423,789
Total expenditures	<u>4,253,403</u>	<u>4,272,270</u>	<u>2,848,481</u>	<u>1,423,789</u>
Excess (deficiency) of revenues over expenditures	<u>(1,044,940)</u>	<u>(977,229)</u>	<u>579,273</u>	<u>1,556,502</u>
Other financing sources (uses):				
Operating transfers in	50,257	50,257	50,257	
Total other financing sources (uses)	<u>50,257</u>	<u>50,257</u>	<u>50,257</u>	
Excess (deficiency) of revenues and other sources over expenditures and other uses	(994,683)	(926,972)	629,530	1,556,502
Fund balances at beginning of year	<u>3,555,939</u>	<u>3,555,939</u>	<u>3,555,939</u>	
Fund balances at end of year	<u>\$ 2,561,256</u>	<u>\$ 2,628,967</u>	<u>\$ 4,185,469</u>	<u>\$ 1,556,502</u>

See accompanying note to the required supplementary schedule.

Bossier Parish Policy Jury
 Benton, Louisiana
 Required Supplementary Information
 Budgetary Comparison Schedule
 Section 8
 For the Year Ended December 31, 2017

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues:				
Intergovernmental revenues	\$ 5,138,727	\$ 5,138,727	\$ 5,415,554	276,827
Other revenue			36,396	36,396
Use of money and property		4,078	8,928	4,850
Total revenues	5,138,727	5,142,805	5,460,878	318,073
Expenditures:				
Current:				
General government:				
Economic Development	539,408	533,708	479,956	53,752
Health and Welfare	4,492,591	4,492,591	4,730,179	(237,588)
Total expenditures	5,031,999	5,026,299	5,210,135	(183,836)
Excess (deficiency) of revenues over expenditures	106,728	116,506	250,743	134,237
Fund balances at beginning of year			381,335	381,335
Fund balances at end of year	\$ 106,728	\$ 116,506	\$ 632,078	\$ 515,572

See accompanying note to the required supplementary schedule.

Bossier Parish Police Jury
Benton, Louisiana
Note to Required Supplementary Information
December 31, 2017

Budget comparison statements included in the accompanying financial statements include the original adopted budgets and all subsequent amendments. For GAAP basis financial reporting, the General fund includes activities of the Juvenile Detention, Capital Projects Reserve and Sewer Operation funds, as those funds do not meet the criteria to be classified as special revenue funds.

The following schedule reconciles excess (deficiency) of revenues and other sources over expenditures and other uses on the statement of revenues, expenditures and changes in fund balances (budget - cash basis) with the amounts shown on the statement of revenues, expenditures and changes in fund balances (GAAP basis):

	<u>General Fund</u>	<u>Highway Fund</u>	<u>Library Fund</u>	<u>Capital Improvement</u>	<u>Corrections</u>	<u>Section 8</u>
Excess (Deficiency) of revenue and other expenditures and other uses (budget basis)	\$ 1,040,118	\$ 1,306,288	\$ 704,437	\$ (416,033)	\$ 629,530	\$ 250,743
Adjustments:						
Revenue accruals - net	(290,181)	(68,709)	(139,994)	99,504	(55,197)	
Expenditures accruals - net	37,433	(199,619)	185,731	95,737	(26,624)	(1,948)
Revenue, transfers, and Other financing sources:						
General fund	25,104					
Juvenile Detention	1,319,373					
Sewer Operations	467,697					
Capital Project Reserve	964,262					
Expenditures, transfers, and Other financing uses:						
Juvenile Detention	(1,311,411)					
Sewer Operations	(479,692)					
Capital Project Reserve	(719,965)					
Excess (deficiency) of revenues and other sources over expenditures and other uses (GAAP basis)	<u>\$ 1,052,738</u>	<u>\$ 1,037,958</u>	<u>\$ 750,174</u>	<u>\$ (220,792)</u>	<u>\$ 547,709</u>	<u>\$ 248,795</u>

Bossier Parish Police Jury
 Benton, Louisiana
 Schedule of Funding Progress for Retiree Health, Dental, and Life Plans
 For the Year Ended December 31, 2017

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded ALL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
1/1/2016	0	\$ 14,893,755	\$ 14,893,755	0	\$ 9,312,926	160%
1/1/2014	0	\$ 16,692,289	\$ 16,692,289	0	\$ 8,128,994	205%
1/1/2012	0	\$ 12,482,034	\$ 12,482,034	0	\$ 7,887,225	159%
1/1/2010	0	\$ 15,179,114	\$ 15,179,114	0	\$ 7,397,527	205%

Bossier Parish Police Jury
 Benton, Louisiana
 Schedule of Contributions
 For the Year Ended December 31, 2017

Parochial Employees' Retirement System

	2017	2016	2015
Contractually required contribution	\$ 1,102,472	\$ 1,149,203	\$ 1,227,901
Contributions in relation to the contractually required contribution	1,102,472	1,149,203	1,227,901
Contribution deficiency (excess)	-	-	-
Covered-employee payroll	8,819,685	8,840,019	8,468,282
Contributions as a percentage of covered-employee payroll	12.50%	13.00%	14.50%

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

Bossier Parish Police Jury
 Benton, Louisiana
 Schedule of Proportionate Share of Net Pension Liability
 For the Year Ended December 31, 2017

Parochial Employees' Retirement System

	2017	2016	2015
Proportion of the net pension liability	1.482831%	1.614342%	1.485990%
Proportionate share of the net pension liability	\$ 3,053,911	\$ 3,912,591	\$ 393,600
Covered-employee payroll	\$ 8,840,019	\$ 8,468,283	\$7,954,740
Proportionate share of the net pension liability as a percentage of covered employee payroll	34.55%	46.20%	4.95%
Plan fiduciary net position as a percentage of the total pension liability	94.15%	92.23%	99.15%

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

Bossier Parish Police Jury
Benton, Louisiana
Supplemental Information Schedules –
Combining Schedules for Non-Major Funds
As of and for the Year Ended December 31, 2017

Health Unit Fund

The Health Unit Fund accounts for the maintenance and operation of the parish health unit. Financing is provided by a special parish-wide ad valorem tax and interest earnings.

Law Enforcement Fund

Act 582 of 2004 increased the witness fee paid to off-duty law enforcement officers in criminal cases from \$25 per day per case to \$50 per day per case, up to a maximum of \$150 per day. The act stipulated that no parish would be required to appropriate general fund money for payment of these fees, and provided for a special fund to be established for payment. The 26th Judicial District Court judges are taxing defendants to pay witness fees associated with their cases.

Criminal Court Fund

The Criminal Court 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 criminal court fund account 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 surplus (fund balance) remaining in the fund at December 31 of each year be transferred to the parish General Fund.

Highway Certificates of Indebtedness Sinking Fund

The Highway Certificates of Indebtedness Sinking Fund is used to account for the accumulation of resources for and the repayment of debt on certificates of indebtedness issued for purposes of rural road construction.

Sales Tax Bonds Sinking Fund

The Sales Tax Bonds Sinking Fund is used to account for the accumulation of resources for and the repayment of debt on certificates of indebtedness issued for purposes of courthouse improvements/renovations and construction of a new maximum security jail.

General Capital Projects

The General Capital Projects Fund accounts for boarding fee funds received from three of the riverboats in Bossier Parish as well as the proceeds from taxes levied on slot machine proceeds. This money is to be utilized for various Capital Projects

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Supplemental Information Schedules –
Combining Schedules for Non-Major Funds
As of and for the Year Ended December 31, 2017
(Continued)

Industrial Park Construction Fund

The Industrial Park Construction Fund accounts for financial resources used to acquire and construct facilities at the industrial park.

Airline Drive Construction Fund

The Airline Drive Construction Fund was created to account for the construction/improvement of Airline Drive in Bossier Parish

Parks and Recreation Fund

The Parks and Recreation Fund was created to account for funds received from mineral leases to be used for the improvement of various parks and recreation facilities in Bossier Parish.

LCDA Public Improvements

The LCDA Public Improvement Fund accounts for the acquiring, constructing or improving streets and roads, parks and recreational facilities, and economic development facilities within the parish, title to which shall be in the public

LCDA Sinking Fund

The LCDA Sinking Fund is used to account for the accumulation of resources for and the repayment of debt on revenue bonds issued for purposes of acquiring, constructing or improving streets and roads, parks and recreational facilities, and economic development facilities within the parish, title to which shall be in the public.

North / South Corridor Construction

The North/South Corridor Construction Funds was created to account for funds for acquiring right-of-ways for the future North/South Corridor Construction Project.

Rural Development Grant Fund

The Rural Development Grant fund is used to account for various grants received from the State of Louisiana, Office of Rural Development, for various capital projects.

LCDBG

The LCDBG Grant fund is used to account for grants received from the Louisiana Community Development Block Grant program, for various projects

Bossier Parish Police Jury
Benton, Louisiana
Combining Balance Sheet
Non-major Governmental Funds
December 31, 2017

	Health Unit	Law Enforcement	Criminal Court	Highway Certificates of Indebtedness Sinking Fund	Sales Tax Bond Sinking
Assets					
Cash and cash equivalents	\$ 675,041	\$ 189,005	\$ 23,654	\$ 724,672	\$ 1,252,185
Investments	600,000				
Receivables	781,705	112	77,325	558	941
Restricted cash				83,771	1,648,150
Due from other fund			8,349		
Total assets	<u>\$ 2,056,746</u>	<u>\$ 189,117</u>	<u>\$ 109,328</u>	<u>\$ 809,001</u>	<u>\$ 2,901,276</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances					
Liabilities:					
Accounts payable	\$ 41,688	\$	\$ 71,696	\$	\$
Due to other fund			12,528		
Total liabilities	<u>41,688</u>		<u>84,224</u>		
Deferred Inflows of Resources:					
Unavailable revenue					
Property taxes	818,549				
Total deferred inflows of resources	<u>818,549</u>				
Fund balances:					
Restricted	1,148,020	189,117		83,771	1,648,150
Assigned	48,489		25,104	725,230	1,253,126
Total fund balances	<u>1,196,509</u>	<u>189,117</u>	<u>25,104</u>	<u>809,001</u>	<u>2,901,276</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,056,746</u>	<u>\$ 189,117</u>	<u>\$ 109,328</u>	<u>\$ 809,001</u>	<u>\$ 2,901,276</u>

(Continued)

Bossier Parish Police Jury
 Benton, Louisiana
 Combining Balance Sheet
 Non-major Governmental Funds
 December 31, 2017
 (Continued)

	General Capital Projects	Industrial Park	Airline Drive Construction	Parks & Recreation	LCDA Public Improvements
Assets					
Cash and cash equivalents	\$ 898,067	\$ 604,846	\$ 1,730,962	\$ 896,604	\$ 1,842
Investments					
Receivables	145,952	171	1,264	4,740	
Restricted cash					
Due from other fund				372	
Total assets	<u>\$ 1,044,019</u>	<u>\$ 605,017</u>	<u>\$ 1,732,226</u>	<u>\$ 901,716</u>	<u>\$ 1,842</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances					
Liabilities:					
Accounts payable	\$ 82,960	\$ 9,731	\$	\$ 11,050	\$
Due to other fund				348	
Total liabilities	<u>82,960</u>	<u>9,731</u>	<u></u>	<u>11,398</u>	<u></u>
Deferred Inflows of Resources:					
Unavailable revenue					
Property taxes					
Total deferred inflows of resources	<u></u>	<u></u>	<u></u>	<u></u>	<u></u>
Fund balances:					
Restricted					
Assigned	961,059	595,286	1,732,226	890,318	1,842
Total fund balances	<u>961,059</u>	<u>595,286</u>	<u>1,732,226</u>	<u>890,318</u>	<u>1,842</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,044,019</u>	<u>\$ 605,017</u>	<u>\$ 1,732,226</u>	<u>\$ 901,716</u>	<u>\$ 1,842</u>

(Continued)

Bossier Parish Police Jury
 Benton, Louisiana
 Combining Balance Sheet
 Non-major Governmental Funds
 December 31, 2017
 (Continued)

	LCDA Sinking Fund	North/South Corridor Construction	Rural Development Grants	LCDBG Grants	Total Other Governmental Funds
Assets					
Cash and cash equivalents	\$ 15,023	\$ 343,619	\$	\$	\$ 7,355,520
Investments					600,000
Receivables					1,012,768
Restricted cash	116,020	615,263			2,463,204
Due from other fund					8,721
Total assets	<u>\$ 131,043</u>	<u>\$ 958,882</u>	<u>\$</u>	<u>\$</u>	<u>\$ 11,440,213</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances					
Liabilities:					
Accounts payable	\$	\$ 150	\$	\$	\$ 217,275
Due to other fund					12,876
Total liabilities		<u>150</u>			<u>230,151</u>
Deferred Inflows of Resources:					
Unavailable revenue					
Property taxes					818,549
Total deferred inflows of resources					<u>818,549</u>
Fund balances:					
Restricted	131,043	615,263			3,815,364
Assigned		343,469			6,576,149
Total fund balances	<u>131,043</u>	<u>958,732</u>			<u>10,391,513</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 131,043</u>	<u>\$ 958,882</u>	<u>\$</u>	<u>\$</u>	<u>\$ 11,440,213</u>

Bossier Parish Police Jury
Benton, Louisiana
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
Non-major Governmental Funds
For the Year Ended December 31, 2017

	Health Unit	Law Enforcement	Criminal Court	Highway Certificates of Indebtedness Sinking Fund	Sales Tax Bond Sinking
Revenues:					
Ad valorem taxes	\$ 825,885	\$	\$	\$	\$
Gaming taxes					
Intergovernmental revenues	56,246				
Fees, charges and commissions for service		300	251,043		
Fines and forfeitures			981,010		
Investment earnings	10,882	1,036		6,486	9,222
Miscellaneous			2,021		
Total revenues	<u>893,013</u>	<u>1,336</u>	<u>1,234,074</u>	<u>6,486</u>	<u>9,222</u>
Expenditures:					
Current:					
Judicial		3,300	2,424,759		
Finance and administrative					
Other	25,501				2,263
Public safety	259,266				
Public works					
Health and welfare	705,024				
Culture and recreation					
Economic development					
Capital Outlay					
Debt service:					
Principal retirement				848,000	1,720,000
Interest and other charges				84,842	349,087
Total expenditures	<u>989,791</u>	<u>3,300</u>	<u>2,424,759</u>	<u>932,842</u>	<u>2,071,350</u>
Excess (deficiency) of revenues over expenditures	<u>(96,778)</u>	<u>(1,964)</u>	<u>(1,190,685)</u>	<u>(926,356)</u>	<u>(2,062,128)</u>
Other financing sources (uses)					
Transfers in			1,250,000	1,024,650	3,286,096
Transfers out	(467,600)		(25,104)		
Payment to bond escrow agent					
Total other financing sources	<u>(467,600)</u>		<u>1,224,896</u>	<u>1,024,650</u>	<u>3,286,096</u>
Excess (deficiency) of revenues and other sources over expenditures	<u>(564,378)</u>	<u>(1,964)</u>	<u>34,211</u>	<u>98,294</u>	<u>1,223,968</u>
Fund balances at beginning of year	<u>1,760,887</u>	<u>191,081</u>	<u>(9,107)</u>	<u>710,707</u>	<u>1,677,308</u>
Fund balances at end of year	<u>\$ 1,196,509</u>	<u>\$ 189,117</u>	<u>\$ 25,104</u>	<u>\$ 809,001</u>	<u>\$ 2,901,276</u>

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
Non-major Governmental Funds
For the Year Ended December 31, 2017
(Continued)

	General Capital Projects	Industrial Park	Airline Drive Construction	Parks & Recreation	LCDA Public Improvements
Revenues:					
Ad valorem taxes	\$	\$	\$	\$	\$
Gaming taxes	1,663,495				
Intergovernmental revenues					177,042
Fees, charges and commissions for service	540,000				
Fines and forfeitures					
Investment earnings	2,555	2,409	10,086	5,116	
Miscellaneous	81,489	15,363		51,779	
Total revenues	<u>2,287,539</u>	<u>17,772</u>	<u>10,086</u>	<u>56,895</u>	<u>177,042</u>
Expenditures:					
Current:					
Judicial					
Finance and administrative	5,941				
Other					
Public safety	528				
Public works	14,472				
Health and welfare					
Culture and recreation	40,000			325,057	
Economic development	1,092,463	10,665			
Capital Outlay				192,174	182,772
Debt service:					
Principal retirement					
Interest and other charges					
Total expenditures	<u>1,153,404</u>	<u>10,665</u>		<u>517,231</u>	<u>182,772</u>
Excess (deficiency) of revenues over expenditures	<u>1,134,135</u>	<u>7,107</u>	<u>10,086</u>	<u>(460,336)</u>	<u>(5,730)</u>
Other financing sources (uses)					
Transfers in			200,000	719,965	
Transfers out	(1,258,106)				(595,403)
Payment to bond escrow agent					
Total other financing sources	<u>(1,258,106)</u>		<u>200,000</u>	<u>719,965</u>	<u>(595,403)</u>
Excess (deficiency) of revenues and other sources over expenditures	(123,971)	7,107	210,086	259,629	(601,133)
Fund balances at beginning of year	<u>1,085,030</u>	<u>588,179</u>	<u>1,522,140</u>	<u>630,689</u>	<u>602,975</u>
Fund balances at end of year	<u>\$ 961,059</u>	<u>\$ 595,286</u>	<u>\$ 1,732,226</u>	<u>\$ 890,318</u>	<u>\$ 1,842</u>

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
Non-major Governmental Funds
For the Year Ended December 31, 2017
(Continued)

	LCDA Sinking Fund	North/South Corridor Construction	Rural Development Grants	LCDBG Grants	Total Other Governmental Funds
Revenues:					
Ad valorem taxes	\$	\$	\$	\$	\$ 825,885
Gaming taxes					1,663,495
Intergovernmental revenues		781,958	14,549	34,870	1,064,665
Fees, charges and commissions for service					791,343
Fines and forfeitures					981,010
Investment earnings	96,130				143,922
Miscellaneous					150,652
Total revenues	<u>96,130</u>	<u>781,958</u>	<u>14,549</u>	<u>34,870</u>	<u>5,620,972</u>
Expenditures:					
Current:					
Judicial					2,428,059
Finance and administrative					5,941
Other					27,764
Public safety			14,549		274,343
Public works		178,830		34,870	228,172
Health and welfare					705,024
Culture and recreation					365,057
Economic development					1,103,128
Capital Outlay		25,931			400,877
Debt service:					
Principal retirement	140,000				2,708,000
Interest and other charges	759,298				1,193,227
Total expenditures	<u>899,298</u>	<u>204,761</u>	<u>14,549</u>	<u>34,870</u>	<u>9,439,592</u>
Excess (deficiency) of revenues over expenditures	<u>(803,168)</u>	<u>577,197</u>			<u>(3,818,620)</u>
Other financing sources (uses)					
Transfers in	1,258,106				7,738,817
Transfers out					(2,346,213)
Payment to bond escrow agent	(11,240,000)				(11,240,000)
Total other financing sources	<u>(9,981,894)</u>				<u>(5,847,396)</u>
Excess (deficiency) of revenues and other sources over expenditures	<u>(10,785,062)</u>	<u>577,197</u>			<u>(9,666,016)</u>
Fund balances at beginning of year	<u>10,916,105</u>	<u>381,535</u>			<u>20,057,529</u>
Fund balances at end of year	<u>\$ 131,043</u>	<u>\$ 958,732</u>	<u>\$</u>	<u>\$</u>	<u>\$ 10,391,513</u>

Bossier Parish Police Jury
 Benton, Louisiana
 Supplemental Information Schedule -
 Schedule of Compensation Paid Police Jurors
 December 31, 2017

	<u>Amount</u>
Jerome Darby	\$ 19,200
Rick Avery	19,150
Jimmy Cochran	19,200
Glenn Benton	19,200
Wanda Bennett	19,200
Paul Plummer	19,200
Robert Brotherton	19,200
Douglas Cook	19,150
Douglas Rimmer	19,150
Thomas Salzer	19,200
Fred Shewmake	19,200
Jack Skaggs	19,200
Total	\$ 230,250

The schedule of compensation paid to police jurors is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the police jurors is included in the legislative expenditures of the General Fund. In accordance with Louisiana Revised Statute 33:1233, the police jury has elected the monthly payment method of compensation.

Bossier Parish Police Jury
Benton, Louisiana
Schedule of Compensation, Benefits, and Other Payments to Agency Head
For the Year Ended December 31, 2017

Agency Head: Bill Altimus, Parish Administrator

<u>Purpose</u>	<u>Amount</u>
Salary	\$132,812
Benefits-insurance	928
Benefits-retirement	16,601
Benefits-other	2,320
Registration fees	1,441
Special meals	1,175
Conference travel	5,206

Bossier Parish Police Jury
Benton, Louisiana
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2017

Federal Grantor / Pass-Through Grantor / Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Passed Through to Subrecipients	Expenditures
<u>U.S. Department of Defense</u>				
Direct Program - Payment to States in-Lieu-of Real Estate Taxes	12.112	Unknown	\$	\$ 82,272
<u>U.S. Department of Housing and Urban Development</u>				
Housing Voucher Cluster				
Direct Programs:				
Section 8 Housing Choice Vouchers	14.871	LA190		\$ 5,212,083
Total Housing Voucher Cluster				<u>5,212,083</u>
Passed through Louisiana Division of Administration, Office of Community Development				
Community Development Block Grant	14.228	698953		34,870
Total U.S. Department of Housing and Urban Development				<u>5,246,953</u>
<u>U.S. Department of Transportation</u>				
Highway Planning and Construction Cluster				
Passed through the Louisiana Department of Transportation and Development				
Bossier North / South Corridor - Highway Planning and Construction	20.205	DE-0809(507); 700-08-0137		621,401
Total Highway Planning and Construction Cluster				<u>621,401</u>
<u>U.S. Department of Homeland Security</u>				
Passed through the Governor's Office of Homeland Security and Emergency Preparedness				
Disaster Assistance	97.036	Unknown		367,621
Hazard Mitigation Grant	97.039	Unknown		1,323,698
Emergency Management Performance Grants	97.042	Unknown		34,178
Homeland Security Grant Program	97.067	Unknown		53,900
				<u>1,779,397</u>
<u>Environmental Protection Agency</u>				
Clean Water State Revolving Fund Cluster				
Passed through the Louisiana Department of Environmental Quality				
Capitalization Grants for Clean Water State Revolving Funds				?
Utilities Revenue Bonds, Series 2012	66.458	Unknown		343,799
Total Clean Water State Revolving Fund Cluster				<u>343,799</u>
Total Federal Expenditures				<u><u>\$ 8,073,822</u></u>

Bossier Parish Police Jury
 Benton, Louisiana
 Notes to the Schedule of Expenditures of Federal Awards
 For the Year Ended December 31, 2017

NOTE A: Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Bossier Parish Police Jury under programs of the federal government for the year ended December 31, 2017. 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 (Uniform Guidance) Because the Schedule presents only a selected portion of the operations of Bossier Parish Police Jury, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Bossier Parish Police Jury.

NOTE B: Summary of Significant Accounting Policies

- (1) The accompanying schedule of expenditures of federal awards is prepared on the accrual basis of accounting.
- (2) Bossier Parish Police Jury does not utilize an indirect cost rate.

NOTE C: Federal Portion of Loan Balances Outstanding at December 31, 2017:

	Utility Revenue Bonds Series 2012	Utility Revenue Bonds Series 2015
Cumulative federal funds drawn through December 31, 2017	<u>\$ 3,771,134</u>	<u>\$ 2,942,196</u>
Outstanding loan balance, December 31, 2017	<u>\$ 16,326,504</u>	<u>\$ 9,544,000</u>

NOTE D. Disaster Assistance Funds

Included in Disaster Assistance, 97.036, totaling \$367,621 are amounts received in 2017 but incurred in prior years totaling \$60,782.

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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 Auditors' Report

To the Members of the
Bossier Parish Police Jury
Benton, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the 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, business-type activities, each major fund, and the aggregate remaining fund information of the Bossier Parish Police Jury, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Bossier Parish Police Jury's basic financial statements, and have issued our report thereon dated June 21, 2018.

Internal Control Over Financial Reporting

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

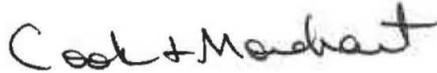
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weakness or significant deficiencies. Given these limitations, during our audit we did not identify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

Compliance and Other Matters

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

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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Cook & Morehart
Certified Public Accountants
June 21, 2018

COOK & MOREHART

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Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance

Independent Auditors' Report

To the Members of the
Bossier Parish Police Jury
Benton, Louisiana

Report on Compliance for Each Major Federal Program

We have audited the Bossier Parish Police Jury's 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 Bossier Parish Police Jury's major federal programs for the year ended December 31, 2017. The Bossier Parish Police Jury's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Bossier Parish Police Jury'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 Bossier Parish Police Jury's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Bossier Parish Police Jury's compliance.

Opinion on Each Major Federal Program

In our opinion, the Bossier Parish Police Jury 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, 2017.

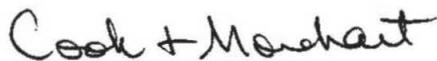
Report on Internal Control Over Compliance

Management of the Bossier Parish Police Jury 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 Bossier Parish Police Jury'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 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 Bossier Parish Police Jury's internal control over compliance.

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



Cook & Morehart
Certified Public Accountants
June 21, 2018

Bossier Parish Police Jury
 Benton, Louisiana
 Summary Schedule of Prior Audit Findings
 December 31, 2017

There were no findings for the prior year audit for the year ended December 31, 2016.

Schedule of Finding and Questioned Costs
 December 31, 2017

A. Summary of Audit Results

Internal control over financial reporting :

Material weaknesses identified : yes no
 Significant deficiencies identified : yes none reported

Noncompliance material to financial statements noted :

yes no

Federal Awards

Internal control over major programs :

Material weaknesses identified : yes no
 Significant deficiencies identified : yes none reported

Type of auditors' report issued on compliance for major federal programs : Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)

yes no

Identification of major federal programs :

FEMA Disaster Assistance CFDA #97.036
 FEMA Hazard Mitigation CFDA #97.039
 Section 8 Housing CFDA #14.871

Dollar threshold used to distinguish between type A and type B programs : \$750,000

Auditee qualified as low risk :

yes no

B. Findings – Financial Statements Audit: - None

C. Findings and Questioned Costs – Major Federal Award Programs Audit: None

Bossier Parish Police Jury
Benton, Louisiana
Summary Schedule of Prior Year Audit Findings
Schedule For Louisiana Legislative Auditor
December 31, 2017

There were no findings for the prior year audit for the year ended December 31, 2016.

Corrective Action Plan For Current Year Audit Findings
Schedule For Louisiana Legislative Auditor
December 31, 2017

There are no findings for the current year audit for the year ended December 31, 2017.

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Independent Accountants' Report on Applying Agreed-Upon Procedures

Bossier Parish Police Jury
Benton, Louisiana
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below, which were agreed to by the Bossier Parish Police Jury 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, 2017 through December 31, 2017. The Bossier Parish Police Jury management is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of Government Auditing Standards. 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.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the entity does not have any written policies and procedures), as applicable:
 - 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***, including receiving, recording, and preparing deposits
 - 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, and (5) monitoring card usage
- 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) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Management provided written policies and procedures addressing all of the above

Board (or Finance Committee, if applicable)

- 2. Obtain and review the board/committee minutes for the fiscal period, and:
 - a) Report whether the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.

The police jury met on a monthly basis

- b) Report whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and any additional funds identified as major funds in the entity's prior audit (GAAP-basis).
 - If the budget-to-actual comparisons show that management was deficit spending during the fiscal period, report whether there is a formal/written plan to eliminate the deficit spending for those entities with a fund balance deficit. If there is a formal/written plan, report whether the meeting minutes for at least one board meeting during the fiscal period reflect that the board is monitoring the plan.

The minutes included monthly budget-to-actual comparisons.

- c) Report whether the minutes referenced or included non-budgetary financial information (e.g. approval of contracts and disbursements) for at least one meeting during the fiscal period.

The minutes of the Bossier Parish Police Jury did reference non-budgetary financial information for at least one meeting during the fiscal period.

Bank Reconciliations

- 3. Obtain a listing of client bank accounts from management and management's representation that the listing is complete.

Management provided the requested information, along with management's representation that the listing is complete.

- 4. Using the listing provided by management, select all of the entity's bank accounts (if five accounts or less) or one-third of the bank accounts on a three year rotating basis (if more than 5 accounts) For each of the bank accounts selected, obtain bank statements and reconciliations for all months in the fiscal period and report whether:

- a) Bank reconciliations have been prepared;

Bank reconciliations were prepared for each month examined.

- b) Bank reconciliations include evidence that a member of management or a board member (with no involvement in the transactions associated with the bank account) has reviewed each bank reconciliation,

Bank reconciliations included evidence that a member of management had reviewed each bank reconciliation, except as noted below.

Exception: Fifteen (15) of the seventy-two (72) bank reconciliations tested did not have evidence of management approval.

Management's Response: Bank reconciliations will be reviewed and signed by either the Treasurer or Assistant Treasurer on a monthly basis. A checklist will be prepared and maintained to ensure that this process is followed

- c) If applicable, management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months as of the end of the fiscal period

Exception: There was no indication that management had researched 7 outstanding items that were more than 6 months old on one (1) bank account totaling \$95 98.

Management's Response: During the Bank Reconciliation process and checks older than six (6) months will be brought to the attention of the Treasurer or Assistant Treasurer. The Assistant Treasurer will then follow the steps to tender the checks and information to the Louisiana State Treasurer for unclaimed property.

Collections

- 5. Obtain a listing of cash/check/money order (cash) collection locations and management's representation that the listing is complete.

Management provided the requested information, along with management's representation that the listing is complete

- 6 Using the listing provided by management, select all of the entity's cash collection locations (if five locations or less) or one-third of the collection locations on a three year rotating basis (if more than 5 locations) For each cash collection location selected:

- a) Obtain existing written documentation (e.g insurance policy, policy manual, job description) and report whether each person responsible for collecting cash is (1) bonded, (2) not responsible for depositing the cash in the bank, recording the related transaction, or reconciling the related bank account (report if there are compensating controls performed by an outside party), and (3) not required to share the same cash register or drawer with another employee.

Persons responsible for collecting cash at each cash collection location was insured under a blanket crime insurance policy. Each person responsible for collecting cash at each cash collection location was not responsible for depositing cash in the bank, recording the related transaction, or reconciling the related bank account

Each person responsible for collecting cash at each cash collection location was not required to share the same cash register or drawer with another employee, except as noted below

Exception: Nine (9) of the ten (10) locations selected for testing have employees that are responsible for cash collections and they share the same cash drawer. Eight of those nine locations are at various library branches whereby employees have separate passwords for accessing the cash drawers

Management's Response: We will inform the Library Management Staff of the exception and will yield to their Board as to the remedy, if any, for this exception. Logistics and physical layout constrains and limitations may make this exception unavoidable

- b) Obtain existing written documentation (e.g. sequentially numbered receipts, system report, reconciliation worksheets, policy manual) and report whether the entity has a formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, by a person who is not responsible for cash collections in the cash collection location selected.

The Police Jury has a formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers by a person who is not responsible for cash collections in each of the cash collection locations selected.

- c) Select the highest (dollar) week of cash collections from the general ledger or other accounting records during the fiscal period and.

- Using entity collection documentation, deposit slips, and bank statements, trace daily collections to the deposit date on the corresponding bank statement and report whether the deposits were made within one day of collection. If deposits were not made within one day of collection, report the number of days from receipt to deposit for each day at each collection location

For each week selected for testing, deposits were processed within one day of collection at each cash collection location, except as noted below.

Exception: Eight (8) of the ten (10) locations selected for testing had deposits that were greater than 1 day from the date received. The number of days between receipt and deposit ranged from 9 to 19 days. These deposits were all at various library branches and range in amounts from \$.30 to \$490.54

Management's Response: We will inform the Library Management Staff of the exception and will yield to their Board as to the remedy, if any, for this exception. Again, logistics and the physical locations of the separate Library Offices makes it very difficult to economically transfer the daily collections to the Central Office for deposit on a daily basis. The Library management has a process that seems efficient given the lack of material amounts collected on a daily basis by the outlying branch locations

- Using sequentially numbered receipts, system reports, or other related collection documentation, verify that daily cash collections are completely supported by documentation and report any exceptions.

For the week selected, daily cash collections were completely supported by collection documentation.

- 7. Obtain existing written documentation (e.g. policy manual, written procedure) and report whether the entity has a process specifically defined (identified as such by the entity) to determine completeness of all collections, including electronic transfers, for each revenue source and 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) by a person who is not responsible for collections.

The Police Jury has a process specifically defined to determine completeness of collections by an individual who is not responsible for collections.

Disbursements – General (excluding credit card/debit card/fuel card/P-Card purchases or payments)

8. Obtain a listing of entity disbursements from management or, alternately, obtain the general ledger and sort/filter for entity disbursements. Obtain management's representation that the listing or general ledger population is complete.

Management provided the requested information, along with management's representation that the listing is complete.

9. Using the disbursement population from #8 above, randomly select 25 disbursements (or randomly select disbursements constituting at least one-third of the dollar disbursement population if the entity had less than 25 transactions during the fiscal period), excluding credit card/debit card/fuel card/P-card purchases or payments. Obtain supporting documentation (e.g. purchase requisitions, system screens/logs) for each transaction and report whether the supporting documentation for each transaction demonstrated that:

- a) Purchases were initiated using a requisition/purchase order system or an equivalent electronic system that separates initiation from approval functions in the same manner as a requisition/purchase order system.

Purchases selected for testing were initiated using a requisition/purchase order system that separated initiation from approval.

- b) Purchase orders, or an electronic equivalent, were approved by a person who did not initiate the purchase.

For the items selected for testing, purchase orders were approved by a person who did not initiate the purchase.

- c) Payments for purchases were not processed without (1) an approved requisition and/or purchase order, or electronic equivalent; a receiving report showing receipt of goods purchased, or electronic equivalent; and an approved invoice.

Payments for purchases were not processed without an approved requisition and/or purchase order, or electronic equivalent; a receiving report showing receipt of goods purchased, or electronic equivalent; and an approved invoice.

10. Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the person responsible for processing payments is prohibited from adding vendors to the entity's purchasing/disbursement system.

The Police Jury's policy is that new vendors can only be added to the purchasing/disbursement system after approval by the treasurer

11. Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the persons with signatory authority or who make the final authorization for disbursements have no responsibility for initiating or recording purchases.

Persons with signatory authority or who make the final authorization for disbursements have no responsibility for initiating or recording purchases.

12. Inquire of management and observe whether the supply of unused checks is maintained in a locked location, with access restricted to those persons that do not have signatory authority, and report any exceptions. Alternately, if the checks are electronically printed on blank check stock, review entity

documentation (electronic system control documentation) and report whether the persons with signatory authority have system access to print checks.

Persons with signatory authority do not have system access to print checks

13. If a signature stamp or signature machine is used, inquire of the signer whether his or her signature is maintained under his or her control or is used only with the knowledge and consent of the signer. Inquire of the signer whether signed checks are likewise maintained under the control of the signer or authorized user until mailed. Report any exceptions.

A signature machine is used, and the keys for the signature machine are kept in a locked location. Signed checks are mailed by an individual with no access to disbursement system or blank check stock and no signature authority

Credit Cards/Debit Cards/Fuel Cards/P-Cards

14. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards), including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete

Management provided the requested information, along with management's representation that the listing is complete.

15. Using the listing prepared by management, randomly select 10 cards (or at least one-third of the cards if the entity has less than 10 cards) that were used during the fiscal period, rotating cards each year. Obtain the monthly statements, or combined statements if multiple cards are on one statement, for the selected cards. Select the monthly statement or combined statement with the largest dollar activity for each card (for a debit card, select the monthly bank statement with the largest dollar amount of debit card purchases) and:

- a) Report whether there is evidence that the monthly statement or combined statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder

For each card selected for testing, there was evidence that the monthly statement and supporting documentation was approved, in writing, by someone other than the authorized card holder.

- b) Report whether finance charges and/or late fees were assessed on the selected statements.

There were no finance charges or late fees assessed on the cards selected for testing.

16. Using the monthly statements or combined statements selected under #15 above, obtain supporting documentation for all transactions for each of the cards selected (i.e. each of the cards should have one month of transactions subject to testing)

- a) For each transaction, report whether the transaction is supported by:

- An original itemized receipt (i.e., identifies precisely what was purchased)

Transactions tested were supported by original itemized receipts, except as noted below.

Exception On three fuel cards selected for testing, 12 of 16 receipts were not attached to the statement. The fuel purchases were for police jury vehicles

Management's Response: In the future, all credit card receipts must be remitted to the Accounts Payable department to facilitate reconciliation with the monthly statements

Charges that are not supported by receipts will be reported to the Departmental Supervisor and specific reasons documented for the loss and approval for the missing receipts.

- Documentation of the business/public purpose. For meal charges, there should also be documentation of the individuals participating.

Transactions tested contained documentation of business purpose, except as noted below.

Exception: One (1) transaction selected for testing did not contain a listing of individuals participating on the receipts

Management's Response: Accounts Payable will ensure all information required in current policies and procedures are followed and any variance from policy will require the Parish Administrator or Parish Treasurer to approve the payment of any charges

- Other documentation that may be required by written policy (e.g., purchase order, written authorization)

No other documentation is required by the Police Jury's written credit card policy.

- b) For each transaction, compare the transaction's detail (nature of purchase, dollar amount of purchase, supporting documentation) to the entity's written purchasing/disbursement policies and the Louisiana Public Bid Law (i.e. transaction is a large or recurring purchase requiring the solicitation of bids or quotes) and report any exceptions

We compared each transaction tested to the agency's written policies and public bid law. There were no exceptions noted.

- c) For each transaction, compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. cash advances or non-business purchases, regardless whether they are reimbursed). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

The Police Jury's documentation met the requirements of Article 7, Section 14.

Travel and Expense Reimbursement

- 17 Obtain from management a listing of all travel and related expense reimbursements, by person, during the fiscal period or, alternately, obtain the general ledger and sort/filter for travel reimbursements. Obtain management's representation that the listing or general ledger is complete

Management provided the requested information, along with management's representation that the listing is complete.

- 18. Obtain the entity's written policies related to travel and expense reimbursements. Compare the amounts in the policies to the per diem and mileage rates established by the U.S. General Services Administration (www.gsa.gov) and report any amounts that exceed GSA rates.

The per diem and mileage rates used by the Police Jury do not exceed the GSA rates

- 19. Using the listing or general ledger from #17 above, select the three persons who incurred the most travel costs during the fiscal period. Obtain the expense reimbursement reports or prepaid expense documentation of each selected person, including the supporting documentation, and choose the

largest travel expense for each person to review in detail For each of the three travel expenses selected.

- a) Compare expense documentation to written policies and report whether each expense was reimbursed or prepaid in accordance with written policy (e.g., rates established for meals, mileage, lodging) If the entity does not have written policies, compare to the GSA rates (#18 above) and report each reimbursement that exceeded those rates.

The reimbursements selected were supported with documentation in accordance with the Police Jury's written policies.

- b) Report whether each expense is supported by.

- An original itemized receipt that identifies precisely what was purchased.

Expenses selected for testing contained receipts listing precisely what was purchased

- Documentation of the business/public purpose

The business purpose was documented on each invoice selected for testing.

- Other documentation as may be required by written policy.

Other documentation as required by the Police Jury's written policy was attached to items selected for testing.

- c) Compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. hotel stays that extend beyond conference periods or payment for the travel expenses of a spouse). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

The Police Jury's documentation met the requirements of Article 7, Section 14.

- d) Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

For each expense selected for testing, the expense and related documentation was reviewed and approved in writing by someone other than the person receiving reimbursement.

Contracts

20. Obtain a listing of all contracts in effect during the fiscal period or, alternately, obtain the general ledger and sort/filter for contract payments Obtain management's representation that the listing or general ledger is complete.

Management provided the requested information, along with management's representation that the listing is complete.

- 21 Using the listing above, select the five contract "vendors" that were paid the most money during the fiscal period (excluding purchases on state contract and excluding payments to the practitioner). Obtain the related contracts and paid invoices and:

- a) Report whether there is a formal/written contract that supports the services arrangement and the amount paid

There were formal, written contracts supporting the services arrangement and the amounts paid for the contracts selected for testing.

- b) Compare each contract's detail to the Louisiana Public Bid Law or Procurement Code. Report whether each contract is subject to the Louisiana Public Bid Law or Procurement Code and:

- If yes, obtain/compare supporting contract documentation to legal requirements and report whether the entity complied with all legal requirements (e.g., solicited quotes or bids, advertisement, selected lowest bidder)

Of the contracts selected for testing, the Police Jury complied with the Louisiana Public Bid Law or Procurement Code.

- If no, obtain supporting contract documentation and report whether the entity solicited quotes as a best practice.

N/A

- c) Report whether the contract was amended. If so, report the scope and dollar amount of the amendment and whether the original contract terms contemplated or provided for such an amendment.

One of the five contracts selected for testing was amended. The contract was amended five times for a total increase of \$141,474. These amendments were for additional work required, and did not change the overall scope of the project.

- d) Select the largest payment from each of the five contracts, obtain the supporting invoice, compare the invoice to the contract terms, and report whether the invoice and related payment complied with the terms and conditions of the contract.

The largest payment selected for testing from each of the five vendor contracts was supported by invoices that agreed with the terms of the contract.

- e) Obtain/review contract documentation and board minutes and report whether there is documentation of board approval, if required by policy or law (e.g. Lawrason Act or Home Rule Charter)

All of the contracts selected for testing were approved by a member of management designated to approve contracts per the policy.

Payroll and Personnel

22. Obtain a listing of employees (and elected officials, if applicable) with their related salaries, and obtain management's representation that the listing is complete.

Management provided the requested information, along with management's representation that the listing is complete.

Randomly select five employees/officials, obtain their personnel files, and

- a) Review compensation paid to each employee during the fiscal period and report whether payments were made in strict accordance with the terms and conditions of the employment contract or pay rate structure.

Payment was made in accordance with the terms of approved pay rates.

- b) Review changes made to hourly pay rates/salaries during the fiscal period and report whether those changes were approved in writing and in accordance with written policy.

Changes made to hourly pay rates/salaries during the fiscal period were approved in writing and in accordance with the Police Jury's written policy.

23. Obtain attendance and leave records and randomly select one pay period in which leave has been taken by at least one employee. Within that pay period, randomly select 25 employees/officials (or randomly select one-third of employees/officials if the entity had less than 25 employees during the fiscal period), and:

a) Report whether all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).

For transactions selected for testing, daily attendance and leave were documented.

b) Report whether there is written documentation that supervisors approved, electronically or in writing, the attendance and leave of the selected employees/officials.

Transactions selected for testing had evidence that supervisors approved the attendance and leave of the selected employees.

c) Report whether there is written documentation that the entity maintained written leave records (e.g., hours earned, hours used, and balance available) on those selected employees/officials that earn leave.

For the transactions selected for testing, the Police Jury maintained written leave records.

24. Obtain from management a list of those employees/officials that terminated during the fiscal period and management's representation that the list is complete. If applicable, select the two largest termination payments (e.g., vacation, sick, compensatory time) made during the fiscal period and obtain the personnel files for the two employees/officials. Report whether the termination payments were made in strict accordance with policy and/or contract and approved by management.

Management provided the requested information, along with management's representation that the listing is complete.

For the two transactions selected for testing, the termination benefits were made in accordance with the Police Jury's written procedures.

25. Obtain supporting documentation (e.g. cancelled checks, EFT documentation) relating to payroll taxes and retirement contributions during the fiscal period. Report whether the employee and employer portions of payroll taxes and retirement contributions, as well as the required reporting forms, were submitted to the applicable agencies by the required deadlines.

Employee and employer portions of payroll taxes and retirement contributions, as well as required reporting forms, were submitted to the applicable agencies by the required deadlines.

Ethics (excluding nonprofits)

26. Using the five randomly selected employees/officials from procedure #22 under "Payroll and Personnel" above, obtain ethics compliance documentation from management and report whether the entity maintained documentation to demonstrate that required ethics training was completed.

The Police Jury maintained documentation to demonstrate that required ethics training was completed.

27. Inquire of management whether any alleged ethics violations were reported to the entity during the fiscal period. If applicable, review documentation that demonstrates whether management investigated alleged ethics violations, the corrective actions taken, and whether management's actions complied with the entity's ethics policy. Report whether management received allegations, whether management investigated allegations received, and whether the allegations were addressed in accordance with policy.

There were no alleged ethics violations reported to management.

Debt Service (excluding nonprofits)

28. If debt was issued during the fiscal period, obtain supporting documentation from the entity, and report whether State Bond Commission approval was obtained.

The Police Jury did not issue any new debt during the current fiscal year.

29. If the entity had outstanding debt during the fiscal period, obtain supporting documentation from the entity and report whether the entity made scheduled debt service payments and maintained debt reserves, as required by debt covenants.

The Police Jury made scheduled debt service payments and maintained debt reserves, as required by debt covenants.

30. If the entity had tax millages relating to debt service, obtain supporting documentation and report whether millage collections exceed debt service payments by more than 10% during the fiscal period. Also, report any millages that continue to be received for debt that has been paid off.

The Police Jury did not have any tax millages relating to debt service.

Other

31. Inquire of management whether the entity had any misappropriations of public funds or assets. If so, obtain/review supporting documentation and report whether the entity reported the misappropriation to the legislative auditor and the Assessor attorney of the parish in which the entity is domiciled.

Management is not aware of any misappropriation of public funds or assets.

32. Observe and report whether the entity has posted on its premises and website, the notice required by R.S. 24:523.1. This notice (available for download or print at www.la.gov/hotline) concerns the reporting of misappropriation, fraud, waste, or abuse of public funds.

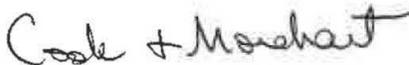
The Police Jury has posted on its premises and website the notice required by R.S. 24:523.1.

33. If the practitioner observes or otherwise identifies any exceptions regarding management's representations in the procedures above, report the nature of each exception.

We have not observed or identified any exceptions regarding management's representations in the above procedures.

We were not engaged to and did not conduct 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 result 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.



Cook & Morehart
Certified Public Accountants