



October 21, 2019

Mr. Daryl G. Purpera, CPA, CFE
Louisiana Legislative Auditor
ereports@lla.la.gov

Re: Union Parish Police Jury's 2018 Audited Financial Statements

Mr. Purpera:

We are resubmitting the Union Parish Police Jury's 2018 audited financial statements.

We have made the following changes:

- 1) Page 10 - Governmental Activities Statement of Net Position - Per the Police Jury's agreement with the water system which benefits from the CDBG project, capitalized project increasing capital assets
- 2) Page 11 - Governmental Activities Statement of Activities - Increased beginning net position due to 1) above
- 3) Page 30 - Note 6 - Capital Assets - Revised Construction in Progress and Fire, sewer, and water system improvements due to 1) above
- 4) Page 53 - Note 15 - Fund Balance/Net Position Restatement - Included information on 1) above
- 5) Pages 63 and 64 - Nonmajor Governmental Funds Combining Statements - Added Capital Projects CDBG Fund, added \$7,862 in revenues and expenditures, prior years activity was presented in General Fund but there was no beginning fund balance
- 6) Page 74 - SEFA - Added \$7,862 of CDBG expenditures
- 7) Page 80 - Summary of Audit Results - Removed CDBG as a major program

Please let us know if you have any questions or require additional information.

Respectfully,

BOSCH & STATHAM, LLC

Melissa E. Bosch

Melissa E. Bosch, CPA

Enclosure

UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA

FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION
AS OF AND FOR THE YEAR ENDED
DECEMBER 31, 2018



**UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA**

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AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018**

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

Union Parish Police Jury
Farmerville, Louisiana
Management's Discussion and Analysis
December 31, 2018 (Unaudited)

As management of the Union Parish Police Jury, we offer readers of the police jury's financial statements this narrative overview and analysis of the financial activities of the police jury for the year ended December 31, 2018. We encourage readers to consider the information presented here, in conjunction with the financial statements, and the supplementary information provided in this report in assessing the efficiency and effectiveness of our stewardship of public resources.

Overview of the Financial Statements

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

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the police jury's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the police jury's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the police jury is improving or deteriorating.

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

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

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

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

Union Parish Police Jury

Management's Discussion and Analysis

December 31, 2018 (Unaudited)

The police jury maintains twenty-two individual governmental funds. Information is presented separately in the governmental funds' balance sheet and in the governmental funds' statement of revenues, expenditures, and changes in fund balances for the General Fund, the Road Maintenance Fund, the Road Construction Fund, the Sales Tax Landfill Fund, the Detention Center Fund, and the Workforce Investment Act Program Fund which all are considered to be major funds. Data from the other sixteen funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining schedules in the other supplemental information section of the report.

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

Table 1
Net Position
Governmental Activities

	<u>2018</u>	<u>2017</u>
Current and other assets	\$ 20,794,637	\$ 20,148,685
Capital assets (net)	<u>10,686,156</u>	<u>11,048,476</u>
Total assets	<u>31,480,793</u>	<u>31,197,161</u>
Deferred outflows	<u>783,326</u>	<u>1,248,677</u>
Long-term obligations	9,127,805	10,238,542
Other liabilities	<u>1,696,773</u>	<u>2,130,376</u>
Total liabilities	<u>10,824,578</u>	<u>12,368,918</u>
Deferred inflows	<u>1,047,338</u>	<u>176,973</u>
Net position:		
Net investment in capital assets	9,970,185	10,564,896
Restricted for landfill closure/post-closure care	550,000	530,000
Unrestricted	<u>9,872,020</u>	<u>8,805,051</u>
Total net position	<u>\$ 20,392,205</u>	<u>\$ 19,899,947</u>

Union Parish Police Jury
Management's Discussion and Analysis
December 31, 2018 (Unaudited)

Table 2
Changes in Net Assets
Governmental Activities

	<u>2018</u>	<u>2017</u>
Revenues		
Program revenues:		
Charges for services	\$ 5,067,942	\$ 5,279,462
Operating grants	3,135,727	3,313,078
Capital grants	58,444	768,574
General revenues:		
Property taxes	2,778,653	2,737,829
Sales taxes	2,146,100	2,552,231
Unrestricted grants and contributions	957,797	689,134
Other general revenues	599,706	238,697
Total revenues	<u>14,744,369</u>	<u>15,579,005</u>
Program expenses		
General government	1,808,693	1,616,011
Public safety	4,462,390	4,683,445
Public works	5,443,773	4,649,989
Health and welfare	2,496,494	2,632,308
Culture and recreation	518,595	523,433
Economic development and assistance	56,630	52,733
Transportation	175,031	161,072
Interest expense	4,260	9,865
OPEB obligation	-	135,904
Total expenses	<u>14,965,866</u>	<u>14,464,760</u>
Increase (decrease) in net position	<u>\$ (221,497)</u>	<u>\$ 1,114,245</u>

At the close of the fiscal year, assets of the police jury exceeded liabilities by \$20,656,215. Of net position, \$9,970,185 represents the police jury's investment in capital assets net of accumulated depreciation and related debt. Those assets are not available for future spending. The remaining balance of net position is made up of bank balances, time deposits, and receivables.

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

Union Parish Police Jury
Management's Discussion and Analysis
December 31, 2018 (Unaudited)

Table 3
Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2018	2017	2018	2017
General government	\$ 1,808,693	\$ 1,616,011	\$ 1,396,825	\$ 1,248,192
Public safety	4,462,390	4,683,445	862,945	893,971
Public works	5,443,773	4,649,989	3,550,768	2,419,804
Health and welfare	2,496,494	2,632,308	271,014	24,439
Culture and recreation	518,595	523,433	451,874	470,303
Economic development and assistance	56,630	52,733	56,630	52,733
Transportation	175,031	161,072	109,437	(151,565)
Interest expense	4,260	9,865	4,260	9,865
OPEB obligation	-	135,904	-	135,904
Totals	\$ 14,965,866	\$ 14,464,760	\$ 6,703,753	\$ 5,103,646

Significant variances in expenses were an increase in public works and decreases in OPEB of \$793,784 and \$135,904, respectively. The increase in public works was primarily due to a \$500,427 increase in the landfill closure/post-closure liability. The OPEB liability decreased in the current year.

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

As of December 31, 2018, combined governmental fund balances of \$19,472,818 showed an increase of \$1,197,378 over December 31, 2017. The General Fund's balance of \$1,459,980 is more than the 2017 balance by \$90,519. Other significant variances included increases in Road Construction Fund and Sales Tax Landfill Fund of \$364,533 and \$863,628, respectively.

Union Parish Police Jury
 Management's Discussion and Analysis
 December 31, 2018 (Unaudited)

General Fund revenues decreased \$495,254, primarily due to intergovernmental revenue, federal funds and severance taxes. General Fund expenditures decreased \$418,177 due primarily to a decrease in public safety and health and welfare.

Revenues of the Road Construction Fund increased by \$413,233, primarily because of grants. Expenditures increased \$66,833, primarily due to project activity.

Revenues of the Sales Tax Landfill Fund decreased \$391,912 due to a decrease in sales taxes. Several accounts in the fund increased and decreased in minor amounts to cause the overall increase.

Budgetary Highlights

The following table illustrates the changes between final and original budgets of the major funds:

	<u>General</u>	<u>Road Maintenance</u>	<u>Road Construction</u>	<u>Sales Tax Landfill</u>	<u>Detention Center</u>
Revenues:					
Original	\$ 1,768,705	\$ 1,438,900	\$ 1,506,600	\$ 3,315,500	\$ 2,729,050
Final	<u>1,831,116</u>	<u>1,497,792</u>	<u>1,085,295</u>	<u>3,743,142</u>	<u>2,839,340</u>
Change	<u>\$ 62,411</u>	<u>\$ 58,892</u>	<u>\$ (421,305)</u>	<u>\$ 427,642</u>	<u>\$ 110,290</u>
Expenditures:					
Original	\$ 2,021,615	1,837,590	1,345,725	3,785,033	3,211,700
Final	<u>1,996,827</u>	<u>1,617,779</u>	<u>1,020,685</u>	<u>1,818,322</u>	<u>3,039,005</u>
Change	<u>\$ 24,788</u>	<u>\$ 219,811</u>	<u>\$ 325,040</u>	<u>\$ 1,966,711</u>	<u>\$ 172,695</u>

All major fund budgets were amended to reflect actual beginning equity.

The General Fund amended budget included decreases in intergovernmental revenues and general government, public safety and health and welfare expenditures.

Capital Asset and Debt Administration

Capital Assets. The police jury's investment in capital assets for its governmental activities as of December 31, 2018, amounts to \$10,686,156 (net of accumulated depreciation). This investment includes land, buildings and improvements, furniture and equipment, vehicles, public works equipment and fire, water and sewer system improvements. During the year, the police jury purchased assets totaling \$208,651 and disposed of assets totaling \$266,310. Additions include the purchase of an asphalt zipper for the Road Department, a hydro-seeder at the Landfill, and vehicles for the Detention Center.

Long-Term Obligations. At the end of the year, police jury had total long-term obligations of \$9,502,758 up from \$10,702,970 at December 31, 2017. The obligations consisted of accrued and unused employee annual leave, debt, other post-employment benefits, net pension liability, and landfill closure/post closure care.

Union Parish Police Jury

Management's Discussion and Analysis

December 31, 2018 (Unaudited)

Economic Factors and Next Year's Budgets

The police jury's financial plan for this upcoming year is well underway since the adoption of a realistic budget that meets the needs of the parish while protecting the long-term financial stability of the parish.

Requests for Information

This financial report is designed to be a summary of the Union Parish Police Jury's finances. If there are any questions regarding any information, a request can be made in writing to the Union Parish Police Jury, at P.O. Box 723, Farmerville, Louisiana 71241. Our telephone number is (318) 368-3296.

INDEPENDENT AUDITOR'S REPORT

To the Honorable President and Members of the
Union Parish Police Jury
Farmerville, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Union Parish Police Jury, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the basic financial statements of the Union 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 misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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.

Summary of Opinions

<u>Opinion Unit</u>	<u>Type of Opinion</u>
Governmental Activities	Unmodified
Aggregate Discretely Presented Component Units	Adverse
Governmental Fund General Fund	Unmodified
Governmental Fund Road Maintenance Fund	Unmodified
Governmental Fund Road Construction Fund	Unmodified
Governmental Fund Sales Tax Landfill	Unmodified
Governmental Fund Detention Center	Unmodified
Aggregate Remaining Fund Information	Qualified

Basis for Adverse Opinion on Aggregate Discretely Presented Component Units and Qualified Opinion on Aggregate Remaining Fund Information

The financial statements referred to above do not include financial data for the Police Jury's legally separate component units. Accounting principles generally accepted in the United States of America require financial data for those component units to be reported with the financial data of the Police Jury's primary government unless the Police Jury also issues financial statements for the financial reporting entity that include the financial data for its component units. The Police Jury has not issued such reporting entity financial statements. Because of this departure from accounting principles generally accepted in the United States of America, the assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues, and expenses of the aggregate discretely presented component units are understated by the amount of assets, liabilities, net position, revenues, and expenses of the aggregate discretely presented component units. In addition, the assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenues, and expenditures of the aggregate remaining fund information would have increased by the amount of assets, liabilities, fund balances, revenues, and expenditures of the omitted component units. The amounts by which this departure would affect the financial statements are not reasonably determinable.

Adverse Opinion

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

Qualified Opinion

In our opinion, except for the effects of the matter described in the "Basis for Adverse Opinion on Aggregate Discretely Presented Component Units and Qualified Opinion on Aggregate Remaining Fund Information" paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the aggregate remaining fund information of the Union Parish Police Jury, as of December 31, 2018, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Police Jury, as of December 31, 2018, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Current Year Adoption of New Accounting Standard and Restatement of Net Position

As described in Note 9 to the financial statements, for the year ended December 31, 2018, the Police Jury adopted a new accounting standard, Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities.

Union Parish Police Jury
Farmerville, Louisiana
Independent Auditor's Report
December 31, 2018

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 1-6), budgetary comparison information (pages 55-60), Post Employment Benefits Other than Pension - Schedule of Funding Progress (page 61), Schedule of Employer's Proportionate Share of Net Pension Liability (page 61), and Schedule of Employer's Contributions to Pension Plans (page 62), be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the 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 Union Parish Police Jury's financial statements. The combining nonmajor fund financial statements; the schedule of compensation paid police jurors; and the schedule of compensation, benefits, reimbursements, and other payments to or on behalf of the agency head; are presented for purposes of additional analysis and are not a required part of the financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulation part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not required part of the financial statements.

The combining nonmajor fund financial statements; the schedule of compensation paid police jurors; and the schedule of compensation, benefits, reimbursements, and other payments to or on behalf of the agency head; and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate 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 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 combining nonmajor fund financial statements; the schedule of compensation paid police jurors; and the schedule of compensation, benefits, reimbursements, and other payments to or on behalf of the agency head; and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the 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 30, 2019, on our consideration of the Union Parish Police Jury's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Union Parish Police Jury's internal control over financial reporting and compliance.

BOSCH & STATHAM, LLC

Bosch & Statham

Ruston, Louisiana
June 30, 2019

Basic Financial Statements

UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA

GOVERNMENTAL ACTIVITIES
STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2018

ASSETS	
Cash and cash equivalents	\$ 14,538,466
Investments	2,441,815
Receivables	3,467,578
Capital assets, net of accumulated depreciation	10,686,156
Net pension asset	346,778
TOTAL ASSETS	<u>31,480,793</u>
DEFERRED OUTFLOWS	
Deferred outflows - pension related	<u>783,326</u>
LIABILITIES	
Cash overdraft	64,783
Accounts, salaries and other payables	753,424
Deposits due others	156,835
Compensated absences	535,898
Capital lease payable	165,833
Public building revenue bonds due within one year	20,000
Public building revenue bonds due in more than one year	138,000
Net OPEB obligation	1,086,078
Net pension liability	26,450
Landfill closure/postclosure care	7,877,277
TOTAL LIABILITIES	<u>10,824,578</u>
DEFERRED INFLOWS	
Deferred inflows - pension related	<u>1,047,338</u>
NET POSITION	
Net investment in capital assets	9,970,185
Restricted for landfill closure/postclosure care	550,000
Unrestricted	9,872,020
TOTAL NET POSITION	<u>\$20,392,205</u>

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

UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA

GOVERNMENTAL ACTIVITIES
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2018

FUNCTIONS - GOVERNMENTAL ACTIVITIES	EXPENSES	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	
General government	\$ 1,808,693	\$ 244,358	\$ 167,510	\$ -	\$ (1,396,825)
Public safety	4,462,390	3,440,034	159,411	-	(862,945)
Public works	5,443,773	1,362,227	530,778	-	(3,550,768)
Health and welfare	2,496,494	10,301	2,215,179	-	(271,014)
Culture and recreation	518,595	11,022	55,699	-	(451,874)
Economic development and assistance	56,630	-	-	-	(56,630)
Transportation	175,031	-	7,150	58,444	(109,437)
Interest expense	4,260	-	-	-	(4,260)
Total governmental activities	<u>\$ 14,965,866</u>	<u>\$ 5,067,942</u>	<u>\$ 3,135,727</u>	<u>\$ 58,444</u>	<u>(6,703,753)</u>
General revenues:					
Property taxes levied for:					
General purposes					644,012
Public works					1,640,359
Culture and recreation					494,282
Sales and use taxes levied for public works					2,146,100
Other taxes, penalties and interest					19,300
Grants and contributions not restricted to specific programs					957,797
Unrestricted investment earnings					23,508
Restricted investment earnings					38,195
Proceeds from insurance					29,176
Donations					682
Other					488,845
Total general revenues					<u>6,482,256</u>
Change in net position					(221,497)
Net position at beginning of year, restated					<u>20,613,702</u>
Net position at end of year					<u>\$ 20,392,205</u>

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

UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA

GOVERNMENTAL FUNDS - BALANCE SHEET
AS OF DECEMBER 31, 2018

ASSETS	GENERAL	ROAD MAINTENANCE	ROAD CONSTRUCTION	SALES TAX LANDFILL	DETENTION CENTER	CAPITAL PROJECTS AIRPORT GRANT	OTHER GOVERN- MENTAL FUNDS	TOTAL GOVERN- MENTAL FUNDS
Cash and cash equivalents	\$ 619,358	\$ 745,649	\$ 978,570	\$ 10,269,739	\$ 500	\$ 36,056	\$ 1,888,594	\$ 14,538,466
Investments	516,523	157,652	301,118	822,326	39,311	-	604,885	2,441,815
Receivables	664,306	896,615	1,015,694	133,366	149,102	-	608,495	3,467,578
Due from other funds	42,946	-	-	-	-	-	-	42,946
Total assets	<u>\$ 1,843,133</u>	<u>\$ 1,799,916</u>	<u>\$ 2,295,382</u>	<u>\$ 11,225,431</u>	<u>\$ 188,913</u>	<u>\$ 36,056</u>	<u>\$ 3,101,974</u>	<u>\$ 20,490,805</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND EQUITY								
Liabilities:								
Cash overdraft	\$ -	\$ -	\$ -	\$ -	\$ 64,783	\$ -	\$ -	\$ 64,783
Accounts payable	68,420	57,354	25,676	29,688	75,368	-	39,590	296,096
Salaries and related payables	314,733	25,046	-	14,087	75,593	-	27,868	457,327
Deposits due others	-	146,173	2,000	-	-	-	-	148,173
Due to other funds	-	6,428	1,902	4,174	9,115	-	21,327	42,946
Due to others	-	-	-	-	-	-	8,662	8,662
Total liabilities	<u>383,153</u>	<u>235,001</u>	<u>29,578</u>	<u>47,949</u>	<u>224,859</u>	<u>-</u>	<u>97,447</u>	<u>1,017,987</u>
Fund equity - fund balances:								
Restricted	-	1,564,915	2,265,804	11,177,482	(35,946)	36,056	3,004,527	18,012,838
Unassigned	1,459,980	-	-	-	-	-	-	1,459,980
Total fund equity - fund balances	<u>1,459,980</u>	<u>1,564,915</u>	<u>2,265,804</u>	<u>11,177,482</u>	<u>(35,946)</u>	<u>36,056</u>	<u>3,004,527</u>	<u>19,472,818</u>
Total liabilities, deferred inflows, and fund equity	<u>\$ 1,843,133</u>	<u>\$ 1,799,916</u>	<u>\$ 2,295,382</u>	<u>\$ 11,225,431</u>	<u>\$ 188,913</u>	<u>\$ 36,056</u>	<u>\$ 3,101,974</u>	<u>\$ 20,490,805</u>

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

UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA

RECONCILIATION OF THE GOVERNMENTAL FUNDS' BALANCE
SHEET TO THE STATEMENT OF NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2018

Total fund balances - governmental funds	\$ 19,472,818
Amounts reported for governmental activities in the statement of net position are different because:	
Some assets are not financial resources.	
Capital assets	10,686,156
Net pension asset	346,778
Deferred items for pension related items are not reported in the fund statements:	
Deferred outflows	783,326
Deferred inflows	(1,047,338)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the fund statements:	
Compensated absences	(535,898)
Capital lease payable	(165,833)
Revenue bonds	(158,000)
Net OPEB obligation	(1,086,078)
Net pension liability	(26,450)
Landfill closure/postclosure obligation	<u>(7,877,277)</u>
Net position of governmental activities	<u>\$ 20,392,205</u>

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

UNION PARISH POLICE JURY
 FARMERVILLE, LOUISIANA

GOVERNMENTAL FUNDS - STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED DECEMBER 31, 2018

	GENERAL	ROAD MAINTENANCE	ROAD CONSTRUCTION	SALES TAX LANDFILL	DETENTION CENTER	WORKFORCE INVESTMENT ACT	CAPITAL PROJECTS AIRPORT GRANT	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
Revenues:									
Taxes:									
Ad valorem	\$ 644,012	\$ 894,345	\$ 746,014	\$ -	\$ -	\$ -	\$ -	\$ 494,282	\$ 2,778,653
Sales and use	-	-	-	2,146,100	-	-	-	-	2,146,100
Other taxes, penalties, and interest	19,300	-	-	-	-	-	-	-	19,300
Licenses and permits	145,826	-	-	-	-	-	-	-	145,826
Intergovernmental funds:									
Federal funds	2,342	92,005	371,136	-	-	1,658,895	52,599	632,457	2,809,434
State funds:									
Severance taxes	489,459	-	-	-	-	-	-	-	489,459
State revenue sharing	67,761	92,309	92,311	-	-	-	-	55,107	307,488
Parish transportation	-	337,764	-	-	-	-	-	592	338,356
Fire insurance rebate	93,955	-	-	-	-	-	-	-	93,955
Other state funds	99,749	532	-	-	-	-	5,845	7,150	113,276
Fees, charges and commissions for services	55,005	53,022	-	1,309,205	2,698,611	-	-	635,957	4,751,800
Fines and forfeitures	-	-	-	-	-	-	-	118,040	118,040
Use of money and property	43,527	2,984	5,700	25,755	744	-	-	35,269	113,979
Other revenues	20,536	286,485	-	5,573	30,248	-	-	60,770	403,612
Donations	-	-	-	-	-	-	-	682	682
Total revenues	<u>1,681,472</u>	<u>1,759,446</u>	<u>1,215,161</u>	<u>3,486,633</u>	<u>2,729,603</u>	<u>1,658,895</u>	<u>58,444</u>	<u>2,040,306</u>	<u>14,629,960</u>

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

**UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA**

**GOVERNMENTAL FUNDS - STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2018**

	GENERAL	ROAD MAINTENANCE	ROAD CONSTRUCTION	SALES TAX LANDFILL	DEIETION CENTER	WORKFORCE INVESTMENT ACT	CAPITAL PROJECTS AIRPORT GRANT	OTHER GOVERN- MENTAL FUNDS	TOTAL GOVERN- MENTAL FUNDS
Expenditures:									
Current:									
General government:									
Legislative	\$ 154,806	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 154,806
Judicial	250,049	-	-	-	-	-	-	105,818	355,867
Elections	23,703	-	-	-	-	-	-	-	23,703
Finance and administrative	307,170	-	-	-	-	-	-	6,533	313,703
Other general government	544,323	-	-	-	-	-	-	-	544,323
Public safety	428,319	-	-	-	3,115,975	-	-	716,309	4,260,603
Public works	-	1,707,042	850,628	1,100,429	-	-	-	826,589	4,484,688
Health and welfare	114,481	-	-	-	-	1,658,895	-	710,010	2,483,386
Culture and recreation	1,800	-	-	-	-	-	-	415,632	417,432
Economic development and assistance	53,874	-	-	-	-	-	-	-	53,874
Transportation	-	-	-	-	-	-	-	35,461	35,461
Debt service	-	-	-	101,752	-	-	-	23,508	125,260
Capital outlay	-	46,599	-	-	-	-	\$ 38,669	123,384	208,652
Total expenditures	1,878,525	1,753,641	850,628	1,202,181	3,115,975	1,658,895	38,669	2,963,244	13,461,758
Excess (deficiency) of revenues over expenditures	(197,053)	5,805	364,533	2,284,452	(386,372)	-	19,775	(922,938)	1,168,202
Other sources (uses):									
Operating transfers in	702,536	-	-	-	400,000	-	-	764,964	1,867,500
Proceeds from insurance	-	-	-	29,176	-	-	-	-	29,176
Operating transfers out	(414,964)	-	-	(1,450,000)	-	-	-	(2,536)	(1,867,500)
Total other sources (uses)	287,572	-	-	(1,420,824)	400,000	-	-	762,428	29,176
Net change in fund balances	90,519	5,805	364,533	863,628	13,628	-	19,775	(160,510)	1,197,378
Fund balances (deficit) at									
beginning of year (restated)	1,369,461	1,559,110	1,901,271	10,313,854	(49,574)	-	16,281	3,165,037	18,275,440
Fund balances (deficit) at end of year	\$ 1,459,980	\$ 1,564,915	\$ 2,265,804	\$ 11,177,482	\$ (35,946)	\$ -	\$ 36,056	\$ 3,004,527	\$ 19,472,818

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

UNION PARISH POLICE JURY
 FARMERVILLE, LOUISIANA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED DECEMBER 31, 2018

Net change in fund balances - total governmental funds \$ 1,197,378

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.

Capital outlay	208,651
Depreciation	(962,078)
Adjustment to capital assets	(1,032)

Governmental funds report the retirement of long-term debt as an expenditure. However, in the government-wide financial statements, that amount representing principal on long-term debt is not treated as an expense but is instead applied against outstanding long-term debt on the Statement of Net Position.

159,747

Payments of long-term debt, including contributions to the OPEB obligation, are reported as expenditures in governmental funds. However, these amounts are a reduction of long-term liabilities in the Statement of Net Position and are not reflected in the Statement of Activities.

Net change in compensated absences payable	(296,050)
Net change in OPEB liability	47,214
Net change in net pension liability and deferred items	(74,900)
Net change in landfill closure/postclosure liability	(500,427)
Change in net position of governmental activities	<u>\$ (221,497)</u>

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

UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA

FIDUCIARY FUND TYPE - AGENCY FUNDS
STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2018

ASSETS

Cash and cash equivalents	\$	166,308
Receivables		<u>71</u>
TOTAL ASSETS	\$	<u>166,379</u>

LIABILITIES

Due to inmates	\$	139,344
Due to others		<u>27,035</u>
TOTAL LIABILITIES	\$	<u>166,379</u>

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

UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

Introduction

Union Parish Police Jury is the parish governing authority governed by an elected board referred to as the "police jury" (similar to county boards in other states) and is a political subdivision of the State of Louisiana. The police jury is governed by nine police jurors representing the various districts within the parish. The jurors are elected by the voters of their respective districts and serve four-year terms. The current terms of jurors expire in January 2020. Jurors receive compensation for their service on the police jury as provided by Louisiana Revised Statute 33:1233.

Union Parish, established by Act 12 of the Louisiana Legislature in 1839, is located in the north central part of the state and occupies 878 square miles of land with a population of 22,571 residents, based on the last census. State law gives the police jury various powers and functions in regulating and directing the affairs of the parish and its inhabitants. The more notable of those are the power to make regulations for their own government; to construct and maintain roads and bridges, drainage systems, sewerage systems, water works systems, parish prisons, health units, and hospitals; to manage solid waste disposal; to provide for fire protection, recreation, and parks, road lighting and marking, and the health and welfare of the poor, disadvantaged, and unemployed; to promote economic development and tourism; and to regulate the sale of alcoholic beverages in the parish. The police jury also houses and maintains the Courts and the offices of the Assessor, Clerk of Court, Registrar of Voters, District Attorney and the Sheriff. Funding to accomplish these tasks is provided by ad valorem taxes, sales taxes, beer and alcoholic beverage permits, parish licenses, state revenue sharing, severance taxes and various other state and federal grants.

In accomplishing its objectives, the police jury employs approximately 170 employees (5 in the central office, 4 in the courthouse, 5 in the 911 office, 12 in the library, 3 at the health unit, 1 in emergency preparedness, 75 at the detention center and 65 in public works). In addition to maintaining drainage and bridges in the parish, the police jury currently maintains 1,016 miles of parish roads.

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

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*. The accompanying financial statements and notes thereto are presented in accordance with Statement No. 34.

GASB Statement No. 14, *The Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the jury is considered a primary government, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, fiscally independent means that the police jury may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. In accordance with GASB Statement 14, the reporting entity for Union Parish consist of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

UNION PARISH POLICE JURY
 FARMERVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
 AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

Introduction (Continued)

GASB Statement No. 14 established criteria for determining which component units should be considered part of Union 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. These criteria include:

- The police jury appoints a voting majority of the organization’s governing body and is either able to impose its will on the organization or there is a potential financial benefit/burden to the police jury.
- The entity is fiscally dependent on the police jury.
- The nature and significance of the relationship between the police jury and the entity is such that exclusion would cause the financial statements of the police jury to be misleading or incomplete.

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

Component Units:	<u>Fiscal Year End</u>	<u>Criteria Used</u>
Union Parish:		
Tax Assessor	December 31	2 & 3
Sheriff	June 30	2 & 3
Clerk of Court	December 31	2 & 3
Communications District	December 31	1 & 3
Tourist Commission	December 31	1 & 3
Library	December 31	2 & 3
Third Judicial District Criminal Court (Union Parish)	December 31	2 & 3
Waterworks District No. 1	December 31	1 & 3
Rocky Branch Waterworks District	December 31	1 & 3
Tri-Ward Hospital Service District	December 31	1 & 3
East Union Hospital Service District	March 31	1 & 3
West Sterlington Sewer District	December 31	1 & 3
Rocky Branch-Crossroads Fire Protection District	December 31	1 & 3
Ward 5 Fire Protection District	December 31	1 & 3
North Union Fire Protection District	December 31	1 & 3
Spencer-West Sterlington Fire Protection District	December 31	1 & 3
Northeast Union Fire Protection District	December 31	1 & 3
Sadie-Tiger Bend Fire Protection District	December 31	1 & 3
Bernice Area Fire Protection District	December 31	1 & 3
Farmerville Area Fire Protection District	December 31	1 & 3

UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

Introduction (Continued)

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

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

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Government-wide and fund financial statements

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

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

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

UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement focus, basis of accounting, and financial statement presentation

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

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

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

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

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

The Road Maintenance Fund accounts for the maintenance of the parish highways, roads, bridges, and drainage systems. Financing is provided by the State of Louisiana Parish Transportation Fund, sales and use taxes, a specific parish wide ad valorem tax, state revenue sharing funds, and interest earnings.

The Road Construction Fund accounts for major upgrades and repairs of parish highways, streets, and bridges. Financing is provided by state revenue sharing, interest earnings, and a specific parish wide ad valorem tax.

The Sales Tax Landfill Fund accounts for operation of the Union Parish Sanitary Landfill. Financing is provided by a parish wide sales tax, dumping fees, and interest earned on deposits. In accordance with the tax proposition, excess taxes not required for operation of the landfill are transferred to other funds for road construction and maintenance, solid waste collection, and the retirement of long-term debt associated with operation of the landfill.

The Detention Center Commission Fund accounts for the cost of housing prisoners convicted of state and federal offenses at the parish prison. Financing is provided by fees charged the state and federal governments and transfers from the General Fund.

UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The Workforce Investment Act (WIA) Fund accounts for grants from the United States Department of Labor through the Louisiana Department of Labor. Grants flow through the police jury, the grant recipient, to Workforce Investment Board #82, the program operator. The program, more fully discussed at note 13, provides job training and related assistance to economically disadvantaged individuals. The ultimate goal of the program is to move trainees into permanent, self-sustaining employment. The program is reported on a June 30 year end.

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

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

Fund Balance Type Definitions

In accordance with Government Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, Union Parish Police Jury classifies governmental fund balances as follows:

- Non-spendable Includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints.
- Restricted Includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.
- Committed Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority and does not lapse at year-end. Fund balance may be committed by the Union Parish Police Jury.
- Assigned Includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund balance may be assigned by the Union Parish Police Jury.
- Unassigned Includes positive fund balance within the General Fund which has not been classified within the above-mentioned categories and negative fund balances in other governmental funds.

UNION PARISH POLICE JURY
 FARMERVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
 AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deposits and investments

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

Receivables and payables

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

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

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

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration</u>
Parishwide taxes:			
General	2.79	2.79	Indefinite
Road Maintenance	6.15	6.15	2026
Road Construction	5.13	5.13	2026
Library	2.40	2.40	2026
Library - Support	1.00	1.00	2019
Council on Aging	1.63	1.63	2022

UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Receivables and payables

The difference between authorized and levied millage is the result of reassessments of taxable property within the parish as required by Article 7, Section 18 of the Louisiana Constitution of 1974. The following are the principal taxpayers for the parish and their 2018 assessed valuation (amounts expressed in thousands):

	2018 Assessed Valuation	Percent of Total Assessed Valuation
Midcontinent Express Pipeline, LLC	\$17,711,320	9.46%
Foster Poultry Farms	11,860,750	6.33%
Gulf Crossing Pipeline Company	9,701,080	5.18%
Claiborne Electric Coop	5,240,060	2.80%
Enable Gas Transmission, LLC	3,337,190	1.78%
Enervest Operating Company	2,952,536	1.58%
Entergy Louisiana, Inc.	2,660,790	1.42%
Weyerhaeuser Company	1,880,989	1.00%
CenturyTel Service Group, LLC	1,993,526	1.06%
Trans-Union Interstate Pipeline	1,380,630	0.74%
Total	<u>\$58,718,871</u>	<u>31.36%</u>

Union Parish has a one percent sale and use tax, which was passed by the voters on April 30, 1983, for an indefinite period. The net proceeds of the tax (after necessary costs of collection) are used: (1) to construct, acquire, improve, maintain, and operate solid waste collection and disposal facilities; (2) to construct, improve, and maintain streets, roads, and bridges; and (3) to fund the retirement of bonds issued to construct any of the above capital facilities. The Lincoln Parish Sales and Use Tax Commission, through an agreement with the Union Parish Sales and Use Tax Commission, serves as the sales tax collection agency for the parish.

The Commission provides collection services for a fee of one and one-quarter percent of amounts actually collected.

Capital assets

Capital assets, which include property, plant, equipment, etc., are reported in the governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost.

Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The police jury maintains a threshold level of \$5,000 or more for capitalizing assets.

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

UNION PARISH POLICE JURY FARMERVILLE,
LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

<u>Description</u>	<u>Estimated Lives</u>
Land improvements	20 - 30 Years
Buildings and improvements	20 - 40 Years
Fire, sewer and water systems improvements	20 - 30 Years
Public works equipment	5 - 15 Years
Vehicles	3 - 7 Years
Office furniture and equipment	5 - 10 Years
Library materials	5 Years

Compensated absences

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

Full-time employees of the Union Parish Library earn from 8 to 20 days of annual leave each year, depending upon their classification and length of service. After ten years of continuous service, employees receive an additional two days of annual leave each year. Annual leave cannot be carried forward to succeeding years. Full-time employees earn 12 days of sick leave each year while employees working between 20 and 40 hours per week earn sick leave on a pro rata basis. Sick leave may be accumulated without limitation. Upon reaching retirement, an employee has the option of being paid for accumulated leave up to 100 hours at his or her current rate of pay or having it applied toward the retirement benefit calculation.

Employees of the district attorney's office paid from the Criminal Court Special Revenue Fund earn 12 days of annual leave and 12 days of sick leave per year. Leave cannot be accumulated and carried forward to succeeding years. There is no formal leave policy for employees of the district judge's office paid from the Criminal Court Fund.

All full-time employees of the police jury earn annual leave at rates varying from 6 to 18 days per year, depending upon their length of service. All permanent part-time employees earn annual leave on a pro rata basis. Annual leave may be accumulated to an unlimited number of days. Upon resignation, retirement, or death, accumulated annual leave of up to 300 hours is paid at the employee's current rate of pay. In addition, all full-time employees earn 12 days of sick leave each year and all permanent part-time employees earn sick leave on a pro rata basis. Sick leave may be accumulated to an unlimited number of days. Employees have the option, upon retirement, of being paid for sick leave up to 100 hours or applying sick leave to retirement.

UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated absences (continued)

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

Long-term obligations

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

Restricted net position

For the government-wide statement of net position, net position is reported as restricted when constraints placed on net asset use are either:

1. Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments.
2. Imposed by law through constitutional provisions or enabling legislation.

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

Extraordinary and special items

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

Estimates

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

UNION PARISH POLICE JURY
 FARMERVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
 AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 2 - CASH AND CASH EQUIVALENTS

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

Under state law, the police jury may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 2018, the police jury has cash and cash equivalents (book balances) totaling \$14,639,991 (including \$7,059,406 in the landfill assurance trust account classified as investments on the governmental funds' balance sheet and statement of net position, \$106,761 in the inmate welfare agency fund, and \$53,435 in the inmate banking agency fund) as follows:

Demand deposits	\$14,633,279
Cash on hand	6,112
Petty cash	600
Total	<u>\$14,639,991</u>
Amounts held in agency funds	<u>(166,308)</u>
Total	<u>\$14,473,683</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. As of December 31, 2018, the police jury had bank balances of \$15,428,140 (including \$7,059,406 classified as investments on the governmental funds balance sheet and statement of net position in the landfill assurance trust account, \$168,323 in the inmate welfare agency fund, and \$50,682 in the inmate banking agency fund) of which \$16,375,085 was exposed to custodial credit risk as follows:

Insured by FDIC	\$ 500,000
Collateralized by pledged securities not in the Police Jury's name	<u>16,375,085</u>
Total balances exposed to custodial credit risk	<u>16,375,085</u>
Total bank balances	<u>\$ 15,428,140</u>

UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 3 - INVESTMENTS

Investments held at December 31, 2018, consist of account and \$2,441,815 in the Louisiana Asset Management Pool (LAMP), a local government investment pool. LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA - R.S. 33:2955.

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

GASB Statement No. 40, *Deposit and Investment Risk Disclosure*, requires disclosure of credit risk, custodial credit risk, concentration of credit risk, interest rate risk, and foreign currency risk for all public entity investments. LAMP is a 2a7-like investment pool. The following facts are relevant for 2a7-like investment pools: (1) credit risk: LAMP is rated AAAM by Standard & Poor's; (2) custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required; (3) concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement; (4) interest rate risk: GASB No. 40 excludes 2a7-like investment pools from this disclosure requirement; and, (5) foreign currency risk: Not applicable to 2a7-like pools.

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

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

UNION PARISH POLICE JURY
 FARMERVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
 AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 4 - RECEIVABLES

The receivables of \$3,467,578 at December 31, 2018, are as follows:

	Taxes	Due From Other Governments		Fines and Forfeitures	Accounts and Other	Total
		Federal	State			
General	\$ 591,269		\$ 56,092		\$ 16,945	\$ 664,306
Road Maintenance	819,005		76,391		1,219	896,615
Road Construction	683,169	120,783	76,391		135,351	1,015,694
Sales Tax Landfill	-				133,366	133,366
Detention Center			145,577		3,525	149,102
Other governmental	452,739		118,190	284	37,282	608,495
Total	\$ 2,546,182	\$ 120,783	\$ 472,641	\$ 284	\$ 327,688	\$ 3,467,578

NOTE 5 - INTERFUND TRANSFERS

Interfund transfers during the year ended December 31, 2018, were as follows:

		Transfers out			
		General	Sales Tax	Nonmajor	Total
Transfers in	General	\$ -	\$ 700,000	\$ 2,536	\$ 702,536
	Sales Tax Landfill	-	750,000	-	750,000
	Nonmajor Funds	414,964	-	-	414,964
	Total	\$ 414,964	\$ 1,450,000	\$ 2,536	\$ 1,867,500

Transfers from the General Fund to other funds were operating transfers. Transfers to the General Fund from the Sales Tax Landfill Fund were unrestricted dumping fees. Transfers from the Sales Tax Landfill Fund to the Solid Waste Collection Fund were surplus sales taxes, as provided by the tax proposition.

		Due To				Total
		Parish Road	Road Construction	Library	Non-Major Funds	
Due From	General	\$ 6,428	\$ 1,902	\$ 2,069	\$ 32,547	\$ 42,946
	Total	\$ 6,428	\$ 1,902	\$ 2,069	\$ 32,547	\$ 42,946

UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 6 – CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended December 31, 2018, is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets not being depreciated:				
Land	\$ 962,888	\$ -	\$ (1,032)	\$ 961,856
Construction in Progress	899,254	46,531	(945,785)	-
Total capital assets not being depreciated	<u>1,862,142</u>	<u>46,531</u>	<u>(946,817)</u>	<u>961,856</u>
Capital assets being depreciated:				
Infrastructure:				
Land improvements	1,793,309	-	-	1,793,309
Buildings and improvements	9,258,405	-	-	9,258,405
Other improvements	1,838,085	545,785	-	2,383,870
Fire, sewer and water system improvements	1,885,608	400,000	-	2,285,608
Public works equipment	6,282,673	16,500	(66,957)	6,232,216
Vehicles	1,835,754	30,098	(27,487)	1,838,365
Office furniture and equipment	169,077	6,337	(12,827)	162,587
Library:				
Building and improvements	230,302	-	-	230,302
Vehicle	105,530	-	-	105,530
Office furniture and equipment	128,378	-	(88,686)	39,692
Books and videos	943,206	109,185	(70,353)	982,038
Total capital assets being depreciated	<u>24,470,327</u>	<u>1,107,905</u>	<u>(266,310)</u>	<u>25,311,922</u>
Less accumulated depreciation for:				
Infrastructure:				
Land improvements	832,743	59,348	-	892,091
Buildings and improvements	4,921,105	226,433	-	5,147,538
Other improvements	313,701	81,508	-	395,209
Fire, sewer and water system improvements	1,423,557	52,681	-	1,476,238
Public works equipment	4,396,004	376,097	(66,957)	4,705,144
Vehicles	1,733,791	57,417	(27,487)	1,763,721
Office furniture and equipment	147,057	8,420	(12,827)	142,650
Library:				
Building and improvements	204,115	4,527	-	208,642
Vehicle	94,977	10,553	-	105,530
Office furniture and equipment	128,378	-	(88,686)	39,692
Books and videos	696,427	85,094	(70,353)	711,168
Total accumulated depreciation	<u>14,891,855</u>	<u>962,078</u>	<u>(266,310)</u>	<u>15,587,623</u>
Total capital assets being depreciated, net	<u>9,578,472</u>	<u>145,827</u>	<u>-</u>	<u>9,724,299</u>
Total capital assets, net	<u>\$ 11,440,614</u>	<u>\$ 192,358</u>	<u>\$ (946,817)</u>	<u>\$ 10,686,156</u>

UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 6 – CAPITAL ASSETS (CONTINUED)

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

General government	\$ 28,561
Public safety	179,515
Public works	497,405
Health and welfare	13,108
Culture and recreation	101,163
Economic development and assistance	2,756
Transportation	139,570
	<u>\$ 962,078</u>

NOTE 7 - LONG-TERM OBLIGATIONS

The following is a summary of long-term obligation transactions for the year ended December 31, 2018:

	Beginning Balance	Additions	Deductions	Adjustments	Ending Balance
Public Revenue Bonds, Series 2011	\$ 178,000	\$ -	\$ (20,000)	\$ -	\$ 158,000
Sales Tax Bonds, Series 2015	101,000	-	(101,000)	-	-
Equipment Lease - Purchase Zipper	204,580	-	(38,747)	-	165,833
Compensated Absences	239,848	887,284	(591,234)	-	535,898
OPEB Obligation	1,658,503	97,086	(144,300)	(525,211)	1,086,078
Net Pension Liability	944,189	-	(1,264,517)	-	(320,328)
Landfill Closure/Post Closure Care	7,376,850	500,427	-	-	7,877,277
Total	<u>\$ 10,702,970</u>	<u>\$ 1,484,797</u>	<u>\$ (2,159,798)</u>	<u>\$ (525,211)</u>	<u>\$ 9,502,758</u>

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

UNION PARISH POLICE JURY
 FARMERVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
 AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 7 - LONG-TERM OBLIGATIONS (CONTINUED)

Outstanding certificates of indebtedness consist of the following individual issues:

Public Building Revenue Bonds, Series 2011 - \$325,000 dated May 3, 2011, for the purchase of a building for the Union Parish Assessor, principal due in annual installments of \$12,000 to \$25,000 through August 1, 2025, interest 1.25% to 4.4% per annum, payments made from Tax Assessor Building Fund. \$ 158,000

Equipment Lease-Purchase Agreement - \$204,580 dated October 30, 2017, for the purchase of an Asphalt Zipper, principal due in annual installments of about \$45,000 through October 31, 2022, interest 2.9% per month \$ 165,833

The annual requirements to amortize all certificates of indebtedness outstanding at December 31, 2018, are as follows:

Public Building Revenue Bonds, Series 2011 - \$325,000			
	Principal	Interest	Total
2019	\$ 20,000	\$ 6,376	\$ 26,376
2020	21,000	5,676	26,676
2021	22,000	4,899	26,899
2022	23,000	4,041	27,041
2023	23,000	3,098	26,098
2024-2025	49,000	3,232	52,232
Totals	<u>\$ 158,000</u>	<u>\$ 27,322</u>	<u>\$ 185,322</u>

Equipment Lease-Purchase, Zipper - \$204,580			
	Principal	Interest	Total
2019	\$ 39,802	\$ 4,516	\$ 44,319
2020	40,886	3,432	44,319
2021	42,000	2,319	44,319
2022	43,144	1,175	44,319
Totals	<u>\$ 165,833</u>	<u>\$ 11,442</u>	<u>\$ 177,275</u>

The net pension liability (asset) includes the asset of (\$346,778) of the Parochial Employees' Retirement System less the net pension liability of \$26,450 of the Registrar of Voters Retirement System.

**UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018**

NOTE 8 – RETIREMENT SYSTEMS

Parochial Employees' Retirement System of Louisiana (System)

Plan Description

The Union Parish Police Jury contributes to the Parochial Employees' Retirement System of Louisiana (System) which is a cost sharing multiple employer defined benefit pension plan. All permanent employees working at least 28 hours per week are eligible to participate in the System. As of January 1997, elected officials, except coroners, justices of the peace, and parish presidents may no longer join PERS. Section 1901 through 2025 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:1901-2025) and other general laws of the State of Louisiana govern PERS.

The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the police jury are members of Plan A.

Any member of Plan A who was hired prior to January 1, 2007, can retire providing he/she meets one of the following criteria:

1. Any age after 30 years of creditable service.
2. Age 55 after 25 years of creditable service.
3. Age 60 after 10 years of creditable service.
4. Age 65 after seven years creditable service.

Eligibility for retirement for Plan A members hired on or after January 1, 2007 is as follows:

1. Age 55 after 30 years of creditable service.
2. Age 62 after 10 years of creditable service.
3. Age 67 after seven years of creditable 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 employee's final average compensation multiplied by his or her years of creditable service. However, under certain conditions as outlined in the statutes, the benefits are limited to specified amounts.

The System also provides death and disability benefits. Benefits are established or amended by state statute.

UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 8 – RETIREMENT SYSTEMS (CONTINUED)

For the year ended December 31, 2018, the Union Parish Police Jury's total payroll for all employees was \$3,534,355. Total covered payroll was \$2,871,800. Covered payroll refers to all compensation paid by the Union Parish Police Jury to active employees covered by the Plan.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. The report may be obtained by writing to the Parochial Employees Retirement System of Louisiana, 7509 Wrenwood Boulevard, Baton Rouge, Louisiana 70809, or by calling (225) 928-1361, or by visiting the System's website www.persla.org.

Contributions

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ended December 31, 2018, the actual employer contribution rate was 11.50% for Plan A, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. In accordance with state statute, the System receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities but are not considered special funding situations.

Under Plan A, members are required by state statute to contribute 9.50% of their annual covered salary. The contributions are deducted from the employee's wages or salary and remitted by the Union Parish Police Jury to the System monthly. The Union Parish Police Jury's contributions to the System under Plan A for the year ending December 31, 2018 were \$330,257.

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

At December 31, 2018, the Employer reported an asset of (\$346,778) for its proportionate share of the Net pension liability (asset). The net pension liability (asset) was measured as of December 31, 2017 and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The Union Parish Police Jury's proportion of the net pension liability (asset) was based on a projection of the Police Jury's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2018, the Police Jury's proportion was 0.467201%, which was an increase of 0.020846% from its proportion measured as of December 31, 2017.

For the year ended December 31, 2018, the Union Parish Police Jury recognized pension expense of \$434,593 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions. Total pension expense for the Union Parish Police Jury for the year ended December 31, 2018 was \$111,725.

UNION PARISH POLICE JURY
 FARMERVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
 AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 8 – RETIREMENT SYSTEMS (CONTINUED)

At December 31, 2018, the Union Parish Police Jury reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 224,478
Changes in assumption	437,686	-
Net difference between projected and actual earnings on pension plan investments	-	801,158
Changes in employer’s portion of beginning net pension liability (asset)	6,733	1,496
Differences between employer contributions and proportionate share of employer contributions	-	15,321
Subsequent measurement contributions	330,257	-
Total	\$ 774,676	\$ 1,042,453

Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year ended December 31,	
2018	\$53,618
2019	(51,329)
2020	(267,468)
2021	(317,533)

UNION PARISH POLICE JURY
 FARMERVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
 AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 8 – RETIREMENT SYSTEMS (CONTINUED)

Actuarial Assumptions

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

Valuation Date	December 31, 2017
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Investment Rate of Return	6.75% (net of investment expense, including inflation)
Expected remaining service lives	4 years
Projected salary increases	5.25% (2.75% merit, 2.50% inflation)
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.
Mortality rates	RP-2000 Employee Sex Distinct Table was selected for employees. RP-2000 Healthy Annuitant Sex Distinct Tables were selected for annuitants and beneficiaries. RP-2000 Disabled Lives Mortality Table was selected for disabled annuitants.

The discount rate used to measure the total pension liability (asset) was 6.75% for Plan A and 6.75% for Plan B. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement 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 (asset).

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

UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 8 – RETIREMENT SYSTEMS

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed income	35%	1.24%
Equity	52%	3.57%
Alternatives	11%	0.69%
Real Assets	2%	0.12%
Totals	100%	5.62%
Inflation		2.00%
Expected arithmetic nominal return		7.62%

Discount Rate

The discount rate used to measure the total pension liability (asset) was 7.00%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payment to determine the total pension liability (asset).

Sensitivity of the Union Parish Police Jury’s Proportionate Share of the Net pension liability (asset) to Changes in the Discount Rate

The following presents the Union Parish Police Jury’s proportionate share of the net pension liability (asset) calculated using the discount rate of 6.75%, as well as what the Police Jury’s proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage-point lower (5.75%) or one percentage-point higher (7.75%) than the current rate:

	1.0% Decrease (5.75%)	Current Discount Rate (6.75%)	1.0% Increase (7.75%)
Employer’s proportionate share of net pension liability (asset)	\$1,709,743	(\$346,778)	(\$2,177,975)

Payables to the Pension Plan

These financial statements did not include a payable to the pension plan for the year ending December 31, 2018.

**UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018**

NOTE 8 – RETIREMENT SYSTEMS (CONTINUED)

Plan Fiduciary Net Position

Detailed information about the Plan's fiduciary net position is available in the separately issued Parochial Employees' Retirement System of Louisiana Audit Report at www.persla.org.

Registrar of Voters Employees' Retirement System of Louisiana (System)

Plan Description

The Union Parish Registrar of Voters contributes to the Registrar of Voters Employees' Retirement System of Louisiana (System) which is a cost sharing multiple employer defined benefit pension plan. The System was established on January 1, 1955 by Louisiana Revised Statute 11:2032, as amended, for registrars of voters, their deputies, and their permanent employees in each parish.

Any member of the Plan who was hired prior to January 1, 2013, can retire providing he/she meets one of the following criteria:

5. Age 55 after 20 years of creditable service.
6. Age 60 after 10 years of creditable service.
7. Any age after 30 years of creditable service.

Eligibility for retirement for members hired on or after January 1, 2013 is as follows:

4. Age 55 after 30 years of creditable service.
5. Age 60 after 20 years of creditable service.
6. Age 62 after 10 years of creditable service.

The monthly amount of the retirement allowance of any member hired before January 1, 2013, is calculated as 3.33% of the average annual earned compensation for the highest consecutive 60 months multiplied by the number of years of creditable service, not to exceed 100% of average annual compensation. Regular retirement benefits for members hired on or after January 1, 2013 are calculated at 3.00% of the average annual earned compensation for the highest consecutive 60 months multiplied by the numbers of years of creditable service, not to exceed 100% of average annual compensation.

The System also provides death and disability benefits. Benefits are established or amended by state statute.

For the year ended December 31, 2018, the Union Parish Registrar of Voters' total payroll for all employees was \$15,545. Total covered payroll was \$15,545. Covered payroll refers to all compensation paid by the Union Parish Registrar of Voters to active employees covered by the Plan.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. The report may be obtained by writing to the Registrar of Voters Employees' Retirement System of Louisiana, Post Office Box 57, Jennings, Louisiana 70546, or by calling (800) 810-8515, or by visiting the System's website www.larovers.com.

UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 8 – RETIREMENT SYSTEMS (CONTINUED)

Contributions

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ended December 31, 2018, the actual employer contribution rate was 17.00%, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. In accordance with state statute, the System receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities but are not considered special funding situations.

Plan members are required by state statute to contribute 7.00% of their annual covered salary. The contributions are deducted from the employee's wages or salary and remitted by the Union Parish Registrar of Voters to the System monthly. The Union Parish Registrar of Voters' contributions to the System for the year ending December 31, 2018 were \$2,643.

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

At December 31, 2018, the Employer reported a liability of \$26,450 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2018 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Union Parish Registrar of Voter's proportion of the Net Pension Liability was based on a projection of the Registrar of Voters' long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2018, the Registrar of Voters' proportion was 0.11206%, which was a decrease of 0.00144% from its proportion measured as of June 30, 2017.

For the year ended December 31, 2018, the Union Parish Registrar of Voters recognized pension expense of \$6,061 plus employer's amortization of change in proportionate share, differences between employer contributions and proportionate share of contributions, and adjustments. Total pension expense for the Union Registrar of Voters for the year ended December 31, 2017 was \$1,175.

UNION PARISH POLICE JURY
 FARMERVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
 AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 8 – RETIREMENT SYSTEMS (CONTINUED)

At December 31, 2018, the Union Parish Registrar of Voters reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 4,036
Changes in assumption	4,333	398
Net difference between projected and actual earnings on pension plan investments	1,589	-
Changes in employer’s portion of beginning net pension liability	1,406	396
Differences between employer contributions and proportionate share of employer contributions	(1)	56
Subsequent measurement contributions	1,321	-
Total	\$ 8,648	\$ 4,886

The \$1,321 reported as deferred outflows of resources related to pensions resulting from the Union Parish Registrar of Voters contributions subsequent to the measurement date will be recognized as a reduction of Net Pension Liability in the year ended December 31, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year ended December 31,	
2019	\$2,557
2020	346
2021	(825)
2022	366

UNION PARISH POLICE JURY
 FARMERVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 8 – RETIREMENT SYSTEMS (CONTINUED)

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2018, are as follows:

Valuation Date	June 30, 2018
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Investment Rate of Return	6.50%, net of investment expense
Salary increases	6.00% (2.4% inflation, 3.6% merit)
Mortality rates	RP-2000 Combined Healthy Mortality Table for active members, healthy annuitants and beneficiaries RP-2000 Disabled Lives Mortality Tables for disabled annuitants
Expected remaining service lives	2018-5 years 2017-5 years 2016-5 years 2015-5 years
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

UNION PARISH POLICE JURY
 FARMERVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
 AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 8 – RETIREMENT SYSTEMS (CONTINUED)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges 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 ranges 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. The resulting long-term rate of return is 8.39% for the year ended June 30, 2017. The best estimates of arithmetic real rates of return for each major asset class based on the System’s target asset allocation as of June 30, 2017, were as follows:

Asset Class	Target Allocation	Real Return Arithmetic Basis	Long-Term Expected Real Rate of Return
Domestic equities	40.0%	7.50%	3.00%
International equities	20.0	8.50	1.70
Domestic fixed income	12.5	2.50	0.31
International fixed income	10.0	3.50	0.35
Alternative investments	10.0	6.33	0.63
Real estate	7.5	4.50	0.34
Totals	100%		6.33%
Inflation			2.50
Expected arithmetic nominal return			8.83%

Discount Rate

The discount rate used to measure the total pension liability was 6.50%. 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 will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System’s actuary. 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.

**UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018**

NOTE 8 – RETIREMENT SYSTEMS (CONTINUED)

Sensitivity of the Union Parish Registrar of Voters’ Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Union Parish Registrar of Voters’ proportionate share of the net pension liability calculated using the discount rate of 6.50%, as well as what the Registrar of Voters’ proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (5.50%) or one percentage-point higher (7.50%) than the current rate:

	1.0% Decrease (5.50%)	Current Discount Rate (6.50%)	1.0% Increase (7.50%)
Employer’s proportionate share of net pension liability	\$40,566	\$26,450	\$14,341

Payables to the Pension Plan

These financial statements did not include a payable to the pension plan for the year ending December 31, 2018.

Plan Fiduciary Net Position

Detailed information about the Plan’s fiduciary net position is available in the separately issued Registrar of Voters’ Employees’ Retirement System of Louisiana at www.larover.com.

NOTE 9 - POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS

General Information about the OPEB Plan

Plan description

The Union Parish Police Jury contributes to a single employer defined benefit healthcare plan (“the Retiree Health Plan”). The plan provides healthcare insurance for eligible employees until such employees reach the age of 65 through the Police Jury’s group health insurance plan, which covers both active and retired members. Benefit provisions are established by the Union Parish Police Jury are established by the Union Parish Police Jury. The Retiree Health Plan does not issue a publicly available financial report.

Benefits Provided

The Union Parish Policy contributes 100% of the cost of medical premiums of eligible retirees until they reach the age of 65.

UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 9 - POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Employees covered by benefit terms

At December 31, 2018, the following employees were covered by the benefit term:

Inactive employees or beneficiaries currently receiving benefit payments	13
Inactive employees entitled to but not yet receiving benefit payments	0
Active employees	100
Total	<u>113</u>

Total OPEB Liability

The Jury's total OPEB liability (TOL) of \$1,086,078 was measured as of December 31, 2018 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and other inputs

The total OPEB liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.00%
Salary Increases	3.50%
Prior Discount Rate	3.00% annually
Discount Rate	4.10% annually (As of End of Year Measurement Date)
Healthcare Cost Trend Rates	Flat 5.00% annually

The discount rate was based on the Bond Buyer GO Bond 20 Index.

Mortality rates were based on the RPH-2014 Total Table with Projection MP-2018.

The actuarial assumptions used in the December 31, 2018 valuation were based on the results of ongoing evaluations of the assumptions from July 1, 2009 to December 31, 2018.

UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 9 - POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Changes in the Total OPEB Liability:

Balance at December 31, 2017	<u>\$ 1,133,292</u>
Changes for the year:	
Service Cost	\$ 51,469
Interest	45,617
Differences between expected and actual experience	-
Changes in assumptions	-
Benefit payments and net transfers	<u>(144,300)</u>
Net Changes	<u>\$ (47,214)</u>
Balance at December 31, 2018	<u>\$ 1,086,078</u>

Sensitivity of the total OPEB liability to changes in the discount rate

The following presents the total OPEB liability of the Jury, as well as what the Jury's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.10%) or 1-percentage-point higher (5.10%) than the current discount rate:

	1.00% Decrease (3.10%)	Current Discount (4.10%)	1.00% Increase (5.10%)
Total OPEB Liability	<u>\$ 1,151,090</u>	<u>\$1,086,078</u>	<u>\$1,026,411</u>

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rate

The following presents the total OPEB liability of the Jury, as well as what the Jury's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.00%) or 1-percentage-point higher (6.00%) than the current healthcare trend rates:

	1.00% Decrease (4.00%)	Current Discount (5.00%)	1.00% Increase (6.00%)
Total OPEB Liability	<u>\$ 1,008,553</u>	<u>\$1,086,078</u>	<u>\$1,178,715</u>

UNION PARISH POLICE JURY
 FARMERVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
 AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 9 - POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2018, the Jury recognized OPEB expense of \$97,086. At December 31, 2018, the Jury reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ -
Changes in assumptions	-	-
Net difference between projected and actual investments	-	-
Total	<u>\$ -</u>	<u>\$ -</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years ending December 31:	
2019	\$ -
2020	-
2021	-
2022	-
2023	-
Thereafter	-

UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 9 - POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Total OPEB Liability	
Service cost	\$ 51,469
Interest	45,617
Benefit payments	<u>(144,300)</u>
Net change in total OPEB liability	\$ (47,214)
Total OPEB liability - beginning (restated)	\$ 1,133,292
Total OPEB liability - ending	<u>\$ 1,086,078</u>
Covered-employee payroll	<u>\$ 2,733,709</u>
Net OPEB liability as a percentage of covered-employee payroll	39.73%

Notes to Schedule:

Benefit Changes

There were no changes of benefit terms for the year ended December 31, 2018.

Changes of Assumptions

The discount rate as of 12/31/2018 was 3.00% and it changed to 4.10% as of 12/31/2018.

NOTE 10 - RISK MANAGEMENT

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

**UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018**

NOTE 11 - LANDFILL CLOSURE AND POST-CLOSURE CARE COSTS

State and federal laws and regulations require the police jury to place a final cover on its landfill when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although final closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste, the police jury reports a portion of those closure and post-closure care costs in long-term debt on the Statement of Net Position, based on cumulative landfill capacity used as of December 31 of each year.

The \$7,877,277 reported as landfill closure and post-closure care liability at December 31, 2018, represents sixty-seven percent of the estimated capacity of the currently active cells. For the year ended December 31, 2018, the Police Jury recognized expenses of \$500,427. The police jury will recognize the remaining estimated cost of closure and post-closure care of \$3,961,704 as the remaining capacity is filled. These amounts are based on what it would cost to perform all closure and post-closure care in 2018. The police jury expects to close the landfill in 2020. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

In its landfill permit, the police jury agreed to restrict \$1 for each ton of Type II waste received into the landfill for post-closure care costs. At December 31, 2018, there is approximately 1,584,382 tons of Type II waste in the landfill. As shown on the statement of net position, the police jury has restricted \$7,877,277 at December 31, 2018, for landfill post-closure care costs. The estimated closure and post-closure care costs were updated in 2015. The new estimate has been used in these financial statements. An estimate is required to provide the Louisiana Department of Environmental Quality with a financial assurance plan. The purpose of the plan is to demonstrate that the police jury will have the financial resources to properly close the landfill at its completion and also establish and maintain ground water monitoring activities for a period of thirty years. The closure and post-closure care cost estimates will be adjusted annually based on the United States Department of Commerce's Producer Price Index. Over the years since the jury's first estimate in 1995, the methodology for depositing waste into the landfill has changed to allow for more deposits than originally planned on the same area of ground.

NOTE 12 - EMERGENCY 911 WIRELESS SERVICE

Louisiana Revised Statutes (LRS) 33:9109-9131 provides for the accessibility of emergency 911 services for wireless telephone users. The statutes provide that any emergency 911 communications district may levy a service charge, to be collected by the wireless service provider, to finance the costs of implementing such service. LRS 33:9101(D) further provide that parishes, such as Union Parish, with a population between 20,000 and 30,000, and wireless service providers in the district shall complete all necessary enhancements for wireless 911 service within eighteen months of the initial levy of the service charge. Union Parish Communications District started collecting the service charge in March 2000. Wireless service providers were notified by letter dated May 29, 2001, that all action necessary to implement the enhancements should be completed by September 1, 2001. The district was notified by Alltel on February 8, 2002, that cellular site data had been collected and submitted to the third-party provider. At December 31, 2010, all work necessary to implement wireless service had been completed.

NOTE 13 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through June 30, 2019, the date on which the financial statements were available to be issued.

UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 14 – NEW ACCOUNTING STANDARDS

GASB has issued the following statements:

Issued in June of 2015, GASB Statement 74, Financial Reporting for Postemployment Benefit Plans Other than Pension Plans, and GASB Statement 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions, aim to improve accounting and financial reporting for OPEB, resulting from a comprehensive review of the effectiveness of existing standards. The requirements of these Statements will improve financial reporting through enhanced note disclosures and schedules of RSI that will be presented by OPEB plans. These Statements establish standards for recognizing and measuring liabilities, deferred outflows and inflows of resources, and expenses/expenditures. GASB 74 is effective for years beginning after May 26, 2016, and GASB 75 is effective for years beginning after June 15, 2017. The Police Jury is not impacted by the provisions of this Statement.

GASB Statement No. 80, Blending Requirements for Certain Component Units—an amendment of GASB Statement No. 14, was issued in January 2016. This Statement amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of Statement No. 39, Determining Whether Certain Organizations Are Component Units. The requirements of this Statement are effective for reporting periods beginning after June 15, 2016. Earlier application is encouraged. This statement does not affect the Police Jury's financial statements.

GASB Statement No. 81, Irrevocable Split-Interest Agreements, was issued in March 2016. This Statement requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. Furthermore, this Statement requires that a government recognize assets representing its beneficial interests in irrevocable split-interest agreements that are administered by a third party, if the government controls the present service capacity of the beneficial interests. This Statement requires that a government recognize revenue when the resources become applicable to the reporting period. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2016 and should be applied retroactively. Earlier application is encouraged. This statement does not affect the Police Jury's financial statements.

UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 14 – NEW ACCOUNTING STANDARDS (CONTINUED)

GASB Statement No. 82, *Pension Issues*—an amendment of GASB Statements No. 67, No. 68, and No. 73, was issued in March 2016. This Statement clarifies that a deviation, as the term is used in Actuarial Standards of Practice issued by the Actuarial Standards Board, from the guidance in an Actuarial Standard of Practice is not considered to be in conformity with the requirements of Statement 67, Statement 68, or Statement 73 for the selection of assumptions used in determining the total pension liability and related measures. This Statement clarifies that payments that are made by an employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements should be classified as plan member contributions for purposes of Statement 67 and as employee contributions for purposes of Statement 68. It also requires that an employer's expense and expenditures for those amounts be recognized in the period for which the contribution is assessed and classified in the same manner as the employer classifies similar compensation other than pensions (for example, as salaries and wages or as fringe benefits). The requirements of this Statement are effective for reporting periods beginning after June 15, 2016, except for the requirements of this Statement for the selection of assumptions in a circumstance in which an employer's pension liability is measured as of a date other than the employer's most recent fiscal year-end. In that circumstance, the requirements for the selection of assumptions are effective for that employer in the first reporting period in which the measurement date of the pension liability is on or after June 15, 2017. Earlier application is encouraged. This statement will not have a significant effect on the Police Jury's financial statements.

GASB Statement No. 83, *Certain Asset Retirement Obligations*, was issued in November 2016. This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Earlier application is encouraged. This statement is not expected to affect the Police Jury's financial statements.

GASB Statement No. 84, *Fiduciary Activities*, was issued in January 2017. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. Earlier application is encouraged. This statement is not expected to affect the Police Jury's financial statements.

GASB Statement No. 85, *Omnibus 2017*, was issued in March 2017. The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]). The requirements of this Statement are effective for reporting periods beginning after June 15, 2017. Earlier application is encouraged. This statement is not expected to have a significant impact on the Police Jury's financial statements.

UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 14 – NEW ACCOUNTING STANDARDS (CONTINUED)

GASB Statement No. 86, *Certain Debt Extinguishment Issues*, was issued in May 2017. The primary objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources—resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. The requirements of this Statement are effective for reporting periods beginning after June 15, 2017. Earlier application is encouraged. This statement is not expected to affect the Police Jury’s financial statements.

GASB Statement No. 87, *Leases*, was issued in June 2017. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments’ financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments’ leasing activities. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged.

GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*, was issued in April 2018. The primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. This Statement defines debt for purposes of disclosure in notes to financial statements as a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established. This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. For notes to financial statements related to debt, this Statement also requires that existing and additional information be provided for direct borrowings and direct placements of debt separately from other debt. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Earlier application is encouraged.

UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 14 – NEW ACCOUNTING STANDARDS (CONTINUED)

GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*, was issued in June 2018. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5–22 of Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. This Statement also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged. The requirements of this Statement should be applied prospectively.

GASB Statement No. 90, *Majority Equity Interests – An Amendment of GASB Statements No. 14 and No. 61*, was issued in August 2018. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government’s majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government’s holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value. For all other holdings of a majority equity interest in a legally separate organization, a government should report the legally separate organization as a component unit, and the government or fund that holds the equity interest should report an asset related to the majority equity interest using the equity method. This Statement establishes that ownership of a majority equity interest in a legally separate organization results in the government being financially accountable for the legally separate organization and, therefore, the government should report that organization as a component unit. This Statement also requires that a component unit in which a government has a 100 percent equity interest account for its assets, deferred outflows of resources, liabilities, and deferred inflows of resources at acquisition value at the date the government acquired a 100 percent equity interest in the component unit. Transactions presented in flows statements of the component unit in that circumstance should include only transactions that occurred subsequent to the acquisition. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. Earlier application is encouraged. The requirements should be applied retroactively, except for the provisions related to (1) reporting a majority equity interest in a component unit and (2) reporting a component unit if the government acquires a 100 percent equity interest. Those provisions should be applied on a prospective basis.

UNION PARISH POLICE JURY
 FARMERVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
 AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 15 – FUND BALANCE/NET POSITION RESTATEMENT

Government-Wide Financial Statements

The Police Jury adopted GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. This standard requires that the Police Jury’s beginning net position be restated to reflect the effects of this change in accounting principle.

The Police Jury was awarded a CDBG grant which it passed through to a water system within the parish. Management’s initial understanding was that the water system would capitalize the project. However, the executed cooperative endeavor agreement between the Police Jury and the water system stated that the Police Jury would retain ownership of the project. Beginning capital assets, net of accumulated depreciation, and beginning net Position were increased to correct the error.

The following provides a summary of the change in the total net position as of December 31, 2018 in the government-wide financial statements:

	Beginning Balance	Prior Period Adjustment	Beginning Balance, as Restated
Governmental Activities	\$19,899,947	\$ 713,755	\$20,613,702

Fund Financial Statements

Management identified a posting error related to the Homeland Security Program in the General Fund which required a restatement of fund balance. Additionally, an error was also identified in the Section 8 Fund. Management failed to adjust the books to the amounts provided by the Section 8 fee accountant, which were submitted to HUD.

The following provides a summary of the change in beginning fund balance as of December 31, 2018 in the fund financial statements:

	Beginning Balance	Prior Period Adjustment	Beginning Balance, as Restated
General Fund	\$ 1,563,610	\$ (194,149)	\$ 1,369,461
Section 8 Fund	\$ 32,167	\$ (9,446)	\$ 22,721

Required Supplemental Information (Part II)

UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2018

	BUDGETED AMOUNTS		ACTUAL	VARIANCE
	ORIGINAL	FINAL		WITH FINAL BUDGET
Revenues:				
Taxes:				
Ad valorem	\$ 659,100	\$ 650,398	\$ 644,012	\$ (6,386)
Other taxes, penalties, and interest	19,100	20,237	19,300	(937)
Licenses and permits	139,285	147,205	145,826	(1,379)
Intergovernmental funds:				
Federal funds	2,250	2,343	2,342	(1)
Severance taxes	670,000	652,561	489,459	(163,102)
State revenue sharing	45,000	55,797	67,761	11,964
Fire insurance rebate	102,230	93,955	93,955	-
Other state funds	36,000	99,749	99,749	-
Fees, charges, and commissions for services	51,290	55,899	55,005	(894)
Use of money and property	34,450	44,902	43,527	(1,375)
Other revenues	10,000	8,070	20,536	12,466
Total revenues	<u>1,768,705</u>	<u>1,831,116</u>	<u>1,681,472</u>	<u>(149,644)</u>
Expenditures:				
Current:				
General government:				
Legislative	154,225	155,552	154,806	(746)
Judicial	249,410	253,357	250,049	(3,308)
Elections	60,745	23,588	23,703	115
Finance and administrative	309,950	302,302	307,170	4,868
Other general government	608,005	505,373	544,323	38,950
Public safety	306,280	417,173	428,319	11,146
Health and welfare	273,500	279,741	114,481	(165,260)
Culture and recreation	1,800	1,800	1,800	-
Economic development and assistance	56,700	57,941	53,874	(4,067)
Capital outlay	1,000	-	-	-
Total expenditures	<u>2,021,615</u>	<u>1,996,827</u>	<u>1,878,525</u>	<u>(118,302)</u>
Excess (deficiency) of revenues over expenditures	<u>(252,910)</u>	<u>(165,711)</u>	<u>(197,053)</u>	<u>(31,342)</u>
Other sources (uses):				
Operating transfers in	850,000	702,537	702,536	(1)
Operating transfers out	<u>(865,000)</u>	<u>(414,964)</u>	<u>(414,964)</u>	-
Total other sources (uses)	<u>(15,000)</u>	<u>287,573</u>	<u>287,572</u>	<u>(1)</u>
Net change in fund balances	(267,910)	121,862	90,519	(31,343)
Fund balances at beginning of year	<u>1,668,457</u>	<u>1,369,461</u>	<u>1,369,461</u>	<u>(194,149)</u>
Fund balances at end of year	<u>\$ 1,400,547</u>	<u>\$ 1,491,323</u>	<u>\$ 1,459,980</u>	<u>\$ (225,492)</u>

UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA

BUDGETARY COMPARISON SCHEDULE - ROAD MAINTENANCE FUND
FOR THE YEAR ENDED DECEMBER 31, 2018

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
Revenues:				
Taxes:				
Ad valorem	\$ 935,000	\$ 903,066	\$ 894,345	\$ (8,721)
Intergovernmental funds:				
Federal funds	5,000	92,006	92,005	(1)
State revenue sharing	60,000	75,990	92,309	16,319
Parish transportation	335,000	367,349	337,764	(29,585)
Other state funds	1,000	532	532	-
Fees, charges, and commissions for services	100,000	53,022	53,022	-
Use of money and property	1,400	2,960	2,984	24
Other revenues	1,500	2,867	286,485	283,618
Total revenues	<u>1,438,900</u>	<u>1,497,792</u>	<u>1,759,446</u>	<u>261,654</u>
Expenditures:				
Current:				
General government:				
Public works	1,697,590	1,526,862	1,707,042	180,180
Capital outlay	140,000	90,917	46,599	(44,318)
Total expenditures	<u>1,837,590</u>	<u>1,617,779</u>	<u>1,753,641</u>	<u>135,862</u>
Excess (deficiency) of revenues over expenditures	<u>(398,690)</u>	<u>(119,987)</u>	<u>5,805</u>	<u>125,792</u>
Net change in fund balances	(398,690)	(119,987)	5,805	125,792
Fund balances at beginning of year	1,639,319	1,559,110	1,559,110	-
Fund balances at end of year	<u>\$1,240,629</u>	<u>\$ 1,439,123</u>	<u>\$ 1,564,915</u>	<u>\$ 125,792</u>

UNION PARISH POLICE JURY
 FARMERVILLE, LOUISIANA

BUDGETARY COMPARISON SCHEDULE - ROAD CONSTRUCTION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Revenues:				
Taxes:				
Ad valorem	\$ 780,000	\$ 753,289	\$ 746,014	\$ (7,275)
Intergovernmental funds:				
Federal funds	664,100	250,353	371,136	120,783
State revenue sharing	60,000	75,991	92,311	16,320
Use of money and property	2,500	5,662	5,700	38
Total revenues	<u>1,506,600</u>	<u>1,085,295</u>	<u>1,215,161</u>	<u>129,866</u>
Expenditures:				
Current:				
General government:				
Public works	<u>1,345,725</u>	<u>1,020,685</u>	<u>850,628</u>	<u>(170,057)</u>
Total expenditures	<u>1,345,725</u>	<u>1,020,685</u>	<u>850,628</u>	<u>(170,057)</u>
Excess (deficiency) of revenues over expenditures	<u>160,875</u>	<u>64,610</u>	<u>364,533</u>	<u>299,923</u>
Net change in fund balances	160,875	64,610	364,533	299,923
Fund balances at beginning of year	<u>2,092,353</u>	<u>1,901,271</u>	<u>1,901,271</u>	<u>-</u>
Fund balances at end of year	<u>\$ 2,253,228</u>	<u>\$ 1,965,881</u>	<u>\$ 2,265,804</u>	<u>\$ 299,923</u>

UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA

BUDGETARY COMPARISON SCHEDULE - SALES TAX LANDFILL FUND
FOR THE YEAR ENDED DECEMBER 31, 2018

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
Revenues:				
Taxes:				
Sales and use	\$ 2,000,000	\$ 2,405,826	\$ 2,146,100	\$ (259,726)
Intergovernmental funds:				
Local	10,000	-	-	-
Fees, charges, and commissions for services	1,290,000	1,306,540	1,309,205	2,665
Use of money and property	15,000	25,705	25,755	50
Other revenues	500	5,071	5,573	502
Total revenues	<u>3,315,500</u>	<u>3,743,142</u>	<u>3,486,633</u>	<u>(256,509)</u>
Expenditures:				
Current:				
General government:				
Public works	3,598,280	1,672,079	1,100,429	(571,650)
Debt service	86,753	101,753	101,752	(1)
Capital outlay	100,000	44,490	-	(44,490)
Total expenditures	<u>3,785,033</u>	<u>1,818,322</u>	<u>1,202,181</u>	<u>(616,141)</u>
Excess (deficiency) of revenues over expenditures	<u>(469,533)</u>	<u>1,924,820</u>	<u>2,284,452</u>	<u>359,632</u>
Other sources (uses):				
Proceeds from insurance	-	29,176	29,176	-
Operating transfers out	<u>(1,850,000)</u>	<u>(1,450,000)</u>	<u>(1,450,000)</u>	<u>-</u>
Total other sources (uses)	<u>(1,850,000)</u>	<u>(1,420,824)</u>	<u>(1,420,824)</u>	<u>-</u>
Net change in fund balances	<u>(2,319,533)</u>	<u>503,996</u>	<u>863,628</u>	<u>359,632</u>
Fund balances at beginning of year	<u>10,525,920</u>	<u>10,313,854</u>	<u>10,313,854</u>	<u>-</u>
Fund balances at end of year	<u>\$ 8,206,387</u>	<u>\$ 10,817,850</u>	<u>\$ 11,177,482</u>	<u>\$ 359,632</u>

UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA

BUDGETARY COMPARISON SCHEDULE - DETENTION CENTER
FOR THE YEAR ENDED DECEMBER 31, 2018

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
Revenues:				
Fees, charges, and commissions for services	\$ 2,710,500	\$ 2,807,948	\$ 2,698,611	\$ (109,337)
Use of money and property	300	740	744	4
Other revenues	18,250	30,652	30,248	(404)
Total revenues	<u>2,729,050</u>	<u>2,839,340</u>	<u>2,729,603</u>	<u>(109,737)</u>
Expenditures:				
Current:				
General government:				
Public safety	3,210,600	3,039,005	3,115,975	76,970
Capital outlay	1,100	-	-	-
Total expenditures	<u>3,211,700</u>	<u>3,039,005</u>	<u>3,115,975</u>	<u>76,970</u>
Excess (deficiency) of revenues over expenditures	<u>(482,650)</u>	<u>(199,665)</u>	<u>(386,372)</u>	<u>(186,707)</u>
Other sources (uses):				
Operating transfers in	850,000	400,000	400,000	-
Total other sources (uses)	<u>850,000</u>	<u>400,000</u>	<u>400,000</u>	<u>-</u>
Net change in fund balances	367,350	200,335	13,628	(186,707)
Fund balances at beginning of year	<u>(921,069)</u>	<u>(49,574)</u>	<u>(49,574)</u>	<u>-</u>
Fund balances at end of year	<u>\$ (553,719)</u>	<u>\$ 150,761</u>	<u>\$ (35,946)</u>	<u>\$ (186,707)</u>

**UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA**

**NOTES TO BUDGETARY COMPARISON SCHEDULES FOR MAJOR FUNDS FOR THE YEAR
ENDED DECEMBER 31, 2018**

Preliminary budgets for the ensuing year are prepared by the secretary/treasurer during October of each year. During 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 proposed budgets are then advertised in the official journal. During a December meeting, the police jury holds a public hearing on the proposed budgets in order to receive comments from residents of the parish. 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 December meeting, and a notice of the adoption is then published in the official journal.

During the year, the police jury receives monthly budgetary comparison statements which are used as a management tool to control operations of the parish. The secretary/treasurer presents necessary budget amendments to the police jury during the year when, in her judgment, actual operations are differing materially from those anticipated in the original budget. During a meeting, the police jury reviews the proposed amendments, makes changes as it deems necessary, and formally adopts the amendments. The adoption of the amendments is included in police jury minutes published in the official journal.

The police jury exercises budgetary control at the functional level. Within functions the secretary/treasurer has the discretion to make changes as she deems necessary for proper control. Unexpended appropriations lapse at year end and must be re-appropriated in the next year's budget to be expended. The police jury does not use encumbrances in its accounting system.

For the year ended December 31, 2018, the police jury adopted modified accrual-based budgets for the General Fund and all special revenue funds except the Criminal Court Special Revenue Fund, which is exempt from the requirements of the Local Government Budget Act, and the Workforce Investment Act Special Revenue Fund, which is accounted for on a June 30th fiscal year basis. The budgetary comparison statements included in the accompanying financial statements include the original adopted budgets and all subsequent amendments.

**UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA**

**POST EMPLOYMENT BENEFITS OTHER THAN PENSION
SCHEDULE OF FUNDING PROGRESS
AS OF DECEMBER 31, 2018**

GASB 75:		Total OPEB Liability -	Net	Funded	Covered	Net
Measurement Date	Fiduciary Net Position	Entry Age Normal Percentage of Salary	OPEB Liability	Ratio	Payroll	OPEB Liability as a Percentage of Covered Payroll
December 31, 2018	\$ -	\$ 1,086,078	\$ 1,086,078	0.00%	\$ 2,733,709	39.73%

GASB 45:		Actuarial	Unfunded	Funded	Covered	UAAL as a
Actuarial Valuation Date	Actuarial Valuation of Assets	Accrued Liability (AAL)	AAL (UAAL)	Ratio	Payroll	Percentage of Covered Payroll
January 1, 2013	\$ -	\$ 1,408,522	\$1,408,522	0%	\$3,543,571	39.75%
January 1, 2016	\$ -	\$ 1,638,930	\$1,638,930	0%	\$3,821,506	42.89%

**UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA**

**SCHEDULE OF EMPLOYER'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
FOR THE YEAR ENDED DECEMBER 31, 2018**

	2018	2017	2016	2015
Public Employees' Retirement System:				
Employer's proportion of the net pension liability (asset)	0.467201%	0.446355%	0.494215%	0.490343%
Employer's proportionate share of the net pension liability (asset)	\$ (346,778)	\$ 919,274	\$ 1,300,916	\$ 134,064
Employer's covered employee payroll	\$ 2,843,611	\$ 2,628,403	\$ 2,835,592	\$ 2,757,975
Employer's proportionate share of the net pension liability (asset) as a percentage of its covered employee payroll	-12.19%	34.97%	45.88%	4.86%
Plan fiduciary net pension as a percentage of the total pension liability	101.98%	94.15%	92.23%	99.15%
Registrar of Voters Retirement System:				
Employer's proportion of the net pension liability (asset)	0.112060%	0.113500%	0.113180%	0.114600%
Employer's proportionate share of the net pension liability (asset)	\$ 26,450	\$ 24,915	\$ 32,116	\$ 28,067
Employer's covered employee payroll	\$ 15,545	\$ 15,545	\$ 15,545	\$ 15,545
Employer's proportionate share of the net pension liability (asset) as a percentage of its covered employee payroll	170.00%	160.00%	207.00%	181.00%
Plan fiduciary net pension as a percentage of the total pension liability	80.57%	80.51%	73.98%	76.86%

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

**UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA**

**SCHEDULE OF EMPLOYER'S CONTRIBUTIONS TO RETIREMENT SYSTEMS
FOR THE YEAR ENDED DECEMBER 31, 2018**

	2018	2017	2016	2015
Public Employees' Retirement System:				
Contractually required contribution	\$ 330,257	\$ 342,953	\$ 341,695	\$ 411,162
Contributions in relation to contractually required contribution	\$ 330,257	\$ 342,953	\$ 341,695	\$ 411,162
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Employer's covered employee payroll	\$2,871,800	\$2,843,611	\$2,628,403	\$2,835,592
Contributions as a percentage of covered employee payroll	11.50%	12.06%	13.00%	14.50%
Registrar of Voters Retirement System:				
Contractually required contribution	\$ 2,643	\$ 2,876	\$ 3,303	\$ 3,634
Contributions in relation to contractually required contribution	\$ 2,643	\$ 2,876	\$ 3,303	\$ 3,634
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Employer's covered employee payroll	\$ 15,545	\$ 15,545	\$ 15,545	\$ 15,545
Contributions as a percentage of covered employee payroll	17.00%	18.50%	21.25%	23.38%

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

Other Supplemental Schedules

UNION PARISH POLICE JURY
 FARMERVILLE, LOUISIANA

NONMAJOR GOVERNMENTAL FUNDS
 COMBINING BALANCE SHEET
 FOR THE YEAR ENDED DECEMBER 31, 2018

ASSETS	SPECIAL REVENUE	TAX ASSESSOR		TOTAL
		BUILDING DEBT SERVICE	CAPITAL PROJECTS CDBG	
Cash and cash equivalents	\$ 1,888,594	\$ -	\$ -	\$ 1,888,594
Investments	604,885	-	-	604,885
Receivables	608,495	-	-	608,495
Total assets	<u>\$ 3,101,974</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,101,974</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND EQUITY				
Liabilities:				
Cash overdraft	\$ -	\$ -	\$ -	\$ -
Accounts payable	39,590	-	-	39,590
Salaries and related payables	27,868	-	-	27,868
Due to other funds	21,327	-	-	21,327
Due to others	8,662	-	-	8,662
Total liabilities	<u>97,447</u>	<u>-</u>	<u>-</u>	<u>97,447</u>
Deferred inflows - grant revenues pending	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund equity - fund balances:				
Restricted	3,004,527	-	-	3,004,527
Total fund equity - fund balances	<u>3,004,527</u>	<u>-</u>	<u>-</u>	<u>3,004,527</u>
Total liabilities, deferred inflows, and fund equity	<u>\$ 3,101,974</u>	<u>-</u>	<u>-</u>	<u>\$ 3,101,974</u>

**NONMAJOR GOVERNMENTAL FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2018**

	SPECIAL REVENUE	TAX ASSESSOR BUILDING DEBT SERVICE	CAPITAL PROJECTS CDBG	TOTAL
Revenues:				
Taxes:				
Ad valorem	\$ 494,282	\$ -	\$ -	\$ 494,282
Intergovernmental funds:				
Federal funds	624,595	-	7,862	632,457
State revenue sharing	55,107	-	-	55,107
Parish transportation	592	-	-	592
Other state funds	7,150	-	-	7,150
Fees, charges, and commissions for services	635,957	-	-	635,957
Fines and forfeitures	118,040	-	-	118,040
Use of money and property	11,761	23,508	-	35,269
Other revenues	60,770	-	-	60,770
Donations	682	-	-	682
Total revenues	<u>2,008,936</u>	<u>23,508</u>	<u>7,862</u>	<u>2,040,306</u>
Expenditures:				
Current:				
General government:				
Judicial	105,818	-	-	105,818
Finance and administrative	6,533	-	-	6,533
Public safety	716,309	-	-	716,309
Public works	826,589	-	-	826,589
Health and welfare	710,010	-	-	710,010
Culture and recreation	415,632	-	-	415,632
Transportation	35,461	-	-	35,461
Debt service	-	23,508	-	23,508
Capital outlay	115,522	-	7,862	123,384
Total expenditures	<u>2,931,874</u>	<u>23,508</u>	<u>7,862</u>	<u>2,963,244</u>
Excess (deficiency) of revenues over expenditures	<u>(922,938)</u>	<u>-</u>	<u>-</u>	<u>(922,938)</u>
Other sources (uses):				
Operating transfers in	764,964	-	-	764,964
Operating transfers out	(2,536)	-	-	(2,536)
Total other sources (uses)	<u>762,428</u>	<u>-</u>	<u>-</u>	<u>762,428</u>
Net change in fund balances	(160,510)	-	-	(160,510)
Fund balances at beginning of year (restated)	3,165,037	-	-	3,165,037
Fund balances at end of year	<u>\$ 3,004,527</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,004,527</u>

UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA

SUPPLEMENTAL INFORMATION SCHEDULES
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

Nonmajor Special Revenue Funds

Solid Waste Collection Fund

The Solid Waste Collection Fund was established to monitor operations and costs associated with the collection of solid waste in the parish separate from those operations and costs associated with the parish landfill discussed above. Financing is provided by transfers from the Sales Tax Fund and interest earnings.

Library Fund

The Library Fund is primarily financed by a 3.40 mill parish wide ad valorem tax and is used to furnish books, periodicals, and other related materials for the citizens of Union Parish. Additional financing is provided by a special state grant.

Health Unit Fund

The Health Unit Fund accounts for the maintenance and operation of the parish health unit. Until 2018, financing was provided by a specific parish wide ad valorem tax, interest earnings, vending machine commissions, and state revenue sharing. The fund currently has no source of financing.

HUD Section 8 Housing Fund

The HUD Section 8 Housing Fund accounts for the operations of the lower income housing assistance program, which provides aid to very low-income families in obtaining decent, safe, and sanitary rental housing. Financing is provided by a federal grant.

Unemployment Fund

The employment fund accounts for the jury's self-insurance program. Funds are provided by transfers from other funds.

Airport Fund

The Airport Fund accounts for the general operating expenditures of the Airport. Financing is provided by transfers from the General Fund and the rental of hangers.

UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
AS OF DECEMBER 31, 2018

	JUDICIAL AND PUBLIC SAFETY FUNDS	SOLID WASTE COLLEC- TION	LIBRARY	HEALTH UNIT	HUD SECTION 8 HOUSING	UNEMPLOY- MENT	AIRPORT	TOTAL
ASSETS								
Cash and cash equivalents	\$ 268,598	\$ 271,210	\$ 860,336	\$ 460,666	\$ 19,786	\$ 1,034	\$ 6,964	\$ 1,888,594
Investments	18,187	-	124,518	462,180	-	-	-	604,885
Receivables	72,827	32,670	498,458	-	4,541	-	-	608,495
Total assets	<u>\$ 359,612</u>	<u>\$ 303,880</u>	<u>\$ 1,483,312</u>	<u>\$ 922,846</u>	<u>\$ 24,327</u>	<u>\$ 1,034</u>	<u>\$ 6,964</u>	<u>\$ 3,101,974</u>
LIABILITIES AND FUND EQUITY								
Liabilities:								
Accounts payable	\$ 3,186	\$ 13,628	\$ 19,765	\$ 1,073	\$ 1,484	\$ -	\$ 454	\$ 39,590
Salaries and related payables	7,226	12,533	-	3,089	5,020	-	-	27,868
Total liabilities	<u>21,563</u>	<u>32,361</u>	<u>21,834</u>	<u>5,557</u>	<u>15,678</u>	<u>-</u>	<u>454</u>	<u>97,447</u>
Fund equity - fund balances:								
Restricted	338,049	271,519	1,461,478	917,289	8,649	1,034	6,509	3,004,527
Total fund equity - fund balances	<u>338,049</u>	<u>271,519</u>	<u>1,461,478</u>	<u>917,289</u>	<u>8,649</u>	<u>1,034</u>	<u>6,509</u>	<u>3,004,527</u>
Total liabilities and fund equity	<u>\$ 359,612</u>	<u>\$ 303,880</u>	<u>\$ 1,483,312</u>	<u>\$ 922,846</u>	<u>\$ 24,327</u>	<u>\$ 1,034</u>	<u>\$ 6,964</u>	<u>\$ 3,101,974</u>

**UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA**

**NONMAJOR SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2018**

	JUDICIAL AND PUBLIC SAFETY FUNDS	SOLID WASTE COLLEC- TION	LIBRARY	HEALTH UNIT	HUD SECTION 8 HOUSING	UNEMPLOY- MENT	AIRPORT	TOTAL
Revenues:								
Taxes:								
Ad valorem	\$ -	\$ -	\$ 494,282	\$ -	\$ -	\$ -	\$ -	\$ 494,282
Intergovernmental funds:								
Federal funds	65,456	-	2,855	-	556,284	-	-	624,595
State revenue sharing	-	-	55,107	-	-	-	-	55,107
Other state funds	-	-	-	-	-	-	7,150	7,150
Fees, charges, and commissions for services	627,331	-	8,626	-	-	-	-	635,957
Fines and forfeitures	114,092	-	2,396	-	1,552	-	-	118,040
Use of money and property	655	-	2,357	8,749	-	-	-	11,761
Other revenues	15,121	32,669	4,247	-	-	6,533	2,200	60,770
Donations	-	-	682	-	-	-	-	682
Total revenues	<u>822,655</u>	<u>32,669</u>	<u>570,552</u>	<u>8,749</u>	<u>557,836</u>	<u>6,533</u>	<u>9,942</u>	<u>2,008,936</u>
Expenditures:								
Current:								
General government:								
Judicial	105,818	-	-	-	-	-	-	105,818
Finance and administrative	-	-	-	-	-	6,533	-	6,533
Public safety	716,309	-	-	-	-	-	-	716,309
Public works	-	826,589	-	-	-	-	-	826,589
Health and welfare	-	-	-	138,102	571,908	-	-	710,010
Culture and recreation	-	-	415,632	-	-	-	-	415,632
Transportation	-	-	-	-	-	-	35,461	35,461
Capital outlay	6,337	-	109,185	-	-	-	-	115,522
Total expenditures	<u>828,464</u>	<u>826,589</u>	<u>524,817</u>	<u>138,102</u>	<u>571,908</u>	<u>6,533</u>	<u>35,461</u>	<u>2,931,874</u>

UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2018

	JUDICIAL AND PUBLIC SAFETY FUNDS	SOLID WASTE COLLEC- TION	LIBRARY	HEALTH UNIT	HUD SECTION 8 HOUSING	UNEMPLOY- MENT	AIRPORT	TOTAL
Excess (deficiency) of revenues over expenditures	<u>(5,809)</u>	<u>(793,920)</u>	<u>45,735</u>	<u>(129,353)</u>	<u>(14,072)</u>	<u>-</u>	<u>(25,519)</u>	<u>(922,938)</u>
Other sources (uses):								
Operating transfers in	<u>(36)</u>	<u>750,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,000</u>	<u>764,964</u>
Total other sources (uses)	<u>(2,572)</u>	<u>750,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,000</u>	<u>762,428</u>
Net change in fund balances	(8,381)	(43,920)	45,735	(129,353)	(14,072)	-	(10,519)	(160,510)
Fund balances at beginning of year (restated)	<u>346,430</u>	<u>315,439</u>	<u>1,415,743</u>	<u>1,046,642</u>	<u>22,721</u>	<u>1,034</u>	<u>17,028</u>	<u>3,165,037</u>
Fund balances at end of year	<u>\$338,049</u>	<u>\$ 271,519</u>	<u>\$ 1,461,478</u>	<u>\$ 917,289</u>	<u>\$ 8,649</u>	<u>\$ 1,034</u>	<u>\$ 6,509</u>	<u>\$ 3,004,527</u>

UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA

SUPPLEMENTAL INFORMATION SCHEDULES
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

Nonmajor Special Revenue -
Judicial and Public Safety Funds

Judicial Funds

Criminal Court Fund

The Third Judicial District Criminal Court Fund (Union Parish) is established under Section 571.11 of Title 15 of the Louisiana Revised Statutes of 1950, which provides that fines and forfeitures imposed by the district courts and district attorney conviction fees in criminal cases be transferred to the parish treasurer and deposited into a special 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 funds (fund balance) remaining in the Criminal Court Fund at December 31 of each year be transferred to the parish General Fund.

Off-duty Officer Witness Fee Fund

The Off-Duty Officer Witness Fee Fund pays law enforcement officers who are required to appear in court as witnesses on their days off. Financing is provided by court costs assessed on cases tried in the district court.

Parish Litter Court

The Litter Court Fund accounts for operations of the parish litter court. Financing is provided by fines and court costs assessed against individuals found guilty by the court.

Public Safety Funds

Communications District Fund

The Communications District Fund accounts for the establishment, maintenance, and operation of the 911 emergency telephone system for Union Parish. Financing is provided by a 5 percent service charge on local telephone service within the parish.

Inmate Welfare Fund

The Inmate Welfare Fund accounts for commissary sales and purchases at the Union Parish Detention Center. Profits from commissary operations are used for the benefit of inmates and are used to provide items which are not necessarily required by law for the commission to provide or are required by law to be made available for inmates but for which an individual inmate has no money to purchase.

Homeland Security Fund

The Homeland Security Fund accounts for grants from the United States Department of Homeland Security, passed through the Louisiana Department of Public Safety and Corrections and the Louisiana Department of Military Affairs. Grants are used to improve emergency preparedness and reduce the threat of terrorist activity in the parish.

UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA

NONMAJOR JUDICIAL AND PUBLIC SAFETY SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
AS OF DECEMBER 31, 2018

	JUDICIAL			PUBLIC SAFETY			TOTAL
	CRIMINAL COURT	OFF-DUTY OFFICER WITNESS FEE	PARISH LITTER COURT	COMMUNI-CATIONS DISTRICT	INMATE WELFARE	HOMELAND SECURITY	
ASSETS							
Cash and cash equivalents	\$ 7,551	\$ 11,642	\$ 587	\$ 84,061	\$ 164,698	\$ 59	\$ 268,598
Investments	-	13	-	18,174	-	-	18,187
Receivables	8,576	268	-	58,983	-	5,000	72,827
Total assets	<u>\$ 16,127</u>	<u>\$ 11,923</u>	<u>\$ 587</u>	<u>\$ 161,218</u>	<u>\$ 164,698</u>	<u>\$ 5,059</u>	<u>\$ 359,612</u>
LIABILITIES AND FUND EQUITY							
Liabilities:							
Accounts payable	\$ 2,658	\$ 50	\$ -	\$ 478	\$ -	\$ -	\$ 3,186
Salaries and related payables	-	-	-	7,226	-	-	7,226
Total liabilities	<u>2,658</u>	<u>50</u>	<u>440</u>	<u>8,614</u>	<u>-</u>	<u>9,801</u>	<u>21,563</u>
Fund equity - fund balances:							
Restricted	13,469	11,873	147	152,604	164,698	(4,742)	338,049
Total fund equity - fund balances	<u>13,469</u>	<u>11,873</u>	<u>147</u>	<u>152,604</u>	<u>164,698</u>	<u>(4,742)</u>	<u>338,049</u>
Total liabilities and fund equity	<u>\$ 16,127</u>	<u>\$ 11,923</u>	<u>\$ 587</u>	<u>\$ 161,218</u>	<u>\$ 164,698</u>	<u>\$ 5,059</u>	<u>\$ 359,612</u>

UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA

NONMAJOR JUDICIAL AND PUBLIC SAFETY SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2018

	JUDICIAL			PUBLIC SAFETY			TOTAL
	CRIMINAL COURT	OFF-DUTY OFFICER WITNESS FEE	PARISH LITTER COURT	COMMUNICATIONS DISTRICT	INMATE WELFARE	HOMELAND SECURITY	
Revenues:							
Taxes:							
Intergovernmental funds:							
Federal funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 65,456	\$ 65,456
Fees, charges, and commissions for services	-	-	-	311,772	315,559	-	627,331
Fines and forfeitures	108,724	4,093	1,275	-	-	-	114,092
Use of money and property	-	-	-	344	311	-	655
Other revenues	2,728	-	-	11,405	988	-	15,121
Total revenues	<u>111,452</u>	<u>4,093</u>	<u>1,275</u>	<u>323,521</u>	<u>316,858</u>	<u>65,456</u>	<u>822,655</u>
Expenditures:							
Current:							
General government:							
Judicial	104,038	499	1,281	-	-	-	105,818
Public safety	-	-	-	278,651	369,937	67,721	716,309
Total expenditures	<u>104,038</u>	<u>499</u>	<u>1,281</u>	<u>278,651</u>	<u>376,274</u>	<u>67,721</u>	<u>828,464</u>
Excess (deficiency) of revenues over expenditures	<u>7,414</u>	<u>3,594</u>	<u>(6)</u>	<u>44,870</u>	<u>(59,416)</u>	<u>(2,265)</u>	<u>(5,809)</u>
Other financing sources (uses):							
Operating transfers in	-	-	-	(36)	-	-	(36)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(36)</u>	<u>-</u>	<u>(2,536)</u>	<u>(2,572)</u>
Net change in fund balances	7,414	3,594	(6)	44,834	(59,416)	(4,801)	(8,381)
Fund balances at beginning of year	6,055	8,279	153	107,770	224,114	59	346,430
Fund balances at end of year	<u>\$ 13,469</u>	<u>\$ 11,873</u>	<u>\$ 147</u>	<u>\$ 152,604</u>	<u>\$ 164,698</u>	<u>\$ (4,742)</u>	<u>\$ 338,049</u>

UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA

SCHEDULE OF COMPENSATION PAID POLICE JURORS
FOR THE YEAR ENDED DECEMBER 31, 2018

Compensation Paid Police Jurors

The schedule of compensation paid to police jurors is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the police jurors is included in the legislative expenditures of the General Fund. In accordance with Louisiana Revised Statute 33:1233, the police jury has elected the monthly payment method of compensation. Under this method, jurors receive \$600 per month. The president receives an additional \$100 per month for expenses incurred in fulfilling the responsibilities of his office.

Nathan Futch	\$ 7,200
Glenn W. Hutto	7,200
Michael Jones	7,200
Derek Kennedy	7,200
Lanny Parker	7,200
Charles Sawyer	7,200
Stanley Smith	7,200
Jerry Taylor, President	8,400
John Watley	7,200
Total	<u>\$ 66,000</u>

UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA

SCHEDULE OF COMPENSATION, BENEFITS, REIMBURSEMENTS,
AND OTHER PAYMENTS TO AGENCY HEAD (SECRETARY-TREASURER)
FOR THE YEAR ENDED DECEMBER 31, 2018

Paula Strickland, Secretary-Treasurer	
Salary	\$ 55,000
Benefits:	
Health insurance	8,423
Retirement - PERS	6,325
Medicare	790
Workers' Compensation Insurance	1,320
Other items paid on behalf of Secretary-Treasurer:	
Dues	75
Registration fees, lodging, and meals	<u>1,825</u>
Total	<u>\$ 73,937</u>

**UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2018**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR NAME/ PROGRAM TITLE	CFDA NUMBER	PASS-THROUGH GRANTOR'S NUMBER	FEDERAL EXPENDITURE
UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Passed through Office of the Governor, Division of Administration -			
Community Development Block Grant	14.228	B-16-DC-22-0001	\$ 7,862
Direct - Section 8 Housing Choice Vouchers	14.871	LA-48V196	571,908
Total United States Department of Housing and Urban Development			<u>579,770</u>
UNITED STATES DEPARTMENT OF INTERIOR			
Direct - payment in lieu of taxes	15.000	N/A	<u>14,667</u>
UNITED STATES DEPARTMENT OF LABOR			
Passed through Louisiana Department of Labor -			
Workforce Investment Act:			
Adult Program	17.258	N/A	694,363
Youth Activities	17.259	N/A	665,674
Dislocated Workers	17.278	N/A	261,645
Disability Program Navigator	17.266	N/A	28,338
LWC National Emergency Grant	17.277	N/A	8,875
Total United States Department of Labor			<u>1,658,895</u>
UNITED STATES DEPARTMENT OF TRANSPORTATION			
Airport Improvement Program - Taxiway Reconfiguration	20.106	3-22-0017-014-2016	52,599
Total United States Department of Transportation			<u>52,599</u>
UNITED STATES DEPARTMENT OF HOMELAND SECURITY			
Passed through State of Louisiana - Governor's Office of Homeland Security and Emergency Preparedness -			
Disaster Grants - Public Assistance	97.036	PW	453,671
Emergency Management Performance Grant - 2015	97.067	EMW-2016-EP-00062-SO1	65,456
Total United States Department of Homeland Security			<u>519,127</u>
Total federal expenditures			<u>\$ 2,825,058</u>

UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2018

NOTES:

General

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

Basis of Accounting

The Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the Police Jury's financial statements. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts in, or used in the preparation of, the financial statements.

Other Reports



INDEPENDENT AUDITOR'S 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*

To the Honorable President and Members
Union Parish Police Jury
Farmerville, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the primary government financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Union Parish Police Jury, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise Union Parish Police Jury's primary government financial statements, and have issued our report thereon dated June 30, 2019 .

Internal Control over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying schedule of findings and questioned costs, we did identify certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2018-001 and 2018-002 to be material weaknesses.

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. We consider the deficiencies described in the accompany schedule of findings and questioned costs as item 2018-003 to be a significant deficiency.

Union Parish Police Jury
Farmerville, Louisiana
Independent Auditor's Report – GAGAS
December 31, 2018

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Union 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.

Union Parish Police Jury's Response to Findings

Union Parish Police Jury's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Union Parish Police Jury's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, it is issued by the Legislative Auditor as a public document.

BOSCH & STATHAM, LLC



Ruston, Louisiana
June 30, 2019



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Honorable President and Members
Union Parish Police Jury
Farmerville, Louisiana

We have audited Union 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 Union Parish Police Jury's major federal programs for the year ended December 31, 2018. Union 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 Union 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 Union 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 Union Parish Police Jury's compliance.

Opinion on Each Major Federal Program

In our opinion, Union 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, 2018.

Report on Internal Control over Compliance

Management of Union 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 Union 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 the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Union 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 a 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. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, it is issued by the Legislative Auditor as a public document.

BOSCH & STATHAM, LLC



Ruston, Louisiana
June 30, 2019

UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA

SCHEDULE OF FINDINGS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

A. SUMMARY OF AUDIT RESULTS

1. The police jury issues primary government financial statements. The auditor's report expresses unqualified opinions on the financial statements of the governmental activities and each major fund of the Union Parish Police Jury. The auditor's report expresses a qualified opinion on the aggregate remaining fund information and an adverse opinion discretely presented component units as the component units are omitted from the financial statements. The component units issue separate financial statements.
2. Two material weaknesses are reported in the Independent Auditor's Report on Compliance and Internal Control over Financial Reporting.
3. No instances of noncompliance material to the financial statements of the Union Parish Police Jury, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. One significant deficiency in internal control over major federal award programs are reported in the Independent Auditor's Report on Compliance For Each Major Program And On Internal Control Over Compliance Required By The Guidance.
5. The auditor's report on compliance for the major federal award programs for the Union Parish Police Jury expresses an unmodified opinion on all major federal programs.
6. No audit findings relative to the major federal award programs are required to be reported in accordance with 2 CFR section 200.516(a).
7. The following programs were tested as major programs
 - a. United States Department of Labor – Workforce Investment Act (WIA) cluster (CFDA 17.258, 17.259, and 17.278)
8. The threshold for distinguishing Type A and B programs was \$750,000.
9. The Union Parish Police Jury was determined not to be a low-risk auditee.

**UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018**

B. FINDINGS - FINANCIAL STATEMENT AUDIT

2018-001 Detention Center Commission Deficit

First Reported

2013

Type

Material Weakness in Internal Control

Condition

The following summarizes activity in the Detention Center Fund for the year ended December 31, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Fund deficit, beginning of year	\$(49,574)	\$(793,357)
Revenues	2,729,603	2,932,375
Expenditures	3,034,956	3,138,592
Excess (deficiency) of revenues over expenditures	(354,927)	(206,217)
Transfers from General Fund	400,000	950,000
Net change in fund deficit	94,647	743,783
Fund deficit, end of year	<u>\$45,073</u>	<u>\$(49,574)</u>

The Detention Center Commission has significantly eliminated the accumulated deficit. However, for the year ended December 31, 2018, the deficiency of revenues compared to expenditures increased from \$206,217 to \$354,927 indicating the Center is still not covering its costs through operations.

The Detention Center Commission's original budget for the year ended December 31, 2018, included a budgeted deficit of \$553,719. However, the final amended budget included a budgeted fund balance of \$150,761.

Criteria

Common prudent business practice requires that the Detention Center Commission operate within its available resources.

The Louisiana Local Budget Act prohibits budgeting a deficit. LRS 39:1305 (E) states, "The total of proposed expenditures shall not exceed the total of estimated funds available for the ensuing fiscal year."

Cause

Rising costs and declining revenues are making it difficult for the Commission to meet costs. The police jury's General Fund has limited funds available to support the Detention Center.

Effect

The continued practice of operating at a deficit has resulted in significant transfers from the General Fund and noncompliance with the Louisiana Local Government Budget Act.

UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

Recommendation

The Detention Center Commission must continue to evaluate operations and take the necessary steps to reduce expenditures to a level that does not exceed its expected revenues.

Management's Response

See management's corrective action plan.

2018-002 Excessive Overtime Pay at Detention Center

First Reported

2018

Type

Material Weakness in Internal Control

Condition

During fieldwork, we noted that overtime pay for the fourth quarter of 2018 totaled \$30,773. Total salaries for the year ended December 31, 2018 were \$1,275,391. Based on the fourth quarter, ten percent (\$127,539) or more could be overtime pay.

During our test of payroll transactions, we selected eleven paychecks for testing including four Detention Center checks. One out of the four checks included overtime pay that was not supported by a supervisor's documented approval of overtime.

Criteria

Payroll and benefit costs are typically the highest cost for a governmental agency. Basic standards for managing payroll include ensuring that overtime is properly authorized and is allowed only when necessary. At the Detention Center, this is particularly important as the Center has been operating at a deficit for several years.

Cause

There has been significant turnover in management and the employees of the Detention Center.

Effect

Payroll expenditures may include pay for time not worked, time not authorized, and time worked but unnecessary.

Recommendation

We recommend that the Detention Center Commission ensure that controls are properly designed and implemented to reduce the risk of unnecessary, unauthorized, and fraudulent pay and overtime pay. Written policies and procedures should be updated.

Management's Response

See management's corrective action plan.

UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

2018-003 Cash Missing from the Detention Center

First Reported

2018

Type

Significant Deficiency in Internal Control

Condition

During inquiries, we were notified that approximately \$900 came up missing from the bookkeeper's desk at the Detention Center.

Criteria

Basic internal control procedures for cash include storing cash and deposits in locked drawers or safes in locked rooms until deposited at the bank. Additionally, best practices include depositing collections on a daily basis.

Cause

Per the incident report prepared by the Union Parish Sheriff's Office, the bookkeeper was known to regularly leave her office unlocked.

Effect

Cash was stolen or misplaced. Cash due to inmate(s) had to be settled from operating funds.

Recommendation

We recommend that management design and implement controls to reduce the risk of loss due to theft or error. Policies and procedures should include proper segregation of duties, proper documentation, supervision, and review. Additionally, policies and procedures should include monitoring of the procedures and documentation to ensure that they are operating as intended.

Management's Response

See management's corrective action plan.

**UNION PARISH POLICE JURY
FARMERVILLE, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018**

C. SUMMARY OF PRIOR YEAR FINDINGS

2017-001 Detention Center Commission Deficit

This finding is repeated as 2018-001.

2017-002 Errors in Payroll Records

This finding is not repeated in 2018.

2017-003 Detention Center Purchasing and Disbursements

This finding is not repeated in 2018.

2017-004 Quotes for Vehicle Purchased by Detention Center Commission

This finding is not repeated in 2018.



MANAGEMENT LETTER

To the Honorable President and Members
Union Parish Police Jury
Farmerville, Louisiana

In planning and performing our audit of the financial statements of the Union Parish Police Jury, as of and for the year ended December 31, 2018, we considered the Police Jury's internal control to plan our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control.

However, during our audit, we noted certain matters involving internal control that are presented for your consideration. This letter does not affect our report dated June 30, 2019, on the financial statements of the Police Jury. We will review the status of these comments during our next audit engagement. Our comments and recommendations, which have been discussed with appropriate members of management, are intended to improve the internal control or result in other operating efficiencies. We will be pleased to discuss these comments in further detail at your convenience, to perform additional study of these matters, or to assist you in implementing the recommendations. Our comments and management's responses are summarized as follows:

ML2018-001 Comprehensive Road Department Policies and Procedures

First Reported

2018

Condition

The Police Jury does not have formal, written policies and procedures for the operations of the Road Department.

Criteria

The Louisiana Legislative Auditor has placed an emphasis in recent years on the need for policies and procedures to be formal and written. The Road Department is the most high-profile department of the police jury. Formal, written policies and procedures are necessary to provide a clear understanding of the jury's and management's expectations for the road departments operations. The policies and procedures should outline all aspects of the operations to include who, what, when and where. Areas to address include the procedures for adding or excluding roads in the parish system, prohibited practices, procedures for evaluating roads with the engineer to develop priority lists, and steps and documentation required by the Louisiana Parish Transportation Act. Supervision of work and review of work should be detailed in the written policies and procedures. Additionally, the policies and procedures should elaborate on monitoring of the policies and procedures to ensure that they are carried out in accordance with the jury's and management's expectations. Written procedures reduce the possibility of confusion about responsibilities and aid in the continuity of operations and in training. Further, legal questions, such as what can and cannot be done on private property or be done on the behalf of private parties, often arise during the normal course of operations. A formal adopted written policy can increase efficiencies and alleviate or prevent noncompliance, confusion, and disagreements.

Union Parish Police Jury
Farmerville, Louisiana
Management Letter
December 31, 2018

Cause

No one has suggested to the police jury that such policies be implemented. Issues have been handled on a case by case basis.

Effect

The lack of written policies and procedures likely results in inefficiencies and a higher risk of noncompliance with state law.

Recommendation

We recommend that management develop and implement formal written policies and procedures as discussed above. The document should be reviewed by legal counsel.

Management's Response

See management's corrective action plan.

Our audit procedures are designed primarily to enable us to form opinions on the financial statements of the Union Parish Police Jury, as of and for the year ended December 31, 2018, which collectively comprise the Police Jury's financial statements, and therefore, may not reveal all weaknesses in policies and procedures that may exist.

Also included are management's responses to our current year management letter comments. We have performed no audit work to verify the content of the responses.

This report is intended solely for the information and use of the Treasurer of the Union Parish Police Jury and is not intended to be and should not be used by anyone other than these specified parties.

BOSCH & STATHAM, LLC



Ruston, Louisiana
June 30, 2019

Union Parish Police Jury

P.O. BOX 723 303 EAST WATER STREET FARMERVILLE, LA 71241
PHONE 318- 368-3296 FAX 318-368-8342

June 30, 2019

Bosch & Statham, LLC
Post Office Box 2377
Ruston, LA 71273-2377

OFFICERS:

JERRY W. TAYLOR
PRESIDENT

CHARLES SAWYER
VICE-PRESIDENT

PAULA STRICKLAND
SEC-TREASURER

In connection with your engagement to apply agreed-upon procedures to certain control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures (SAUPs), for the fiscal period January 1, 2018 through December 31, 2018, we confirm to the best of our knowledge and belief, the following representations made to you during your engagement.

MEMBERS:

DISTRICT 1
CHARLES SAWYER

1. We are responsible for the C/C areas identified in the SAUPs, including written policies and procedures; board or finance committee; bank reconciliations; collections; non-payroll disbursements; credit/debit/fuel/purchasing cards; travel and travel-related expense reimbursement; contracts; payroll and personnel; ethics; debt service; and other areas (should be customized by entity, as applicable).

Yes No

DISTRICT 2
LANNY PARKER

2. For the fiscal period January 1, 2018 through December 31, 2018, the C/C areas were administered in accordance with the best practice criteria presented in the SAUPs.

Yes No

DISTRICT 3
JERRY W. TAYLOR

3. We are responsible for selecting the criteria and procedures and for determining that such criteria and procedures are appropriate for our purposes.

Yes No

DISTRICT 4
GLENN HUTTO

DISTRICT 5
BEN BRIDGES

4. We have disclosed to you all known matters contradicting the results of the procedures performed in C/C areas.

Yes No

DISTRICT 6
NATHAN FUTCH

DISTRICT 7
STAN SMITH

5. We have disclosed to you any communications from regulatory agencies, internal auditors, other independent practitioners or consultants, and others affecting the C/C areas, including communications received between December 31, 2018, and June 30, 2019.

Yes No

DISTRICT 8
MIKE JONES

DISTRICT 9
JOHN W. WATLEY

6. We have provided you with access to all records that we believe are relevant to the C/C areas and the agreed-upon procedures.

Yes No

AN EQUAL OPPORTUNITY EMPLOYER

7. We represent that the listing of bank accounts for the fiscal period that we provided to you is complete. We also represent that we have identified and disclosed to you our main operating account.
- Yes No
8. We represent that the listing of deposit sites for the fiscal period that we provided to you is complete.
- Yes No
9. We represent that the listing of collection locations for the fiscal period that we provided to you is complete.
- Yes No
10. We represent that the listing of locations that process payments for the fiscal period that we provided to you is complete.
- Yes No
11. We represent that the non-payroll disbursement transaction population for each location that processes payments for the fiscal period that we provided to you is complete.
- Yes No
12. We represent that the listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards, that we provided to you is complete.
- Yes No
13. We represent that the listing of all travel and travel-related expense reimbursements during the fiscal period that we provided to you is complete.
- Yes No
14. We represent that the listing of all agreements/contracts (or active vendors) for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period that we provided to you is complete.
- Yes No
15. We represent that the listing of employees/elected officials employed during the fiscal period that we provided to you is complete.
- Yes No

16. We represent that the listing of employees/officials that received termination payments during the fiscal period that we provided to you is complete.
Yes No
17. We represent that the employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines during the fiscal period.
Yes No
18. We represent that the listing of bonds/notes issued during the fiscal period that we provided to you is complete.
Yes No
19. We represent that the listing of bonds/notes outstanding at the end of the fiscal period that we provided to you is complete.
Yes No
20. We represent that the listing of misappropriations of public funds and assets during the fiscal period that we provided to you is complete.
Yes No
21. We have disclosed to you [*list other matters as you have deemed appropriate*].
Yes No
22. We have responded fully to all inquiries made by you during the engagement.
Yes No
23. We are not aware of any events that have occurred subsequent to December 31, 2018, that would require adjustment to or modification of the results of the agreed-upon procedures.
Yes No

The previous responses have been made to the best of our belief and knowledge.

Signature Paula Stickland
Title Secretary Treasurer



Independent Accountant's Report
on Applying Agreed-Upon Procedures

To the Union Parish Police Jury
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below, which were agreed to by Union Parish Police Jury (UPPJ) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2018 through December 31, 2018. The Entity's 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 observe that they address each of the following categories and subcategories (if applicable to public funds and the entity's operations):
We obtained and inspected the entity's policies and procedures. Two policies were in effect during the year.
 - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget
The budgeting policy includes all of the required elements.
Exceptions: None
 - 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.
Both the 2017 and 2018 policies contained the required elements.
Exceptions: None
 - c) **Disbursements**, including processing, reviewing, and approving
Both sets of policies included the required elements.
Exceptions: None.

- d) **Receipts**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

The receipts policy included the required elements except for completeness of collections.

Exceptions: See above.

Management's Response: See Management's Corrective Action Plan

- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.

The 2017 payroll policy did not include the reviewing of time or the approval of overtime. The 2018 policy included the required elements.

Exceptions: See above.

Management's Response: See Management's Corrective Action Plan

- 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

Both policies included the required elements.

Exceptions: None

- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases)

The 2017 credit card policy did not include the allowable business uses or the required approvers of statements. The 2018 policy includes the required elements.

Exceptions: See above

Management's Response: See Management's Corrective Action Plan

- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers

The travel policy includes the required elements.

Exceptions: None

- 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. Note: Ethics requirements are not applicable to nonprofits.

The 2017 ethics policy did not include the prohibitions defined by the statute, a system to monitor ethics violations, or the required annual attestation through signature that the employees/elected officials have read the policy. The 2018 policy does not include the actions to be taken if a violation occurs or the required annual attestation of having read the ethics policy.

Exceptions: See above.

Management's Response: See Management's Corrective Action Plan

- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

The 2017 debt service policy does not include continuing disclosure/EMMA reporting requirements. The 2018 policy includes the required elements.

Exceptions: See above.

Management's Response: See Management's Corrective Action Plan

Board (or Finance Committee, if applicable)

2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:

We obtained and reviewed the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation effect during the fiscal period.

Exceptions: None

- a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

We observed that the board met with a quorum at least monthly. The finance committee met with a quorum three times during the fiscal period.

Exceptions: None

- b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds. *Alternately, for those entities reporting on the non-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*

We observed that the police jury minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds.

Exceptions: None

- c) For governmental entities, obtain the prior year audit report and observe the unrestricted fund balance in the general fund. If the general fund had a negative ending unrestricted fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unrestricted fund balance in the general fund.

We obtained the prior year audit report and observed a positive unrestricted fund balance in the general fund.

Exceptions: None.

Bank Reconciliations

3. Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:

We obtained a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Management identified the entity's main operating account. We selected the entity's main operating account and haphazardly selected 4 additional accounts. We haphazardly selected one month from the fiscal period, and obtained and inspected the corresponding bank statement and reconciliation for each selected each account.

Exceptions: None

- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);

We observed that 1 out of five bank reconciliations included evidence that it was prepared within 2 months of the related statement closing date. Two of the five bank reconciliations were not dated so we were unable to verify the dates of completion. One of the remaining accounts is a grant account with little activity. The account balance was zero at the end of the test month. There was no notation that the book balance also showed zero. The final tested account was an account held by the Clerk of Court in the police jury's name. We did not receive a reconciliation for the test month.

Exceptions: See above.

Management's Response: See management's corrective action plan.

- b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged);

We observed that one of the five bank reconciliations included evidence that an employee reviewed the reconciliation. However, the employee was not a member of management or a board member and the employee did handle cash, post ledgers, and issue checks. We noted that after the test month, a juror was reviewing and initialing the bank reconciliations and bank statements.

Exceptions: See above.

Management's Response: See management's corrective action plan.

- c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

One of the five account reconciliations included outstanding items older than twelve months. We noted no documentation that management researched the reconciling items.

Exceptions: See above

Management's Response: See management's corrective action plan.

Collections

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

We obtained a listing of deposit sites for the fiscal period where deposits are prepared and management's representation that the listing is complete. We selected all deposit sites.

Exceptions: None

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

For each deposit site, we obtained a listing of collections locations and management's representation that the listing is complete. We randomly selected one location for each deposit site and inquired of employees about their job duties at each collection location.

- a) Employees that are responsible for cash collections do not share cash drawers/registers.

We noted no exceptions.

- b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.

Employees responsible for collecting cash at the Police Jury and Library are not responsible for preparing/making bank deposits. The employee responsible for collecting cash at the Detention Center also prepares the deposit and takes it to the bank.

Exceptions: See above.

Management's Response: See management's corrective action plan.

- c) Each employee responsible for collecting cash is not responsible for [posting collection entries to the general ledger or subsidiary ledgers, unless another employee/officials is responsible for reconciling ledger postings to each other and to the deposit.

We noted no employees responsible for collecting cash that are also responsible for posting collection entries to the general ledger.

- d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.

The Secretary/Treasurer reconciles cash collections to the general ledger, and she is not responsible for collecting cash.

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

All employees are covered by an insurance policy for theft.

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

We randomly selected two deposit dates for each of the five bank accounts selected for procedure #3. We obtained all available supporting documentation for the deposits selected.

- a) Observe that receipts are sequentially pre-numbered.

Most collections at the Police Jury are in the form of checks mailed in, for which the Police Jury does not issue a receipt. The Police Jury and 911 do issue prenumbered receipts when cash does come into the office. The library uses a cash register. The Landfill and Detention Center use computer software.

- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

We noted no exceptions.

- c) Trace the deposit slip total to the actual deposit per the bank statement.

We noted no exceptions.

- d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).

Three out of eleven collections were not supported by receipts because they were received via mail. Five out of the eight remaining collections were deposited more than one business day after receipt.

Exceptions: See above.

Management's Response: See management's corrective action plan.

- e) Trace the actual deposit per the bank statement to the general ledger.

We noted no exceptions.

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

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

We obtained a listing of locations that process payments for the fiscal year and management's representation that the listing is complete. We randomly selected 5 locations.

Exceptions: None

9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

In lieu of obtaining written policies and procedures, we inquired of employees about their job duties.

- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

- b) At least two employees are involved in processing and approving payments to vendors.

We noted at least two employees are involved in processing and approving payments to vendors.

- c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.

We noted the employee responsible for processing payments is not able to add/modify vendor files.

Exceptions: None.

- d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

Signed checks are returned to the person responsible for processing payments.

Exceptions: See above.

Management's Response: See management's corrective action plan.

10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:

We obtained the entity's non-payroll disbursement transaction population and management's representation that the population is complete. We randomly selected 5 disbursements for each location and obtained supporting documentation for each.

- a) Observe that the disbursement matched the related original invoice/billing statement.

For 24 of 25 disbursements tested, the check amount matched the related invoice or other supporting documentation.

Exceptions: See above.

- b) Observe that the disbursement documentation included evidence (e.g., initial/date electronic logging) of segregation of duties tested under #9, as applicable.

We noted no exceptions.

Exceptions: See above.

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

11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, 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.

We obtained from management a listing of all active cards for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. We also obtained management's representation that the listing is complete.

Exceptions: None

12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:

Using the listing prepared by management, we haphazardly selected 5 cards that were used during the fiscal period. We haphazardly selected one monthly statement for each card and obtained the supporting documentation.

Exceptions: None

- a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing, by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.)]

We observed that there is evidence that two of the five monthly statements were reviewed and approved, in writing. However, the card holder was the reviewer. We observed that one statement included no documentation of review or approval.

Exceptions: See above.

Management's Response: See management's corrective action plan.

- b) Observe that finance charges and late fees were not assessed on the selected statements.

We observed that finance charges and late fees were not assessed on the selected statements.

Exceptions: None

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only).

We haphazardly selected ten transactions from three cards selected, since there were more than 10 transactions for those statements. We selected all transactions for the remaining two cards as there were less than ten transactions on the statements tested.

1) We observed that an original itemized receipt that identifies precisely what was purchased was present for the selected transactions.

2) We observed that written documentation of the business/public purpose supported thirty out of thirty-five transactions selected for testing.

3) No meal charges were selected for testing.

Exceptions: See above.

Management's Response: See management's corrective action plan.

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

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

We obtained from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing is complete. We haphazardly selected five reimbursements and obtained the related expense reimbursements for each reimbursement, as well as the supporting documentation.

Exceptions: None

- a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

We noted three reimbursements selected were reimbursed using a per diem. Two out of three of those reimbursements agreed to those rates established by the GSA.

Exceptions: See above.

Management's Response: See management's corrective action plan.

- b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

We noted three reimbursements were reimbursed using actual costs, and each was supported by an original itemized receipt that identifies precisely what was purchased.

Exceptions: None

- c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).

We noted three out of five reimbursements were supported by documentation of the business/public purpose.

Exceptions: See above.

Management's Response: See management's corrective action plan.

- d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Exceptions: None

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

We obtained from management a listing of all agreements/contracts that were initiated or renewed during the fiscal period. We randomly selected five contracts from the listing.

Exceptions: None

- a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

We noted none of the contracts selected were subject to the bid law.

Exceptions: None

- b) Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).

We observed that three of five contracts were approved by the police jury. The remaining two contracts were initiated in a prior fiscal year.

Exceptions: None

- c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.

We noted no indication that any of the selected contracts were amended during the fiscal period.

Exceptions: None

- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

We randomly selected one payment from the fiscal period for each of the five contracts. We obtained the supporting invoice. We agree three of the five payments to the contracts. One contract did not specify the amount the Police Jury paid. Once contract was unavailable.

Exceptions: See above.

Management's Response: See management's corrective action plan.

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

We obtained a listing of employees/elected officials. The listing was as of the extraction date which included employees hired after the fiscal period. We selected five employees/officials and obtained the related paid salaries and personnel files. We agreed salaries paid to authorized salaries for four out of five employees tested. One of the employees selected for testing was not hired until 2019.

Exceptions: None

17. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:

We haphazardly selected one pay period during the fiscal period and obtained the attendance records and leave documentation for the pay period.

Exceptions: None

- a) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)

For the three out of four employees, we observed that daily attendance and leave was documented. One of the four selected employees terminated prior to the selected pay period.

Exceptions: None.

- b) Observe that supervisors approved the attendance and leave of the selected employees/officials.

We observed the supervisor's approval of the attendance and leave.

Exceptions: None

- c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

We observed that leave accrued or taken during the period is reflected on the cumulative leave record.

Exceptions: None

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

Per management, only one employee received a termination payment. There appeared to be an error in the employees leave record. However, it did not affect the payment. The employee correctly received compensation for the maximum hours allowed.

Exceptions: None.

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

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

Exceptions: None.

Ethics

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:

Using the five haphazardly selected employees/officials from procedure #16 under "Payroll and Personnel" above, we obtained ethics documentation from management.

- a. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

We observed that the documentation for three out of five employees selected demonstrated that each employee/official completed one hour of ethics training during the fiscal period. One of the five employees was not hired until January 2019. One employee did not complete the training as she was only employed for a short time.

Exceptions: None

- b. Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.

We observed that documentation for four of the five selected employees/officials demonstrates that each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period. The fifth employee was not hired until January 2019.

Exceptions: None

Debt Service

21. Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued.

Management listed no new bonds/notes issued during the fiscal period.

Exceptions: None.

22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants.

Management listed no bonds/notes outstanding at the end of the fiscal period. Series 2011 bonds issued to purchase the Assessor's building are still outstanding at year-end. The closing documents only require a sinking fund. We did not receive evidence that a sinking fund has been established.

Exceptions: See above.

Management's Response: See management's corrective action plan.

Other

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

Management listed no misappropriations. However, during inquiries with management, we learned that an incident had occurred at the detention center whereby collections were determined to be missing. Management reported the incident to the sheriff.

24. Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

We observed the required notice posted in the entry way of the Police Jury office as well as on the Jury's website.

Exceptions: None.

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.

BOSCH & STATHAM, LLC

Bosch & Statham

Ruston, Louisiana
June 30, 2019

Union Parish Police Jury

P.O. BOX 723 303 EAST WATER STREET FARMERVILLE, LA 71241
PHONE 318- 368-3296 FAX 318-368-8342

June 28, 2019

OFFICERS:

JERRY W. TAYLOR
PRESIDENT

CHARLES SAWYER
VICE-PRESIDENT

PAULA STRICKLAND
SEC-TREASURER

Bosch & Statham
P.O. Box 2377
Ruston, LA 71273-2377

Corrective Action Plan

2018-001 Detention Center Commission Deficit

Responsible Official: Lanny Parker, Chairman, Detention Center Commission

MEMBERS:

DISTRICT 1
CHARLES SAWYER

DISTRICT 2
LANNY PARKER

DISTRICT 3
JERRY W. TAYLOR

DISTRICT 4
GLENN HUTTO

DISTRICT 5
BEN BRIDGES

DISTRICT 6
NATHAN FUTCH

DISTRICT 7
STAN SMITH

DISTRICT 8
MIKE JONES

DISTRICT 9
JOHN W. WATLEY

"The Detention Center was able to reduce its expenditures by \$103,636 for the year ended December 31, 2018 over the prior year of 2017. Revenues were down in 2018 because of the Justice Reinvestment Reform Act that released non-violent offenders in an effort to save the State money. Because of this State initiative the number of DOC inmates housed at the Detention Center was reduced. These revenues are expected to return to normalcy as the initial effects of the program hitting the system all at once disappears. The TWP program revenue is up for the first half of 2019 compared to the first half of 2018 and is expected to keep increasing through the rest of this year. Additionally, the number of TWP eligible persons that are housed at the Detention Center is being increased and this will boost revenues even more going forward. The Commission continues to closely monitor the operations of the Detention Center and the expected increase in revenues mentioned here coupled with continued efforts to control expenses will help meet the goal of adopting a balanced budget."

2018-002 Excessive Overtime Pay at Detention Center

Responsible Official: Lanny Parker, Chairman, Detention Center Commission

"A new administration took over in January of 2019. The new administration quickly noticed the overtime was excessive. A new time clock was installed with a biometric fingerprint scanner to prevent fraud through the use of buddy punches. The Warden receives a daily report which alerts him when an employee is approaching overtime and he can make the necessary adjustments to the schedule if necessary. Overtime is now being approved before it is worked instead of after the fact. The Commission will continue to closely monitor for excessive overtime requests."

2018-003 Cash Missing from the Detention Center

Responsible Official: Lanny Parker, Chairman, Detention Center Commission

“In March of 2018 nine hundred dollars (\$900.00) went missing from the former business manager’s desk. The money was from an offender that had been booked into the facility several days prior. The former business manager was known to regularly leave her office unlocked. She was severely deficient in the establishment and enforcement of internal controls. A new administration is in place and they understand the need for proper internal controls. Money is now being locked up in the Warden’s office in a safe. Daily deposits are being made. Only key personnel are allowed in the front office. Proper checks and balances are now in place to prevent the likelihood of another theft. The Commission will continue to monitor the enforcement of internal controls.”

ML2018-001

Responsible Person: Paula Strickland, Secretary/Treasurer

“Management understands the need for Comprehensive Road Department Policies and Procedures and will implement the auditor’s recommendation.”

Statewide AUPs

Written Policies and Procedures

- 1 (a) No exceptions
- 1 (b) No exceptions
- 1 (c) No exceptions
- 1 (d) Management will update policy to specify how collections are pursued.
- 1 (e) Management corrected the policy in 2018 to include who approves leave and what leave forms will be used.
- 1 (f) No exceptions
- 1 (g) Management corrected the allowable business users and the required approvers of statements in the 2018 policy.
- 1 (h) No exceptions
- 1 (i) Management will update policy and include the actions to be taken if a violation occurs. Management has already implemented the annual acknowledgment of having read the ethics policy in 2018.
- 1 (j) Management corrected the debt service policy in 2018 to include the required elements.

Board

- 2 (a) No exceptions
- 2 (b) No exceptions
- 2 (c) No exceptions

Bank Reconciliations

- 3 No exceptions
- 3 (a) Management reconciles bank statements within five (5) days of receipt of statement. Management initials bank statements, but there were some months that the statements were not initialed. Management will evaluate our procedures, consider the auditor's comments and take corrective action as considered necessary.
- 3 (b) This issue was addressed and corrected in June of 2018 when the audit was finalized. Management reconciles bank statements, a staff member reviews statements and then the Finance Chairman reviews bank statements, signs and approves.
- 3 (c) This issue was addressed and corrected in June of 2018 when the audit was finalized. Management has taken the necessary steps to reconcile the outstanding checks.

Collections

- 4 No exceptions
- 5 No exceptions
- 5 (a) No exceptions
- 5 (b) Management has contacted the Detention Center and counseled staff on the proper segregation of duties and taken the necessary steps to have more than one employee preparing deposits and taking deposits to the bank.
- 5 (c) No exceptions
- 5 (d) No exceptions

- 6 No exceptions

- 7 No exceptions
- 7 (a) No exceptions
- 7 (b) No exceptions
- 7 (c) No exceptions
- 7 (d) Management will evaluate our procedures, consider the auditor's comments and take action as considered necessary.
- 7 (e) No exceptions

Non-Payroll Disbursements

- 8 No exceptions
- 9 No exceptions
- 9 (a) No exceptions
- 9 (b) No exceptions
- 9 (c) No exceptions
- 9 (d) Management will evaluate our procedures, consider the auditor's comments and take action as considered necessary.

- 10 No exceptions
- 10 (a) Management will evaluate our procedures, consider the auditor's comments and take action as considered necessary.
- 10 (b) No exceptions

Credit Cards

- 11 No exceptions
- 12 No exceptions
- 12 (a) This issue was addressed and corrected at the time the audit was performed.
The card holder is no longer a sole reviewer.
- 12 (b) No exceptions
- 13 Management will evaluate our procedures, consider the auditor's comments and take action as considered necessary.

Travel

- 14 No exceptions
- 14 (a) Management will evaluate our procedures, consider the auditor's comments and take action as considered necessary.
- 14 (b) No exceptions
- 14 (c) This issue was addressed and corrected at the time the audit was performed.
- 14 (d) No exceptions

Contracts

- 15 No exceptions
- 15 (a) No exceptions
- 15 (b) No exceptions
- 15 (c) No exceptions
- 15 (d) Management will evaluate our procedures, consider the auditor's comments and take action as considered necessary.

Payroll/Personnel

- 16 No exceptions
- 17 (a) No exceptions
- 17 (b) No exceptions
- 17 (c) No exceptions

18 – No exceptions

19 – No exceptions

Ethics

- 20 (a) No exceptions
- 20 (b) No exceptions

Debt Service

- 21 No exceptions
- 22 The Series 2011 bonds were done under previous administration and Management was unaware that the proper steps were not taken. Now that Management is aware the issue will be promptly resolved.

Other

- 23 This issue has been addressed and investigated. Management has been working closely with the Detention Center to establish proper internal controls.
- 24 No exceptions

Sincerely,



Paula Strickland
Secretary/Treasurer
Union Parish Police Jury