
Concordia Parish Police Jury

Financial Statements

December 31, 2017

Concordia Parish Police Jury

Table of Contents

Independent Auditor’s Report	1
Management’s Discussion and Analysis	5
Government-Wide Financial Statements	
Statement of Net Position	13
Statement of Activities and Changes in Net Position	15
Fund Financial Statements	
Governmental Funds	
Balance Sheet – Governmental Funds	16
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position.....	18
Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds.....	19
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to to the Statement of Activities.....	22
Internal Service Fund	
Statement of Net Position	23
Statement of Revenues, Expenses, and Changes in Net Position	24
Statement of Cash Flows	25
Notes to Financial Statements	26
Required Supplementary Information	
Budgetary Comparison Schedules – Major Funds	
General Fund.....	58
Drainage Fund.....	59
Sales Tax Fund.....	60
Road Debt Service Fund	61
Highway Maintenance Fund	62
Schedules of Employer’s Proportionate Share of Net Pension Liability	63
Schedules of Employer’s Pension Contributions	65

Concordia Parish Police Jury

Table of Contents

Other Supplementary Information

Combining Balance Sheet of Nonmajor Governmental Funds	67
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances of Nonmajor Governmental Funds	68
Schedule of Compensation, Benefits, and Other Payments to Police Jury President	69

Reports Required by *Government Auditing Standards*

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 <i>Government Auditing Standards</i>	70
Summary of Auditor's Results and Schedule of Findings	72
Management's Response and Corrective Action Plan	74
Summary Schedule of Prior Year Findings	75

Statewide Agreed-Upon Procedures

Independent Accountant's Report on Applying Agreed-Upon Procedures	83
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Independent Auditor's Report

To the Police Jurors
Concordia Parish Police Jury
Vidalia, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Concordia Parish Police Jury, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the basic financial statements of the Concordia 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.

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 Concordia Parish 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 Concordia Parish Police Jury's primary government unless the Concordia Parish Police Jury also issues financial statements for the financial reporting entity that include the financial data for its component units. The Concordia Parish Police Jury has not issued such reporting entity financial statements. The amount by which this departure would affect the assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues, and expenses of the aggregate discretely presented component units and the aggregate remaining fund information is not reasonably determinable.

Adverse Opinion

In our opinion, because of the significance of the matter discussed 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, in conformity with accounting principles generally accepted in the United States of America, the financial position of the aggregate discretely presented component units of the Concordia Parish Police Jury as of December 31, 2017, or the changes in financial position thereof for the year then ended.

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 Concordia Parish Police Jury, as of December 31, 2017, and the respective changes in financial position and, where applicable, cash flows 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 Concordia Parish Police Jury, as of December 31, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, as presented on pages 5-12; budgetary comparison schedules of major funds on pages 54-58; schedules of employer's proportionate share of net pension liability on pages 59-60; and schedules of employer's pension contributions on page 61 supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements.

As a result of our limited procedures, we believe management's discussion and analysis does not conform to Governmental Accounting Standards Board guidelines, since as described in the "Basis for Adverse Opinion on Aggregate Discretely Presented Component Units and Qualified Opinion on Aggregate Remaining Fund Information" paragraph, management has omitted the discretely presented component units of the Concordia Parish Police Jury. This information is necessary to complete the tables derived from the government-wide financial statements, which is a required part of management's discussion and analysis.

We do not express an opinion or provide any assurance on management's discussion and analysis, budgetary comparison schedules of major funds, schedules of employer's proportionate share of net pension liability, and schedules of employer's pension contributions because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements of the Concordia Parish Police Jury. The combining balance sheet of nonmajor governmental funds; combining statement of revenues, expenditures, and changes in fund balances of nonmajor governmental funds; and schedule of compensation, benefits, and other payments to police jury president are presented for purposes of additional analysis and is not a required part of the financial statements.

To the Police Jurors
Concordia Parish Police Jury
Vidalia, Louisiana

The combining balance sheet of nonmajor governmental funds; combining statement of revenues, expenditures, and changes in fund balances of nonmajor governmental funds; and schedule of compensation, benefits, and other payments to police jury president is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining balance sheet of nonmajor governmental funds; combining statement of revenues, expenditures, and changes in fund balances of nonmajor governmental funds; and schedule of compensation, benefits, and other payments to police jury president are fairly stated in all material respects in relation to the basic financial statements as a whole.

The independent accountant's report on applying agreed-upon procedures have not been subjected to the auditing procedures applied in the audit of the financial statements, and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2018, on our consideration of the Concordia 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 the Concordia Parish Police Jury's internal control over financial reporting and compliance.



Covington, Louisiana
June 30, 2018

Management's Discussion and Analysis

Concordia Parish Police Jury

Management's Discussion and Analysis

December 31, 2017

Introduction

As management of the Concordia Parish Police Jury (the "Police Jury"), we offer readers of the Police Jury's financial statements the management's discussion and analysis (the "MD&A") of the financial activities of the Police Jury, as of and for the year ended December 31, 2017. This section is designed to assist the reader in focusing on significant financial issues, provide an overview of the Police Jury's financial activity, identify changes in the Police Jury's financial position (its ability to address the next and subsequent year challenges), and identify individual program issues or concerns.

As with other sections of this financial report, the information contained within this MD&A should be considered only a part of a greater whole. The readers of this statement should take time to read and evaluate all sections of this report, including the footnotes and the other supplementary information that is provided in addition to the MD&A.

Financial Highlights

- Total assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$16.08 million (reported as net position) as of December 31, 2017. Of this amount, \$4.92 million was reported as "unrestricted net position." A positive balance indicates these funds were available for discretionary purposes.
- The Police Jury's governmental funds reported a combined ending fund balance of \$1.30 million, an increase of 10.89% compared with the prior year.
- The Police Jury's net investment in capital assets is \$718,287, a decrease of approximately 6.93% from December 31, 2016 to December 31, 2017.
- The Police Jury's bond debt decreased by \$312,814, approximately 4.30%, from December 31, 2016 to December 31, 2017.

Overview of the Financial Statements

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

Concordia Parish Police Jury

Management's Discussion and Analysis

December 31, 2017

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 government-wide financial statements outline functions of the Police Jury that are principally supported by property taxes and intergovernmental revenues (governmental activities). Capital assets and related debt are also supported by taxes and intergovernmental revenues.

Statement of Net Position

The statement of net position presents information on all of the Police Jury's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference 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.

Statement of Activities

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 the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes).

The statement of activities is focused on both the gross and net cost of various activities. This is intended to summarize and simplify the reader's analysis of the revenues and costs of various government activities and the degree to which activities are subsidized by general revenues.

Both of these government-wide financial statements distinguish functions of the Police Jury that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the Police Jury include public safety, public works, health and welfare, culture and recreation, economic development, and general government. The government-wide financial statements can be found on pages 13 – 15 of this report.

Fund Financial Statements

A fund is a group of related accounts used to maintain control over resources that are 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 funds of the Police Jury can be divided into two categories: governmental funds and an internal service fund.

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 fund balances at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

Concordia Parish Police Jury

Management's Discussion and Analysis

December 31, 2017

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 fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for five major funds and an aggregate total for all nonmajor funds. The Police Jury's major governmental funds are the: general fund, drainage fund, sales tax fund, debt service fund, and highway maintenance fund. Individual fund data for the Police Jury's nonmajor governmental funds are provided in the form of combining statements within the supplementary information section of this report. The governmental fund financial statements can be found on pages 16 – 22.

Internal Service Fund

The Police Jury maintains an internal service fund to account for unemployment self-insurance. Internal service funds represent an accounting device used to accumulate and allocate costs internally among the Police Jury's various functions. Because internal service funds predominately benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

The internal service fund financial statements provide the same type of information as the government-wide financial statements, but in greater detail, and can be found on pages 23 – 25.

Component Units

The Police Jury has several component units that are legally separate from the Police Jury and primarily serve or benefit those outside the Police Jury as indicated in note 1 to the financial statements. These component units are not presented within the Police Jury's financial statements as required by *Government Accounting Standards*.

Notes to Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 26-57 of this report.

Other Information

In addition to this discussion and analysis, this report also presents required supplementary information on budgetary comparisons and pension plans. Required supplementary information can be found on pages 58 – 65 of this report. The combining statements referred to earlier are presented immediately following the required supplementary information and can be found on pages 67-68 of this report.

Concordia Parish Police Jury
Management's Discussion and Analysis
December 31, 2017

Financial Analysis of the Police Jury

The condensed statements of net position consisted of the following at December 31:

	2017	2016	Increase (Decrease)	Variance
Assets				
Current assets	\$ 9,962,597	\$ 9,119,077	\$ 843,520	9.25%
Restricted assets	3,978,927	3,375,639	603,288	17.87%
Capital assets, net	9,644,449	10,362,736	(718,287)	-6.93%
	<u>23,585,973</u>	<u>22,857,452</u>	<u>728,521</u>	<u>3.19%</u>
Deferred Outflows of Resources	<u>424,675</u>	<u>615,543</u>	<u>(190,868)</u>	<u>-31.01%</u>
	<u><u>\$ 24,010,648</u></u>	<u><u>\$ 23,472,995</u></u>	<u><u>\$ 537,653</u></u>	<u><u>2.29%</u></u>
Liabilities				
Current liabilities	\$ 976,679	\$ 782,905	\$ 193,774	24.75%
Noncurrent liabilities	6,886,159	7,431,266	(545,107)	-7.34%
	<u>7,862,838</u>	<u>8,214,171</u>	<u>(351,333)</u>	<u>-4.28%</u>
Deferred Inflows of Resources	68,067	81,366	(13,299)	-16.34%
Net Position				
Net investment in capital assets	2,677,968	3,083,442	(405,474)	-13.15%
Restricted	8,820,868	8,499,271	321,597	3.78%
Unrestricted	4,580,907	3,594,745	986,162	27.43%
	<u>16,079,743</u>	<u>15,177,458</u>	<u>902,285</u>	<u>5.94%</u>
	<u><u>\$ 24,010,648</u></u>	<u><u>\$ 23,472,995</u></u>	<u><u>\$ 537,653</u></u>	<u><u>2.29%</u></u>

Restricted net position is available only for expenditures that meet legislative requirements. Conversely, unrestricted net position does not have any limitations on how these amounts may be spent.

Current assets increased by \$843,520, approximately 9.25%, from December 31, 2016 to December 31, 2017, due primarily to an increase in cash deposits. Restricted assets increased by \$603,288, approximately 17.87% from December 31, 2016 to December 31, 2017, due primarily to an increase in cash deposits.

Noncurrent liabilities decreased by \$545,107, approximately 7.34%, from December 31, 2016 to December 31, 2017, as result of principal payments on sales tax bonds.

Concordia Parish Police Jury
Management's Discussion and Analysis
December 31, 2017

The condensed statements of revenues, expenses, and changes in net position consisted of the following for the years ended December 31:

	<u>2017</u>	<u>2016</u>	Increase (Decrease)	<u>Variance</u>
Revenues				
Program Revenues				
Charges for services	\$ 406,114	\$ 450,164	\$ (44,050)	-9.79%
Operating grants	151,285	192,570	(41,285)	-21.44%
Capital grants	427,445	1,027,592	(600,147)	-58.40%
General Revenues				
Taxes	4,487,508	4,551,600	(64,092)	-1.41%
Intergovernmental	1,009,723	957,322	52,401	5.47%
Interest	63,446	52,808	10,638	20.14%
Other general revenues	106,683	125,781	(19,098)	-15.18%
	<u>6,652,204</u>	<u>7,357,837</u>	<u>(705,633)</u>	<u>-9.59%</u>
Expenses				
General government	1,897,997	2,126,280	(228,283)	-10.74%
Public safety	231,123	209,415	21,708	10.37%
Public works	2,750,332	2,607,852	142,480	5.46%
Health and welfare	287,844	293,293	(5,449)	-1.86%
Culture and recreation	44,730	12,287	32,443	264.04%
Economic development	79,244	72,521	6,723	9.27%
Grants to subrecipients	280,791	-	280,791	100.00%
Interest on long-term debt	177,858	305,069	(127,211)	-41.70%
	<u>5,749,919</u>	<u>5,626,717</u>	<u>123,202</u>	<u>2.19%</u>
Change in net position	902,285	1,731,120	(828,835)	-47.88%
Net position, beginning of year	<u>15,177,458</u>	<u>13,446,338</u>	<u>1,731,120</u>	<u>12.87%</u>
Net position, end of year	<u>\$ 16,079,743</u>	<u>\$ 15,177,458</u>	<u>\$ 902,285</u>	<u>5.94%</u>

The Police Jury's revenues decreased by \$705,633, approximately 9.59%, from December 31, 2016 to December 31, 2017 due primarily from a decrease in federal grants.

Net position increased by \$902,285, approximately 5.94%, from December 31, 2016 to December 31, 2017 due from revenues exceeding expenses.

Concordia Parish Police Jury
Management's Discussion and Analysis
December 31, 2017

General Fund Budgetary Highlights

The Police Jury's budget was amended quarterly during the last year. The final budgeted expenditures of the general fund were \$1,980,247 and revenues were budgeted at \$2,017,085. Actual expenditures, budgetary basis, of the general fund were less than the budgeted amounts by \$155,055, approximately 8.49%. Revenues were less than budgeted amounts by \$130,572, approximately 6.92%. The budgetary comparison schedules of the major governmental funds can found at pages 58-62.

Capital Assets

At December 31, 2017 the Police Jury had \$10,362,736 invested in capital assets, net of accumulated depreciation. This investment in capital assets consisted of the following at December 31:

	2017	2016	Variance	Variance
Buildings and improvements	\$ 6,264,216	\$ 6,258,116	\$ 6,100	0.10%
Infrastructure	947,193	282,933	664,260	234.78%
Furniture, fixtures, equipment	436,844	436,844	-	0.00%
Machinery and equipment	2,707,289	2,689,436	17,853	0.66%
Transportation equipment	1,114,826	1,114,826	-	0.00%
Roads and bridges	12,195,458	12,195,458	-	0.00%
	<u>23,665,826</u>	<u>22,977,613</u>	<u>688,213</u>	<u>3.00%</u>
Accumulated depreciation	<u>(14,597,993)</u>	<u>(13,746,431)</u>	<u>(851,562)</u>	<u>-6.19%</u>
	9,067,833	9,231,182	(163,349)	-1.77%
Land	7,038	7,038	-	0.00%
Construction in progress	<u>569,577</u>	<u>1,124,516</u>	<u>(554,939)</u>	<u>-49.35%</u>
	<u><u>\$ 9,644,449</u></u>	<u><u>\$ 10,362,736</u></u>	<u><u>\$ (718,287)</u></u>	<u><u>-6.93%</u></u>

The Police Jury's investment in capital assets, net of current year depreciation, decreased \$718,287 from December 31, 2016 to December 31, 2017 due to depreciation exceeding capital asset additions. Additions made during the 2016 fiscal year include the following:

General government	
Construction in progress	\$ 7,500
Public works	
Buildings	6,100
Infrastructure	80,549
Machinery and equipment	17,853
Construction in progress	<u>52,483</u>
	<u><u>\$ 164,485</u></u>

The Police Jury's construction in progress includes improvements to the drainage within the parish.

Concordia Parish Police Jury
Management's Discussion and Analysis
December 31, 2017

Bond Debt Administration

At December 31, 2017, the Police Jury had outstanding general obligation bonds totaling \$7.28 million, a decrease of approximately 17.59% from December 31, 2016. Bonds consisted of the following at December 31:

	<u>2017</u>	<u>2016</u>	<u>Variance</u>	<u>Variance</u>
Sales tax bond, series 2015	\$ 2,662,000	\$ 2,913,000	\$ (251,000)	-8.62%
Sales tax bond, series 2016	4,270,000	4,330,000	(60,000)	-1.39%
Series 2016, bond premium	<u>34,481</u>	<u>36,295</u>	<u>(1,814)</u>	-5.00%
	<u>\$ 6,966,481</u>	<u>\$ 7,279,295</u>	<u>\$ (312,814)</u>	-4.30%

Economic Factors and Next Year's Operations and Rates

The Parish continued to move forward with projects funded by federal grants. The CWEF project for modifications to the Concordia Park Sewer was completed at the beginning of the year. Other projects in the works with CWEF are with the Lake St. John Water District and the Concordia Water District for upgrades and modifications to their entities.

The GOHSEP and FEMA project 427, known to us as the "Brushy Bayou Project" received official approval of "Stage I" funds and an additional \$109,000 of funds for the third party review to move forward. The overall project is funded for \$4,610,000 to improve drainage through hazard mitigation.

The project to renovate the courtroom with improved security measures and provide a vertical lift that is approved by the Americans with Disabilities Act progressed further toward the end of the year. The vertical lift went out for bids, and the courtroom renovations are waiting on technical specifications to be reviewed and approved. The project is funded for \$315,000 and the Police Jury is to provide \$105,000 of matching funds.

The Parish appointed a new director of the Office of Emergency Preparedness. The director was able to utilize funds for emergency equipment from previous years' grants before the due date. Additional grants are being sought to establish a situation room in the courthouse in the event of a natural disaster or other type of emergency.

Ad Valorem property taxes increased by approximately 2.1% while parish sales taxes collected decreased by approximately 3.8% from the previous year. In addition, severance taxes received from the state were up 8.6% for the 2017 calendar year.

In the 4th quarter of 2017, the Police Jury was notified of a rate increase for residential garbage pick-up. The Police Jury moved forward with a Request for Proposals to seek quotes from other providers. The end result still meant a higher cost to the Parish, but achieved greater accountability for this service which had not been previously in place.

**Concordia Parish Police Jury
Management's Discussion and Analysis
December 31, 2017**

The Police Jury continues to maintain the old and new courthouse, including library utilities, the jail facility at the new courthouse and funding of the airport authority operations. Tax derivatives are allocated and dispersed to the County Agent, Council on Aging, Village of Ridgecrest and Village of Clayton.

Contacting the Concordia Parish Police Jury's Management

This financial report is designed to provide a general overview of the Police Jury's finances for all of those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Sandi T. Burley, Secretary-Treasurer
4001 Carter St, Rm. 1
Vidalia, LA 71373.

Government-Wide Financial Statements

Concordia Parish Police Jury
Statement of Net Position
December 31, 2017

**ASSETS AND DEFERRED OUTFLOWS
OF RESOURCES**

Current Assets

Cash and cash equivalents	\$ 2,538,319
Certificates of deposit	4,835,000
Accounts receivable	60,161
Grants receivable	275,642
Ad valorem taxes receivable, net	1,616,013
Sales and use taxes receivable	419,888
Severance taxes receivable	134,230
Accrued interest receivable	28,629
Due from component units	36,693
Prepaid expenses	18,022
	<hr/>
	9,962,597

Restricted Assets

Cash and cash equivalents	2,528,926
Certificates of deposit	1,450,001
	<hr/>
	3,978,927

Capital Assets

Property and equipment, net	9,644,449
	<hr/>
	23,585,973

Deferred Outflows of Resources

Deferred outflows of pension resources	424,675
	<hr/>
	\$ 24,010,648
	<hr/>

Concordia Parish Police Jury
Statement of Net Position (Continued)
December 31, 2017

**LIABILITIES, DEFERRED INFLOWS OF
RESOURCES, AND NET POSITION**

Current Liabilities

Accounts payable	\$ 115,315
Accrued payroll and benefits	77,068
Due to component units	8,115
Payable from restricted assets	
Accounts payable	21,980
Grants payable	271,786
Interest payable	53,600
General obligation bonds - due within one year	428,815
	<u>976,679</u>

Noncurrent Liabilities

General obligation bonds - due in more than one year	6,537,666
Pension liability	348,493
	<u>6,886,159</u>
	<u>7,862,838</u>

Deferred Inflows of Resources

Deferred inflows related to pensions	68,067
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Net Position

Net investment in capital assets	2,677,968
Restricted	
Debt service	1,875,158
Special projects	6,945,710
Unrestricted	4,580,907
	<u>16,079,743</u>
	<u>\$ 24,010,648</u>

Concordia Parish Police Jury
Statement of Activities and Changes in Net Position
For the Year Ended December 31, 2017

Functions/Programs	Expenses	Program Revenues			Net Revenue (Expense) and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
PRIMARY GOVERNMENT					
Governmental Activities					
General government					
Legislative	\$ 214,791	\$ -	\$ -	\$ -	\$ (214,791)
Judicial	626,350	167,371	-	-	(458,979)
Elections	48,495	-	-	-	(48,495)
Finance	424,429	-	-	-	(424,429)
Other general	583,932	238,743	38,775	63,091	(243,323)
Public safety	231,123	-	-	-	(231,123)
Public works	2,750,332	-	-	83,563	(2,666,769)
Health and welfare	287,844	-	112,510	-	(175,334)
Culture and recreation	44,730	-	-	-	(44,730)
Economic development	79,244	-	-	-	(79,244)
Grants to subrecipients	280,791	-	-	280,791	-
Interest	177,858	-	-	-	(177,858)
	<u>5,749,919</u>	<u>406,114</u>	<u>151,285</u>	<u>427,445</u>	<u>(4,765,075)</u>
General Revenues					
Taxes					
Ad valorem taxes					1,918,680
Sales taxes					2,563,624
Other taxes					5,204
Intergovernmental revenues					
State revenue sharing					47,398
Severance taxes					603,750
Parish transportation					240,071
Fire insurance premium tax					88,056
Parish royalty					30,448
Interest					63,446
Other general revenues					106,683
					<u>5,667,360</u>
Change in net position					
Net position, beginning of year					<u>15,177,458</u>
Net position, end of year					<u>\$ 16,079,743</u>

See accompanying notes to financial statements.

Governmental Funds Financial Statements

Concordia Parish Police Jury
Balance Sheet – Governmental Funds
December 31, 2017

	<u>General Fund</u>	<u>Drainage Fund</u>	<u>Sales Tax Fund</u>	<u>Debt Service Fund</u>	<u>Highway Maintenance Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
ASSETS							
Current Assets							
Cash and cash equivalents	\$ 693,454	\$ 337,871	\$ -	\$ -	\$ 928,802	\$ 573,095	\$ 2,533,222
Certificates of deposit	2,675,000	1,350,000	-	-	-	700,000	4,725,000
Accounts receivable	21,102	175	-	-	38,884	-	60,161
Grants receivable	3,853	-	-	-	-	271,789	275,642
Ad valorem taxes receivable, net	547,476	860,794	-	-	-	207,743	1,616,013
Sales and use taxes receivable	-	-	419,888	-	-	-	419,888
Severance taxes receivable	134,230	-	-	-	-	-	134,230
Accrued interest receivable	15,348	2,826	7,569	-	-	2,319	28,062
Due from other funds	50,870	49,169	-	132,000	43,844	145,834	421,717
Due from component units	9,505	11,652	-	-	-	15,536	36,693
Prepaid expenses	6,093	2,558	449	-	1,201	7,721	18,022
	<u>4,156,931</u>	<u>2,615,045</u>	<u>427,906</u>	<u>132,000</u>	<u>1,012,731</u>	<u>1,924,037</u>	<u>10,268,650</u>
Restricted assets							
Cash and cash equivalents	-	-	1,019,308	1,471,017	-	38,601	2,528,926
Certificates of deposit	-	-	1,450,001	-	-	-	1,450,001
	<u>-</u>	<u>-</u>	<u>2,469,309</u>	<u>1,471,017</u>	<u>-</u>	<u>38,601</u>	<u>3,978,927</u>
	<u>\$ 4,156,931</u>	<u>\$ 2,615,045</u>	<u>\$ 2,897,215</u>	<u>\$ 1,603,017</u>	<u>\$ 1,012,731</u>	<u>\$ 1,962,638</u>	<u>\$ 14,247,577</u>

See accompanying notes to financial statements.

Concordia Parish Police Jury
Balance Sheet – Governmental Funds (Continued)
December 31, 2017

	<u>General Fund</u>	<u>Drainage Fund</u>	<u>Sales Tax Fund</u>	<u>Debt Service Fund</u>	<u>Highway Maintenance Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
Liabilities							
Accounts payable	\$ 26,236	\$ -	\$ 33,346	\$ -	\$ 1,398	\$ 54,335	\$ 115,315
Accrued payroll and benefits	33,267	26,271	-	-	6,969	10,561	77,068
Due to other funds	3,010	-	-	-	-	38,832	41,842
Due to component unit	8,115	-	-	-	-	-	8,115
Payable from restricted assets							
Accounts payable	-	-	-	-	-	21,980	21,980
Grants payable	-	-	-	-	-	271,786	271,786
Due to other funds	-	-	349,372	-	-	30,503	379,875
	<u>70,628</u>	<u>26,271</u>	<u>382,718</u>	<u>-</u>	<u>8,367</u>	<u>427,997</u>	<u>915,981</u>
Deferred Inflows of Resources							
Unavailable revenue							
Ad valorem taxes	35,478	55,789	-	-	-	13,465	104,732
Interest	11,323	2,206	6,929	-	-	2,260	22,718
	<u>46,801</u>	<u>57,995</u>	<u>6,929</u>	<u>-</u>	<u>-</u>	<u>15,725</u>	<u>127,450</u>
	<u>117,429</u>	<u>84,266</u>	<u>389,647</u>	<u>-</u>	<u>8,367</u>	<u>443,722</u>	<u>1,043,431</u>
Fund Balances							
Nonspendable: prepaid expense	6,093	2,558	449	-	1,201	7,721	18,022
Restricted	-	-	2,507,119	1,603,017	-	(13,879)	4,096,257
Committed	-	2,528,221	-	-	1,003,163	1,525,074	5,056,458
Unassigned	4,033,409	-	-	-	-	-	4,033,409
	<u>4,039,502</u>	<u>2,530,779</u>	<u>2,507,568</u>	<u>1,603,017</u>	<u>1,004,364</u>	<u>1,518,916</u>	<u>13,204,146</u>
	<u>\$ 4,156,931</u>	<u>\$ 2,615,045</u>	<u>\$ 2,897,215</u>	<u>\$ 1,603,017</u>	<u>\$ 1,012,731</u>	<u>\$ 1,962,638</u>	<u>\$ 14,247,577</u>

See accompanying notes to financial statements.

Concordia Parish Police Jury
Reconciliation of the Governmental Funds Balance Sheet to
the Statement of Net Position
For the Year Ended December 31, 2017

Total fund balances, as reflected on the governmental funds balance sheet	\$ 13,204,146
Net capital assets used in governmental activities are not financial resources, and, therefore, are not reported in the governmental funds balance sheet.	9,644,449
Receivables that are not available to pay current year expenditures are reported as deferred inflows of resources in the governmental funds	
Ad valorem taxes	104,732
Interest	22,718
Contributions to the pension plan in the current fiscal year are deferred outflows of resources on the statement of net position,	113,325
Pension related deferrals are deferred inflows of resources and deferred outflows of resources on the statement of net position.	243,283
Liabilities that are not due and payable in the current period are not reported in the governmental funds balance sheet; however, the liabilities are reported in the statement of net position. These liabilities consist of:	
Certificates of indebtedness	(6,966,481)
Accrued interest on certificates of indebtedness	(53,600)
Net pension liability	(348,493)
Internal service funds are used by management to charge the costs of unemployment insurance to the individual funds. The assets and liabilities of the internal service funds are not reported in the governmental funds balance sheet; however, the unemployment internal service fund is included in the statement of net position.	<u>115,664</u>
Net position, as reflected on the statement of net position	<u><u>\$ 16,079,743</u></u>

See accompanying notes to financial statements.

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

	General Fund	Drainage Fund	Sales Tax Fund	Debt Service Fund	Highway Maintenance Fund	Nonmajor Governmental Funds	Total
Revenues							
Taxes							
Ad valorem taxes	\$ 652,161	\$ 1,012,407	\$ -	\$ -	\$ -	\$ 243,534	\$ 1,908,102
Sales and use taxes	-	-	2,563,624	-	-	-	2,563,624
Other taxes	5,204	-	-	-	-	-	5,204
	<u>657,365</u>	<u>1,012,407</u>	<u>2,563,624</u>	<u>-</u>	<u>-</u>	<u>243,534</u>	<u>4,476,930</u>
Intergovernmental revenues							
Federal grants	38,775	-	-	-	3,010	189,563	231,348
State funds							
Grants	78,408	18,606	-	-	-	3,500	100,514
Parish transportation funds	-	-	-	-	240,071	-	240,071
State revenue sharing	16,883	27,777	-	-	-	2,738	47,398
Severance taxes	603,750	-	-	-	-	-	603,750
Fire insurance premium tax	88,056	-	-	-	-	-	88,056
Parish royalty	30,448	-	-	-	-	-	30,448
	<u>856,320</u>	<u>46,383</u>	<u>-</u>	<u>-</u>	<u>243,081</u>	<u>195,801</u>	<u>1,341,585</u>
Licenses and permits	238,743	-	-	-	-	-	238,743
Fines and forfeitures	-	-	-	-	-	167,371	167,371
Other revenues	47,173	3,117	-	-	11,886	44,007	106,183
	<u>1,799,601</u>	<u>1,061,907</u>	<u>2,563,624</u>	<u>-</u>	<u>254,967</u>	<u>650,713</u>	<u>6,330,812</u>

See accompanying notes to financial statements.

Concordia Parish Police Jury
Statement of Revenues, Expenditures, and Changes in Fund
Balances – Governmental Funds (Continued)
For the Year Ended December 31, 2017

	General Fund	Drainage Fund	Sales Tax Fund	Road Debt Service Fund	Highway Maintenance Fund	Nonmajor Governmental Funds	Total
Expenditures							
General government							
Legislative	\$ 214,791	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 214,791
Judicial	446,593	-	-	-	-	178,811	625,404
Elections	50,498	-	-	-	-	-	50,498
Finance and administration	260,587	-	99,695	-	-	-	360,282
Other general government	453,567	-	-	-	-	-	453,567
	<u>1,426,036</u>	<u>-</u>	<u>99,695</u>	<u>-</u>	<u>-</u>	<u>178,811</u>	<u>1,704,542</u>
Public safety	231,123	-	-	-	-	-	231,123
Public works	86,123	865,708	208,629	-	359,161	521,282	2,040,903
Health and welfare	49,603	-	-	-	-	219,945	269,548
Culture and recreation	16,467	-	-	-	-	-	16,467
Economic development	79,244	-	-	-	-	-	79,244
Debt service							
Principal	-	-	-	311,000	-	-	311,000
Interest	-	-	-	138,999	-	-	138,999
Other service costs	-	-	-	3,523	-	-	3,523
Capital outlay	7,500	23,953	-	-	-	133,033	164,486
	<u>1,896,096</u>	<u>889,661</u>	<u>308,324</u>	<u>453,522</u>	<u>359,161</u>	<u>1,053,071</u>	<u>4,959,835</u>
Excess(deficiency) of operating revenues over expenses	<u>(96,495)</u>	<u>172,246</u>	<u>2,255,300</u>	<u>(453,522)</u>	<u>(104,194)</u>	<u>(402,358)</u>	<u>1,370,977</u>

See accompanying notes to financial statements.

Concordia Parish Police Jury
Statement of Revenues, Expenditures, and Changes in Fund
Balances – Governmental Funds (Continued)
For the Year Ended December 31, 2017

	General Fund	Drainage Fund	Sales Tax Fund	Road Debt Service Fund	Highway Maintenance Fund	Nonmajor Governmental Funds	Total
Excess(deficiency) of operating revenues over expenses	\$ (96,495)	\$ 172,246	\$ 2,255,300	\$ (453,522)	\$ (104,194)	\$ (402,358)	\$ 1,370,977
Nonoperating Revenues(Expenditures)							
Interest	16,188	8,649	5,757	2,947	2,032	4,359	39,932
Federal grants	-	-	-	-	-	280,791	280,791
Grants to subrecipients	-	-	-	-	-	(280,791)	(280,791)
	<u>16,188</u>	<u>8,649</u>	<u>5,757</u>	<u>2,947</u>	<u>2,032</u>	<u>4,359</u>	<u>39,932</u>
	(80,307)	180,895	2,261,057	(450,575)	(102,162)	(397,999)	1,410,909
Other financing sources (uses)							
Transfers in	572,777	112,066	-	792,000	320,834	610,439	2,408,116
Transfers (out)	(6,205)	(319,654)	(1,987,150)	-	(24,000)	(71,107)	(2,408,116)
	<u>566,572</u>	<u>(207,588)</u>	<u>(1,987,150)</u>	<u>792,000</u>	<u>296,834</u>	<u>539,332</u>	<u>-</u>
Net change in fund balances	486,265	(26,693)	273,907	341,425	194,672	141,333	1,410,909
Fund balances, beginning of year	3,553,237	2,557,472	2,233,661	1,261,592	809,692	1,377,583	11,793,237
Fund balances, end of year	<u>\$ 4,039,502</u>	<u>\$ 2,530,779</u>	<u>\$ 2,507,568</u>	<u>\$ 1,603,017</u>	<u>\$ 1,004,364</u>	<u>\$ 1,518,916</u>	<u>\$ 13,204,146</u>

See accompanying notes to financial statements.

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

Net change in fund balances as reflected on the statement of revenues, expenditures, and changes in fund balances \$ 1,410,909

Governmental funds report capital outlays as expenditures. In the statement of activities, the cost of these assets are allocated over the estimated useful lives and reported as depreciation expense:

Capital outlay	133,275
Depreciation expense	(851,562)

Some revenues in the statement of activities do not provide current financial resources; therefore, are not reported as revenues in the governmental funds:

Change in unavailable ad valorem tax revenues	(23,341)
Change in unavailable interest revenues	22,718

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

Change in accrued interest payable on sales tax bonds	(40,674)
Change in net pension liability	114,479
Change in deferred inflows/outflows of pension resources/expenses	(177,569)

Repayment of debt principal is an expenditure in the statement of revenues, expenditures, and changes in fund balances, but the repayment and amortization of the bond premium reduces noncurrent liabilities in the statement of net position.

312,812

An internal service fund is used by management to charge the cost of unemployment insurance to individual funds. The net revenue(expense) is reported within the statement of activities.

1,238

Change in net position as reflected on the statement of activities	<u>\$ 902,285</u>
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Internal Service Fund Financial Statements

Concordia Parish Police Jury
Statement of Net Position
Unemployment Self Insurance
December 31, 2017

ASSETS

Current Assets

Cash and cash equivalents	\$	115,097
Accrued interest receivable		<u>567</u>
	\$	<u><u>115,664</u></u>

LIABILITIES AND NET POSITION

Current Liabilities

Accounts payable	\$	-
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Net Position

Unrestricted		<u>115,664</u>
	\$	<u><u>115,664</u></u>

Concordia Parish Police Jury
Statement of Revenues, Expenses, and Changes in Fund Net Position
Unemployment Self Insurance
For the Year Ended December 31, 2017

Revenues	
Fees, charges, and commissions for services	\$ 500
Investment earnings	796
	<u>1,296</u>
Expenses	
Fees and charges	<u>58</u>
Change in net position	1,238
Net position, beginning of year	<u>114,426</u>
Net position, end of year	<u><u>\$ 115,664</u></u>

See accompanying notes to financial statements.

Concordia Parish Police Jury
Statement of Cash Flows
Unemployment Self Insurance
For the Year Ended December 31, 2017

Cash Flows From Operating Activities

Receipts	
Fees, charges, and commissions for services	\$ 500
Disbursements	
Fees and charges	2,034
Net cash used in operating activities	<u>(1,534)</u>

Cash Flows From Investing Activities

Interest earned	229
	<u>(1,305)</u>
Cash, beginning of year	116,402
Cash, end of year	<u>\$ 115,097</u>

**Reconciliation of change in net position to net
cash provided by (used in) operating activities**

Change in net position	\$ 442
Increase(decrease) in accounts payable	<u>(1,976)</u>
Net cash provided by operating activities	<u>\$ (1,534)</u>

Notes to Financial Statements

Concordia Parish Police Jury

Notes to Financial Statements

1. History and Summary of Significant Accounting Policies

History and Nature of Operations

The Concordia Parish Police Jury (“Police Jury”) was created by Legislative Act in the 1800’s and is the governing body of Concordia Parish outside of the incorporated towns of Vidalia, Ferriday, Ridgecrest and Clayton. Concordia Parish is located along the Mississippi River in East Central Louisiana. The land area of the Parish is approximately 709 square miles with a population of 20,882 as of the 2010 census.

The Police Jury consists of nine Jurors elected to represent various districts in the Parish. The Jurors serve four year terms, and the current term expires in January 2020. The Police Jury’s primary responsibilities are the maintenance and operation of roads and bridges, drainage facilities, sewerage and water distribution systems, recreational facilities, public buildings and financial support of the parish’s criminal justice system. The Police Jury adopts ordinances and resolutions to promote the general welfare of the citizens of Concordia Parish.

Financial Reporting Entity

The Governmental Accounting Standards Board (“GASB”) Statement No. 61 (“GASB 61”), *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and 34* establishes the requirements for determining if a component unit is included in the financial reporting entity of its primary government.

Organizations are required to have a financial benefit/burden relationship with the primary government for it to be included in the reporting entity as a component unit. The financial benefit/burden relationship, which was not amended by GASB 61, is defined in GASB Statement No. 14, *The Financial Reporting Entity*, as existing if any one of the following conditions is present:

- The primary government is legally entitled to or can otherwise access the organization’s resources
- The primary government is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the organization
- The primary government is obligated in some manner for the debt of the organization

Based on the foregoing criteria, the Police Jury is determined to be the primary government and the following entities are component units of the Police Jury:

- Lake St. John Waterworks District
- Concordia Parish Waterworks District
- Concordia Parish Sewerage District No. 1
- Concordia Parish Library
- Concordia Parish Recreation District No. 1
- Concordia Parish Recreation District No. 2
- Concordia Parish Recreation District No. 3
- Concordia Parish Fire Protection District No. 1 - Monterey
- Concordia Parish Fire District No. 2
- Seventh Judicial District Criminal Court
- Concordia Parish District Attorney
- Concordia Parish Assessor
- Concordia Parish Clerk of Court
- Concordia Parish Sheriff’s Office
- Concordia Parish Communications District
- Concordia Parish Airport Authority
- Hospital Service District No. 1
- Monterey Rural Water System

Concordia Parish Police Jury

Notes to Financial Statements

Financial Statement Presentation

The Police Jury's financial statements include both government-wide and fund financial statements which categorize all of the Police Jury's activities as governmental.

- **Government-Wide Financial Statements**

The government-wide financial statements (the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the Police Jury's governmental activities which normally are supported by taxes and intergovernmental revenues.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (a) charges for services; (b) grants and contributions that are restricted to meeting the operations of the Police Jury; and (c) grants and contributions that are restricted for capital. Taxes, intergovernmental revenues, and other revenue sources not included among program revenues are reported as general revenues.

- **Fund Financial Statements**

The Police Jury uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain Police Jury functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. The emphasis on fund financial statements is on major funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the Police Jury, or the total assets, liabilities, revenues, or expenditures of the individual governmental fund is at least 10 percent of the corresponding total for all governmental funds. The Police Jury reports the following major governmental funds:

- The General Fund is the primary operating fund of the Police Jury. It accounts for all the financial resources except those that are required to be accounted for in other funds.
- The Drainage Fund accounts for the operation and maintenance of all off-road drainage projects. Funding is provided by primarily ad valorem taxes.
- The Sales Tax Fund accounts for the one percent sales tax approved by the voters in 1977. The sales tax was renewed by the voters in January 1988 and January 2003 for 15 years. The tax is restricted to the operation of a solid waste program with any remaining taxes used for construction and maintenance of roads and drainage. An additional one and one half percent tax was passed in 2005, with the proceeds to be used for repayment of bonded indebtedness, road improvements, and assistance to County Agent and Council on Aging operations.
- The Debt Service Fund was established originally in 2006 to account for the funds set aside to pay the semi-annual debt service on the bonds. The outstanding Series 2015 and Series 2016 debt issues are accounted for within this fund. There are sinking funds and reserve funds included for the Series 2015 and 2016 bond issues.
- Highway Maintenance Fund - The Highway Maintenance Fund accounts for the construction of minor new roads and bridges and the maintenance of existing roads and roadside areas. The primary funding is provided by the State of Louisiana's parish transportation tax.

Concordia Parish Police Jury

Notes to Financial Statements

Additionally, the government reports the following fund type:

- Internal Service Fund – Unemployment Self Insurance: this fund accounts for the financing of services provided by one department to other departments of the Police Jury on a cost reimbursement basis. This fund accounts for the financing of a self-insurance fund for the payment of unemployment claims by former employees of the Police Jury. It is a proprietary fund whose focus is on income measurement, which together with the maintenance of equity, an important financial indicator.

Basis of Accounting and Measurement Focus

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

- Accrual
Governmental-type activities in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.
- Modified Accrual
The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available. "Measurable" means that the amount of the transaction can be determined, and "available" means that the amount of the transaction is collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due.

Ad valorem taxes are considered to be collected when they are collected by the Concordia Parish Sheriff. Ad Valorem taxes collected 60 days after the end of the fiscal year is not considered available, and, therefore, are recorded as a deferred inflow of resources on the governmental fund balance sheet. State revenue sharing associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues in the current fiscal year. Interest earned on certificates of deposit that will mature 60 days after the end of the fiscal year is not considered available, and therefore, is recorded as a deferred inflow of resources. All other revenue items are considered to be measurable and available only when cash is received by the Police Jury.

The effect of inter-fund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's enterprise operations. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Concordia Parish Police Jury

Notes to Financial Statements

Net Position

The statement of net position reports net position as the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. Net position is displayed in three components:

- Net investment in capital assets - consists of capital assets net of accumulated depreciation and reduced by the outstanding balances of bonds that are attributable to the acquisition, construction, and improvement of those assets.
- Restricted - consists of amounts with constraints placed on the use by (a) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (b) law through constitutional provisions or enabling legislation.
- Unrestricted - All other amounts that do not meet the definition of "restricted" or "net investment in capital assets."

Fund Balance

In fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy primarily on the extent to which the Police Jury is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in the following five components:

- Nonspendable - This component consists of amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- Restricted - This component consists of amounts that have constraints placed on them either externally by third-parties (creditors, grantors, contributions, or laws or regulations of other governments) or by law, through constitutional provisions or enabling legislation. Enabling legislation authorizes the Police Jury to assess, levy, change or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement (compelled by external parties) that those resources be used only for the specific purposes stipulated in the legislation.
- Committed - This component consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Police Jury. Those committed amounts cannot be used for any other purpose unless the Police Jury removes or changes the specified use by taking the same type of action (ordinance or resolution) it employed previously to commit those amounts.
- Assigned - This component consists of amounts that are constrained by the Police Jury's intent to be used for specific purposes, but are neither restricted nor committed. The authority for assigning fund balance is expressed by the Police Jury or the designee as established in the Police Jury's fund balance policy.
- Unassigned - This component consists of amounts that have not been restricted, committed or assigned to specific purposes within the general fund. 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 (committed, assigned and unassigned) are available for use. It is the Police Jury's policy to use committed resources first, then assigned, and then unassigned as they are needed.

Concordia Parish Police Jury

Notes to Financial Statements

The Police Jury establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance or resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund (such as for special incentives). Assigned fund balance is established by the Police Jury through adoption or amendment of the budget as intended for specific purposes (such as the purchase of fixed assets, construction, debt service, or for other purposes).

Restricted Resources

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.

Restricted fund balances are utilized for a number of funds that receive taxes and/or grant proceeds that can be expended for the purposes approved in the tax proposition or grant award. Any deviation from the original purpose must be approved by the original third party whether that is the electorate or grantor. When restricted, committed, and unassigned fund balances are available, it is the Police Jury's policy to use restricted funds first, then committed and unassigned funds.

Use of Estimates

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

Budget Policies

Budgets - Preliminary budgets for the ensuing year are prepared by the secretary-treasurer prior to December 31 of each year. 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 its regular 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 the Police Jury's regular December meeting, and a notice of the adoption is then published in the official journal.

The secretary-treasurer presents necessary budget amendments to the Police Jury during the year when, in his judgment, actual operations are differing materially from those anticipated in the original budget.

During a regular 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 he/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 budgets of the major funds are adopted on the cash basis of accounting. A reconciliation to the basis materially consistent with accounting principles generally accepted in the United States of America has been presented within these financial statements as required by Governmental Accounting Standards.

Concordia Parish Police Jury

Notes to Financial Statements

Pensions

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

Cash and Cash Equivalents

Cash and cash equivalents include certificates of deposits and all highly liquid debt instruments with original maturities of three months or less when purchased.

Receivables

All receivables are reported net of estimated uncollectible amounts. The allowance for uncollectible ad valorem tax amounts was \$3,127 in the general funds, \$4,935 in the drainage fund, and \$1,187 in the public health fund for the year ended December 31, 2017. This estimate is based on the Police Jury's history of collections within this revenue stream.

Prepaid Expenses

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses in both the government-wide and fund financial statements. The costs of prepaid expenses are recorded as expenses / expenditures when consumed rather than when purchased.

Capital Assets

Capital assets are reported in the government-wide financial statements and are capitalized at historical cost. Donated assets are recorded 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 capital assets. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

Buildings and improvements	10 - 40 years
Furniture and fixtures	5 - 10 years
Machinery and equipment	5 - 10 years
Transportation equipment	5 - 10 years
Drainage and water treatment	10 - 40 years
Roads and bridges	20 years

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. In the fund financial statements, capital assets used in the governmental fund operations are accounted for as capital outlay expenditures upon acquisition.

Concordia Parish Police Jury

Notes to Financial Statements

Compensated Absences

Employees of the Police Jury earn 5 to 15 days of noncumulative annual leave each year, depending on their length of service. Annual leave must be taken in the year earned. Unused annual leave cannot be accumulated. Employees may accumulate an unlimited amount of sick leave; however, they cannot be paid for any unused sick leave upon retirement or termination. The cost of leave privileges is recognized as a current-year expenditure within the various funds when leave is actually taken.

Long-Term Obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities and proprietary fund type statement of net position.

Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Losses on refunding are deferred and amortized over the life of the new issuance or the existing debt using the effective interest method.

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

Deferred Outflows of Resources

In addition to assets, the statement of financial position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Police Jury has the following items that qualify for reporting in this category:

Pensions – these deferred outflows result from pension contributions after the measurement date (deferred and recognized in the following fiscal year) and/or differences in projected and actual earnings on pension assets (deferred and amortized over a closed five year period).

Deferred Inflows of Resources

Deferred inflows of resources are acquisitions of net position by the Police Jury that is applicable to a future reporting period and so will not be recognized as an inflow of resources until then. The Police Jury has the following items that qualify for reporting in this category:

Pensions – these deferred inflows result from differences in projected and actual earnings on pension assets (deferred and amortized over a closed five year period).

Ad valorem taxes – these amounts are unavailable and are deferred and recognized as an inflow of resources in the period that the amounts become available.

Interest – these amounts to be collected 60 days after year-end are unavailable and are deferred and recognized as an inflow of resources in the period that the amounts become available.

Concordia Parish Police Jury

Notes to Financial Statements

Ad Valorem Taxes

Ad valorem taxes are levied each November 1 on the assessed value listed as of prior January 1 for all real property, merchandise and movable property located in the Parish and are due December 31. The following is a summary of authorized and levied ad valorem taxes:

	Authorized Millage	Levied Millage
Parish	4.00	2.27
Health unit	1.81	1.81
Drainage	10.00	10.00

Assessed values are established by the Concordia Parish Assessor's Office and the State Tax Commission at percentages of actual value as specified by Louisiana law. All land and residential improvements are assessed at 10% of its fair market value, and other property at 15% of its fair market value. The tax rate for the year ended December 31, 2017 was \$14.08 per \$1,000 of assessed valuation on property within Concordia Parish. For the year ended December 31, 2017, gross appraisal value was \$163,633,760; homestead exemption totaled \$28,174,439; and net appraisal value was \$135,459,321.

A reevaluation of all property is required to be completed no less than every four years. Taxes are due and payable December 31 with interest being charged on payments after January 1. Taxes can be paid through the tax sale date. Properties for which the taxes have not been paid are sold for the amount of the taxes.

The following schedule presents the Parish's principal taxpayers and related ad valorem tax revenue for the year ended December 31, 2017:

	Type of Business	Assessed Valuation	Ad Valorem Tax Revenue for Police Jury	Percentage of Total Tax
Catalyst Old River	Power plant	\$ 40,700,460	\$ 573,062	25%
Union Underwear Co.	Warehouse	3,488,190	49,114	2%
Entergy Louisiana, Inc.	Power plant	3,447,460	48,540	2%

Sales Tax

Sales tax are susceptible to accrual and are recognized as revenue when collected by the vendors. Sales taxes are authorized as follows:

	Levied Percent
Solid waste disposal	1.00%
Roads, county agent, and council on aging	1.50%

Sales taxes are collected by the Concordia Parish School Board, and the Police Jury paid \$85,571 for sales tax collections for the year ended December 31, 2017 which is recorded as an expense within the sales tax fund.

Concordia Parish Police Jury

Notes to Financial Statements

Fire Insurance Premium Tax

The Police Jury receives a pro-rata share of the fire insurance premium taxes collected by the State of Louisiana in accordance with Louisiana Revised Statute 22:345. The amounts received by the Police Jury are based on the population of the areas it serves. In accordance with this statute, such money shall be used only for the purpose of "rendering more efficient and efficacious" fire protection as the Police Jury shall direct.

Parish Royalty Program

The Police Jury receives royalties from mineral leases on state-owned lands, lakes, river bottoms and other water bottoms. In accordance with Article VII, Section 4(A) of the Constitution of 1974, ten percent (10%) of these royalties is remitted to the governing authority of the parish in which severance or production occurs.

State Revenue Sharing

State Revenue Sharing is authorized in the Louisiana State Constitution Article VII, Section 26, providing for the State of Louisiana to make distributions annually from the State General Fund to local governmental entities. Three equal payments are made by the Louisiana Department of Treasury on December 1, March 15, and May 15.

Interfund Transactions

Interfund transactions are transactions that occur between individual funds during the course of routine operations. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet. Transactions between funds that would be reported as revenue and expenditures if they involved organizations external to the Police Jury are accounted for as revenue and expenditures in the applicable funds. Transactions that constitute reimbursements to a fund for expenditures initially made from that fund, which are properly attributable to another fund, are recorded as expenditures in the reimbursing fund and as a reduction of the expenditures in the fund that is reimbursed. Other legally authorized transfers are included in the changes in fund balances of the governmental funds.

Concordia Parish Police Jury

Notes to Financial Statements

2. Deposits with Financial Institutions

For reporting purposes, bank accounts and certificates of deposit are included as deposits. Deposits in bank accounts and certificates of deposit are stated at cost, which approximate market. Under Louisiana law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent. The Police Jury's deposits consisted of the following at December 31, 2017:

	<u>Cash</u>	<u>Certificates of Deposit</u>	<u>Total</u>
Deposits per Statement of Net position (reconciled bank balance)	<u>\$ 5,067,245</u>	<u>\$ 6,285,001</u>	<u>\$ 11,352,246</u>
Deposits in bank accounts per bank	<u>\$ 5,138,818</u>	<u>\$ 6,285,000</u>	<u>\$ 11,423,818</u>
Category 3 bank balances:			
a. Uninsured and uncollateralized	\$ -	\$ -	\$ -
b. Uninsured and collateralized with securities held by the pledging institution	-	-	-
c. Uninsured and collateralized with securities held by the pledging institution's trust department or agent, but not in the Police Jury's name	<u>4,888,818</u>	<u>6,035,000</u>	<u>10,923,818</u>
Total category 3 bank balances	<u>\$ 4,888,818</u>	<u>\$ 6,035,000</u>	<u>\$ 10,923,818</u>

Custodial Risk

In the case of deposits, this is the risk that in the event of a bank failure, the deposits may not be returned to the Police Jury. At December 31, 2017, \$10,923,818 of the Police Jury's bank balance was exposed to custodial credit risk because the deposits were uninsured and collateralized with securities held by the pledging institution's trust department or agent but not in the Police Jury's name. Management evaluates the Police Jury's deposits with financial institutions on an ongoing basis and believes the risk of incurring material losses related to this risk is remote.

Concordia Parish Police Jury
Notes to Financial Statements

3. Capital Assets

Property and equipment consists of the following at December 31:

	Balance 01/01/17	Additions	Reclassifications	Dispositions	Balance 12/31/17
Capital Assets Not Being Depreciated					
Land	\$ 7,038	\$ -	\$ -	\$ -	\$ 7,038
Construction in progress	1,124,516	59,983	(614,922)	-	569,577
	<u>1,131,554</u>	<u>59,983</u>	<u>(614,922)</u>	<u>-</u>	<u>576,615</u>
Capital Assets Being Depreciated					
Buildings and improvements	6,258,116	6,100	-	-	6,264,216
Drainage, water treatment	282,933	80,549	614,922	(31,210)	947,194
Furniture and fixtures	436,844	-	-	-	436,844
Machinery and equipment	2,689,436	17,853	-	-	2,707,289
Transportation equipment	1,114,826	-	-	-	1,114,826
Roads and bridges	12,195,458	-	-	-	12,195,458
	<u>22,977,613</u>	<u>104,502</u>	<u>614,922</u>	<u>(31,210)</u>	<u>23,665,827</u>
Accumulated depreciation	<u>(13,746,431)</u>	<u>(851,562)</u>	<u>-</u>	<u>-</u>	<u>(14,597,993)</u>
	<u>9,231,182</u>	<u>(747,060)</u>	<u>614,922</u>	<u>(31,210)</u>	<u>9,067,834</u>
	<u>\$ 10,362,736</u>	<u>\$ (687,077)</u>	<u>\$ -</u>	<u>\$ (31,210)</u>	<u>\$ 9,644,449</u>

Depreciation expense recognized in the statement of activities for the year ended December 31, 2017 is as follows:

General government	\$ 126,784
Public works	678,219
Health and welfare	18,296
Culture and recreation	28,263
	<u>\$ 851,562</u>

Concordia Parish Police Jury

Notes to Financial Statements

4. Noncurrent Liabilities

Noncurrent liabilities consisted of the following at December 31, 2017:

	Balance at 01/01/17	Additions	Payments and Reductions	Balance at 12/31/17	Due Within One Year
General obligation bonds					
Series 2015	\$ 2,913,000	\$ -	\$ (251,000)	\$ 2,662,000	\$ 427,000
Series 2016	4,330,000	-	(60,000)	4,270,000	170,000
Series 2016, bond premium	36,295	-	(1,814)	34,481	1,815
Net pension liability	462,972	122,887	(237,366)	348,493	-
	<u>\$ 7,742,267</u>	<u>\$ 122,887</u>	<u>\$ (550,180)</u>	<u>\$ 7,314,974</u>	<u>\$ 598,815</u>

Sales Tax Refunding Bond, Series 2015

\$2,920,000 sales tax refunding bond issued on March 1, 2015 for the purpose of refunding the Sales Tax Bonds, Series 2006. Principal is due in annual installments ranging from \$7,000 to \$335,000, with the first principal payment due March 1, 2016 and the final principal payment due, March 1, 2026. The interest rate is 2.21%. Sales taxes are pledged for repayment of debt.

Sales Tax Refunding Bond, Series 2016

\$4,330,000 sales tax refunding bond issued on November 30, 2016 for the purpose of refunding the Sales Tax Bonds, Series 2006. Principal is due in annual installments ranging from \$60,000 to \$290,000, with the first principal payment due March 1, 2017 and the final principal payment due, March 1, 2036. The interest rate ranges from 2.00% to 3.00%. Sales taxes are pledged for repayment of debt.

The future minimum payments for the certificates of indebtedness is as follows:

Year Ending December 31	Sales Tax Bonds, Series 2015		Sales Tax Bonds, Series 2016	
	Principal	Interest	Principal	Interest
2018	\$ 257,000	\$ 55,990	\$ 170,000	\$ 100,275
2019	267,000	50,200	175,000	96,825
2020	277,000	44,189	180,000	93,275
2021	287,000	37,957	185,000	89,625
2022	295,000	31,526	190,000	85,875
Thereafter	1,279,000	57,626	3,370,000	679,913
	<u>\$ 2,662,000</u>	<u>\$ 277,488</u>	<u>\$ 4,270,000</u>	<u>\$ 1,145,788</u>

Concordia Parish Police Jury
Notes to Financial Statements

5. Interfund Transfers

The following is a summary of operating transfers for the year ended December 31, 2017:

<u>Fund</u>	<u>Transfers In</u>	<u>Fund</u>	<u>Transfers Out</u>
General fund	\$ 24,000	Highway maintenance fund	\$ 24,000
General fund	27,500	Solid waste fund	27,500
General fund	4,775	Public health fund	4,775
General fund	319,654	Drainage fund	319,654
General fund	38,832	Criminal court fund	38,832
General fund	74,016	Sales tax fund	74,016
General fund	84,000	Sales tax fund	84,000
Solid waste fund	604,234	Sales tax fund	604,234
Highway maintenance fund	320,834	Sales tax fund	320,834
Drainage fund	112,066	Sales tax fund	112,066
Debt service fund	792,000	Sales tax fund	792,000
Witness and juror fund	6,205	General fund	6,205
Self-insurance fund	500	General fund	500
	<u>\$ 2,408,616</u>		<u>\$ 2,408,616</u>

Interfund receivables and payables at December 31, 2017 are as follows:

<u>Receivable</u>	<u>Amount</u>	<u>Payable</u>	<u>Amount</u>
General fund	\$ 50,870	General Fund	\$ 3,010
Drainage fund	49,169	Sales tax fund	349,372
Highway maintenance fund	43,844	Criminal court fund	38,832
Solid waste fund	145,834	Grants fund	30,503
Road debt service fund	132,000		<u>\$ 421,717</u>
	<u>\$ 421,717</u>		

Concordia Parish Police Jury

Notes to Financial Statements

6. Defined Benefit Pension Plans

Parochial Employees' Retirement System

Plan Description

The Police Jury contributes to the Parochial Employees' Retirement System ("PERS"), a cost-sharing, multiple-employer defined benefit pension plan administered by the State of Louisiana (State). PERS provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. PERS is comprised of two distinct plans - Plan A and Plan B - with separate assets and benefit provisions. Employees of the Police Jury are members of Plan A. Benefit provisions are established by state law and may be amended only by the State Legislature. PERS issues a publicly available financial report that includes financial statements and required supplementary information for PERS. That report may be obtained by writing to PERS at P.O. Box 14619, Baton Rouge, Louisiana, 70898, or by calling 225.928.1361.

Significant Accounting Policies

PERS's employer schedules were prepared using the accrual basis of accounting. Members' earnable compensation, for which the employer allocations are based, is recognized in the period in which the employee is compensated for services performed. The members' earnable compensation is attributed to the employer for which the member is employed as of December 31, 2016.

The PERS is not allocated a proportionate share of the net pension liability related to its employees. The net pension liability attributed to the PERS's employees is allocated to the remaining employers based on their respective employer allocation percentage.

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

Benefits Provided

The Plan provides retirement, disability and death benefits to plan members and their beneficiaries. Retirement benefits for employees are calculated as 3% of the plan member's final average compensation multiplied by their years of service. Death benefits are equal to 100% of benefits if member is eligible for normal retirement or 60% of final compensation if not eligible for normal retirement. Disability retirement benefits are calculated to be equal to the lesser of an amount equal to 3% of the member's final average compensation multiplied by their years of services, not to be less than 15, or 3% multiplied by years of service assuming continued service to age 60.

For plan members hired prior to January 1, 2007, a member may obtain retirement benefits if any of the following are reached: (a) any age with 30 or more years of creditable service, (b) age 55 with 25 years of creditable service, (c) age 60 with minimum of 10 years of creditable service, (d) age 65 with a minimum of 7 years of creditable service.

Concordia Parish Police Jury

Notes to Financial Statements

For plan members hired after January 1, 2007, a member may obtain retirement benefits if any of the following are reached: (a) age 55 with 30 or more years of service, (b) age 62 with 10 years of service, (c) age 67 with 7 years of service.

The terms of the Plan provide for annual cost of living allowance for the retirees who retired prior to July 1973. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements. In addition, the Plan may provide an additional cost of living increase to all retirees and beneficiaries who are over age 65 equal to 2% of the member's benefit paid on October 1, 1977 (or the member's retirement date, if later). Also, the Plan may provide a cost of living increase up to 2.5% for retirees 62 and older. Lastly, Act 270 provided for further reduced actuarial payments to provide an annual 2.5% cost of living adjustment commencing at age 55.

Contributions

State statute has the authority to establish and amend the contribution requirements of the Police Jury and active employees. According to state statute, the Plan also receives 1/4 of 1% of ad valorem taxes collected within the respective Parishes, except for Orleans and East Baton Rouge Parishes. The Plan also receives revenue sharing funds each year as appropriated by the State Legislature. These additional sources of income are used as additional employer contributions and are considered support from non-employer contributing entities. Employees are required to contribute 9% of their annual pay. The Police Jury's contractually required contribution rate was 12.50% for Plan A and 8.0% for Plan B for the period from January 01, 2017 through December 31, 2017. The employee contribution rate for Plan A was 9.5% while the employee rate for Plan B was 3%.

The employer contribution is 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. The Police Jury's contributions to PERS for the year ended December 31, 2017 were approximately \$111,006. The State also made on-behalf contributions to the Plan, of which \$11,048 was recognized by the Police Jury for the year ended December 31, 2017; these on-behalf payments did not meet the criteria of a special funding situation.

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

At December 31, 2017, the Police Jury reported a liability of \$308,037 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2016. The Police Jury's proportion of the net pension liability was based on a projection of the Police Jury's projected contribution effort to the pension plan for the next fiscal year as compared to the total of all participating employers' contribution effort to the Plan for the next fiscal year, actuarially determined.

Concordia Parish Police Jury

Notes to Financial Statements

Per the measurement date of December 31, 2016, the Police Jury's proportion was 0.149568%, which was a decrease of 0.00895% from its proportion measured at December 31, 2015. Per the valuation report dated December 31, 2016, the Police Jury's proportionate share of pension expense was \$182,125. At December 31, 2017, the Police Jury reported deferred outflows or resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u> </u>	<u> </u>
Differences between expected and actual experience	\$ -	\$ 53,904
Net difference between projected and actual actual earnings on pension plan investments	239,048	-
Changes in proportion & assumptions	58,483	1,513
Employer contributions subsequent to the measurement date	111,006	-
	<u>\$ 408,537</u>	<u>\$ 55,417</u>

At December 31, 2017, the Police Jury reported \$111,006 as deferred outflows of resources related to pensions resulting from Police Jury contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ended December 31, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources at December 31, 2017, related to pensions will be recognized in pension expense as follows:

<u>Period Ended:</u>	<u>Amount</u>
12/31/18	\$ 89,695
12/31/19	96,055
12/31/20	62,824
12/31/21	(6,460)
	<u>\$ 242,114</u>

Concordia Parish Police Jury

Notes to Financial Statements

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of the December 31, 2015 valuation date are as follows:

Valuation date:	December 31, 2016
Actuarial Cost Method:	Entry age normal cost
Estimated remaining service life ("ERSL"):	4 years
Investment rate of return	7.00% per annum
Inflation rate	2.50% per annum
Salary increases, including inflation and merit increases:	5.25%, including inflation
Cost of living adjustments:	Only those previously granted
Mortality rate	
Non-disabled members:	Mortality rates based on the RP-2000 Combined Healthy Mortality Table
Disabled members:	Mortality rates based on the RP-2000 Disabled Retiree Mortality Table

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 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 target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Long-term Target Asset Allocation	Expected Portfolio Real Rate of Return
Fixed income	35%	1.24%
Equity	52%	3.63%
Alternatives	11%	0.67%
Other	2%	0.12%
	100%	5.66%

Concordia Parish Police Jury

Notes to Financial Statements

Discount Rate

The discount rate used to measure the total pension liability was 7.00% for the valuation date of December 31, 2016. 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 participating employer contributions 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 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.

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

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

	1.0% Decrease (6.00%)	Current Discount Rate (7.00%)	1.0% Increase (8.00%)
Employer's proportionate share of the net pension liability	\$ 921,463	\$ 308,037	\$ (210,633)

Pension Plan Fiduciary Net Position

Detailed information about the Plan's fiduciary net position is available in the separately issued PERS' financial report.

Payable to Pension Plan

At December 31, 2017, the Police Jury reported a payable of \$24,845 for the outstanding amount of employer contributions to the pension plan required for the year ended December 31, 2017. This amount is included in accrued payroll and benefits at December 31, 2017.

District Attorneys' Retirement System

Plan Description

The District Attorneys' Retirement System ("DARS") was created on August 1, 1956 by Act 56 of the 1956 session of the Louisiana Legislature, for the purpose of providing allowances and other benefits for district attorneys and their assistants in each parish. The fund is administered by a Board of Trustees. Benefits, including normal retirement, early retirement, disability retirements and death benefit, are provided as specified in the plan.

Significant Accounting Policies

DARS's employer schedules are prepared using the accrual basis of accounting. Members' earnable compensation, for which the employer allocations are based, is recognized in the period in which the employee is compensated for services performed. The member's earnable compensation is attributed to the employer for which the member is employed as of June 30, 2017.

Concordia Parish Police Jury

Notes to Financial Statements

DARS is not allocated a proportionate share of the net pension liability related to its employees. The net pension liability attributed to DARS's employees is allocated to the remaining employers based on their respective employer allocation percentage.

The deferred outflows and deferred inflows of resources resulting from differences between projected and actual earnings on pension plan investments that were recorded in different years were netted to report only a deferred outflow or inflow on the schedule of pension amounts. The remaining categories of deferred outflows and deferred inflows were not presented on a net basis.

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

Benefits Provided

Members who joined DARS before July 1, 1990, and who have elected not to be covered by the new provisions, are eligible to receive a normal retirement benefit if they have 10 or more years of creditable service and are at least age 62, or if they have 18 or more years of service and are at least age 60, or if they have 23 or more years of service and are at least age 55, or if they have 30 years of service regardless of age. The normal retirement benefit is equal to 3% of the member's average final compensation for each year of creditable service. Members are eligible for early retirement at age 60 if they have at least 10 years of creditable service or at age 55 with at least 18 years of creditable service. Members who retire prior to age 60 with less than 23 years of service credit, receive a retirement benefit reduced 3% for each year of age below 60. Members who retire prior to age 62 who have less than 18 years of service receive a retirement benefit reduced 3% for each year of age below 62. Retirement benefits may not exceed 100% of final average compensation.

Members who joined DARS after July 1, 1990, or who elected to be covered by the new provisions, are eligible to receive normal retirement benefits if they are age 60 and have 10 years of service credit, are age 55 and have 24 years of service credit, or have 30 years of service credit regardless of age. The normal retirement benefit is equal to 3.5% of the member's final average compensation multiplied by years of membership service. A member is eligible for an early retirement benefit if he is age 55 and has 18 years of service credit. The early retirement benefit is equal to the normal retirement benefit reduced 3% for each year the member retires in advance of normal retirement age. Benefits may not exceed 100% of average final compensation.

Disability benefits are awarded to active contributing members with at least 10 years of service who are found to be totally disabled as a result of injuries incurred while in active service. The member receives a benefit equal to three percent (three and one-half percent for members covered under the new retirement benefit provisions) of his or her average final compensation multiplied by the lesser of his or her actual service (not to be less than fifteen years) or projected continued service to age sixty.

Concordia Parish Police Jury

Notes to Financial Statements

Upon the death of a member with less than 5 years of creditable service, the member's accumulated contributions and interest thereon are paid to the member's surviving spouse, if the member is married, or to the member's designated beneficiary, if he is not married. Upon the death of any active, contributing member with 5 or more years of service or any member with 23 years of service who has not retired, automatic option 2 benefits are payable to the surviving spouse. These benefits are based on the retirement benefits accrued at the member's date of death with the option factors used as if the member had continued in service to earliest normal retirement age. If a member has no surviving spouse, the surviving minor children under 18 or disabled children are paid 80% of the member's accrued retirement benefit divided into equal shares. If a member has no surviving spouse or children, the member's accumulated contributions and interest are paid to the member's designated beneficiary. In lieu of periodic payments, the surviving spouse or children may receive a refund of the member's accumulated contributions with interest.

Upon withdrawal from service, members not entitled to a retirement allowance are paid a refund of accumulated contributions upon request. Receipt of such a refund cancels all accrued rights in DARS.

The Board of Trustees is authorized to grant retired members and widows of members who have retired an annual cost of living increase of 3% of their original benefit, (not to exceed sixty dollars per month) and all retired members and widows who are sixty-five years of age and older a 2% increase in their original benefit. In lieu of other cost of living increases the board may grant an increase to retirees in the form of "Xx(A&B)" where "A" is equal to the number of years of credited service accrued at retirement or death of the member or retiree and "B" is equal to the number of years since death of the member or retiree to June 30 of the initial year of increase and "X" is equal to any amount available for funding such increase up to a maximum of \$1.00. In order for the board to grant any of these increases, DARS must meet certain criteria detailed in the statute related to funding status and interest earnings.

In lieu of receiving a service retirement allowance, any member who has more years of service than are required for a normal retirement may elect to receive a Back-Deferred Retirement Option Program (Back-DROP) benefit. The Back-DROP benefit is based upon the Back-DROP period selected and the final average compensation prior to the period selected. The Back-DROP period is the lesser of three years or the service accrued between the time a member first becomes eligible for retirement and the member's actual date of retirement. At retirement, the member's maximum monthly retirement benefit is based upon the member's service, final average compensation, and plan provisions in effect on the last day of creditable service immediately prior to the commencement of the Back-DROP period. In addition to the monthly benefit at retirement, the member receives a lump-sum payment equal to the maximum monthly benefit as calculated above multiplied by the number of months in the Back-DROP period. In lieu of receiving the lump-sum payment, the member may leave the funds on deposit with DARS in an interest bearing account.

Concordia Parish Police Jury

Notes to Financial Statements

Prior to January 1, 2009, eligible members could elect to participate in the Deferred Retirement Option Program (DROP) for up to three years in lieu of terminating employment and accepting a service benefit. During participation in the DROP, employer contributions were payable and employee contributions were reduced to ½ of one percent. The monthly retirement benefits that would have been payable to the member were paid into a DROP account, which did not earn interest while the member was participating in the DROP. Upon termination of participation, the participant in the plan received, at their option, a lump sum from the account equal to the payments into the account or DARS disbursements from their account in any manner approved by the board of trustees. The monthly benefits that were being paid into the DROP would then be paid to the retiree. All amounts which remain credited to the individual's sub-account after termination of participation in the plan were invested in liquid money market funds. Interest was credited thereon as actually earned.

Contributions

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ended December 31, 2017, the employee contribution rate was 8% and the employer's contribution rate was 0%; therefore, the Police Jury made no contributions to DARS.

In accordance with state statute, DARS 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. The State also made on-behalf contributions to the Plan, of which \$3,395 was recognized as revenue for the year ended December 31, 2017. These on-behalf payments did not meet the criteria of a special funding situation.

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

At December 31, 2017, the Police Jury reported a liability of \$11,141 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2017. The Police Jury's proportion of the net pension liability was based on a projection of the Police Jury's projected contribution effort to the pension plan for the next fiscal year as compared to the total of all participating employers' contribution effort to the Plan for the next fiscal year, actuarially determined.

At June 30, 2017, the Police Jury's proportion was 0.04130%, which was a decrease of 0.00015% from its proportion measured as of June 30, 2016.

Concordia Parish Police Jury

Notes to Financial Statements

Per the valuation report dated June 30, 2017, the Police Jury's proportionate share of pension expense was \$4,339. At December 31, 2017, the Police Jury reported deferred outflows or resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u> </u>	<u> </u>
Differences between expected and actual experience	\$ -	\$ 2,929
Net difference between projected and actual actual earnings on pension plan investments	4,471	-
Changes in proportion & assumptions	6,090	2,451
Employer contributions subsequent to the measurement date	-	-
	<u>\$ 10,561</u>	<u>\$ 5,380</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources at December 31, 2017, related to pensions will be recognized in pension expense as follows:

<u>Period Ended:</u>	<u>Amount</u>
12/31/18	\$ 604
12/31/19	2,805
12/31/20	984
12/31/21	10
12/31/22	217
12/31/23	561
	<u>\$ 5,181</u>

Concordia Parish Police Jury

Notes to Financial Statements

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of the June 30, 2017 valuation date are as follows:

Valuation date:	June 30, 2017
Actuarial Cost Method:	Entry age normal cost
Estimated remaining service life ("ERSL"):	4 years
Investment rate of return	6.75% per annum
Inflation rate	2.50% per annum
Salary increases, including inflation and merit increases:	5.50%, including inflation
Cost of living adjustments:	Only those previously granted
Mortality rate	
Non-disabled members:	Mortality rates based on the RP-2000 Combined Healthy Mortality Table
Disabled members:	Mortality rates based on the RP-2000 Disabled Retiree Mortality Table

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 6.82% for the year ended June 30, 2016. The best estimates of arithmetic real rates of return for each major asset class based on DARS's target asset allocation as of June 30, 2016 were as follows:

Asset Class	Long-term Target Asset Allocation	Expected Portfolio Real Rate of Return
Fixed income	28.95%	6.84%
Equity	61.72%	11.31%
Alternatives	8.85%	10.50%
Other	0.48%	50.00%
	100.00%	78.65%

Concordia Parish Police Jury

Notes to Financial Statements

Discount Rate

The discount rate used to measure the total pension liability was 6.75% for the valuation date of June 30, 2017. 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 participating employer contributions 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 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.

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

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

	1.0% Decrease <u>(5.75%)</u>	Current Discount <u>Rate (6.75%)</u>	1.0% Increase <u>(7.75%)</u>
Employer's proportionate share of the net pension liability	\$ 31,836	\$ 11,141	\$ (6,445)

Pension Plan Fiduciary Net Position

Detailed information about the Plan's fiduciary net position is available in the separately issued DARS' financial report.

Registrar of Voters Employees' Retirement System

Plan Description

The Registrar of Voters Employees' Retirement System of Louisiana ("ROVERS") is a cost-sharing multiple-employer defined benefit pension plan established in accordance by Act 215 of 1954, under Revised Statute 11:2032 to provide retirement allowances and other benefits for registrars of voters, their deputies and their permanent employees in each parish of the State of Louisiana.

Significant Accounting Policies

ROVERS' employer schedules are prepared using the accrual basis of accounting. Members' earnable compensation, for which the employer allocations are based, is recognized in the period in which the employee is compensated for services performed. The member's earnable compensation is attributed to the employer for which the member is employed as of June 30, 2017.

ROVERS is not allocated a proportionate share of the net pension liability related to its employees. The net pension liability attributed to ROVERS's employees is allocated to the remaining employers based on their respective employer allocation percentage.

Concordia Parish Police Jury

Notes to Financial Statements

The deferred outflows and deferred inflows of resources resulting from differences between projected and actual earnings on pension plan investments that were recorded in different years were netted to report only a deferred outflow or inflow on the schedule of pension amounts. The remaining categories of deferred outflows and deferred inflows were not presented on a net basis.

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

Benefits Provided

Any member hired prior to January 1, 2013 is eligible for normal retirement after he has 20 years of creditable service and is age 55 or has 10 years of creditable service and is age 60. Any member with 30 years of creditable service regardless of age may retire. Regular retirement benefits for members hired prior to January 1, 2013 are calculated at 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.

Any member hired on or after January 1, 2013 is eligible for normal retirement after he has attained 30 years of creditable service and is age 55; has attained 20 years of creditable service and is age 60; or has attained 10 years of creditable service and is age 62. 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 number of years of creditable service, not to exceed 100% of average annual compensation. Retirement benefits for members hired on or after January 1, 2013 that have attained 30 years of creditable service with at least 20 years of creditable service in ROVERS are calculated at 3.33% of the average annual compensation for the highest consecutive 60 months multiplied by the number of years of creditable service, not to exceed 100% of average annual compensation. Any member whose withdrawal from service occurs prior to attaining the age of sixty years, who shall have completed ten or more years of creditable service and shall not have received a refund of the member's accumulated contributions, shall become eligible for a deferred allowance beginning upon the member attaining the age of sixty years.

Disability benefits are provided to active contributing members with at least 10 years of service established in ROVERS and who have been officially certified as disabled by the State Medical Disability Board. The disabled member who has attained the age of sixty years shall be entitled to a regular retirement allowance. The disabled member who has not yet attained age sixty shall be entitled to a disability benefit equal to the lesser of three percent of his or her average final compensation multiplied by the number of creditable years of service (not to be less than fifteen years) or three and one third percent of average final compensation multiplied by the years of service assuming continued service to age sixty. Disability benefits may not exceed two-thirds of earnable compensation. If a member who has less than five years of credited service dies due to any cause other than injuries sustained in the performance of his or her official duties, his or her accumulated contributions are paid to his or her designated beneficiary. If the member has five or more years of credited service, and is not eligible to retire, automatic option 2 benefits are payable to the surviving spouse.

Concordia Parish Police Jury

Notes to Financial Statements

These benefits are based on the retirement benefits accrued at the member's date of death with option 2 factors used as if the member had continued in service to earliest normal retirement age. If a member has no surviving spouse and the member has five or more years of creditable service, the surviving minor children under 18 or disabled children shall be paid 80% of the accrued retirement benefit in equal shares until the age of majority or for the duration of the handicap for a handicapped child. Upon the death of any former member with 10 or more years of service, automatic option 2 benefits are payable to the surviving spouse. In lieu of periodic payments, the surviving spouse or children may receive a refund of the member's accumulated contributions.

In lieu of terminating employment and accepting a service retirement allowance, any member with ten or more years of service at age sixty, twenty or more years of service at age fifty-five, or thirty or more years of service at any age may elect to participate in the Deferred Retirement Option Plan (DROP) for up to three years and defer the receipt of benefits. Upon commencement of participation in the plan, membership in ROVERS terminates. During participation in the plan, employer contributions are payable but employee contributions cease. The monthly retirement benefits that would have been payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP fund. This fund does not earn interest. In addition, no cost of living increases are payable to participants until employment which made them eligible to become members of ROVERS has been terminated for at least one full year.

Upon termination of employment prior to or at the end of the specified period of participation, a participant in the plan may receive, at their option, a lump sum from the account equal to the payments into the account, a true annuity based upon the participant's account balance in that fund, or any other method of payment if approved by the Board of Trustees. The monthly benefits that were being paid into the Deferred Retirement Option Plan fund will begin to be paid to the retiree. If the participant dies during participation in the plan, a lump sum equal to the participant's account balance in the plan fund shall be paid to his or her named beneficiary or, if none, to his or her estate. If employment is not terminated at the end of the three years, payments into the plan fund cease and the person resumes active contributing membership in ROVERS.

Cost of living provisions for ROVERS allows the board of trustees to provide an annual cost of living increase of 2.5% of the eligible retiree's original benefit if certain funding criteria are met. Members are eligible to receive a cost of living adjustment once they have reached the age of sixty and have been retired at least one year. Funding criteria for granting cost of living adjustments is dependent on the funded ratio.

Contributions

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ending December 31, 2017, the actual employer contribution rate was 17.00% and the employee rate was 7%. The Police Jury's contributions to ROVERS for the year ended December 31, 2017 was \$3,658. In accordance with state statute, the Police Jury also received ad valorem taxes and state revenue sharing funds in the amount of \$3,777. 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. Non-employer contributions are recognized as revenue and excluded from pension expense for the year ended December 31, 2017.

Concordia Parish Police Jury

Notes to Financial Statements

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

At December 31, 2017, the Police Jury reported a liability of \$29,315 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2017. The Police Jury's proportion of the net pension liability was based on a projection of the Police Jury's projected contribution effort to the pension plan for the next fiscal year as compared to the total of all participating employers' contribution effort to the Plan for the next fiscal year, actuarially determined.

Per the measurement date of June 30, 2017, the Police Jury's proportion was 0.13355%, which was an increase of 0.00040% from its proportion measured as of June 30, 2016.

Per the valuation report dated June 30, 2017, the Police Jury's proportionate share of pension expense was \$4,923. At December 31, 2017, the Police Jury reported deferred outflows or resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u> </u>	<u> </u>
Differences between expected and actual experience	\$ -	\$ 5,450
Net difference between projected and actual actual earnings on pension plan investments	3,297	-
Changes in proportion & assumptions	2,892	1,820
Employer contributions subsequent to the measurement date	2,057	-
	<u>\$ 8,246</u>	<u>\$ 7,270</u>

At December 31, 2017, the Police Jury reported \$2,057 as deferred outflows of resources related to pensions resulting from Police Jury contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ended December 31, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources at December 31, 2017, related to pensions will be recognized in pension expense as follows:

<u>Period Ended:</u>	<u>Amount</u>
12/31/18	\$ (371)
12/31/19	994
12/31/20	(290)
12/31/21	(1,414)
	<u>\$ (1,081)</u>

Concordia Parish Police Jury

Notes to Financial Statements

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of the June 30, 2017 valuation date are as follows:

Valuation date:	June 30, 2017
Actuarial Cost Method:	Entry age normal cost
Estimated remaining service life ("ERSL"):	5 years
Investment rate of return	6.75% per annum
Inflation rate	2.5% per annum
Salary increases, including inflation and merit increases:	6.00%, including inflation
Cost of living adjustments:	Only those previously granted
Mortality rate	
Non-disabled members:	Mortality rates based on the RP-2000 Combined Healthy Mortality Table
Disabled members:	Mortality rates based on the RP-2000 Disabled Retiree Mortality Table

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 5.89% as of the measurement date of June 30, 2017. The best estimates of arithmetic real rates of return for each major asset class based on ROVERS's target asset allocation as of June 30, 2017 were as follows:

Asset Class	Long-term Target Asset Allocation	Expected Portfolio Real Rate of Return
Fixed income	30%	0.85%
Equity	55%	4.28%
Alternatives	5%	0.31%
Other	10%	0.45%
	100%	5.89%

Concordia Parish Police Jury

Notes to Financial Statements

Discount Rate

The discount rate used to measure the total pension liability was 6.76% for the valuation date of June 30, 2017. 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 participating employer contributions 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 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.

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

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

	1.0% Decrease (5.75%)	Current Discount Rate (6.75%)	1.0% Increase (7.75%)
Employer's proportionate share of the net pension liability	\$ 44,807	\$ 29,315	\$ 15,981

Pension Plan Fiduciary Net Position

Detailed information about the Plan's fiduciary net position is available in the separately issued DARS' financial report.

7. Operating Lease

The Police Jury entered into a non-cancelable operating lease agreement with Caterpillar Financial Services for equipment. The lease is to be paid in monthly installments of \$2,860 beginning June 15, 2015 and ending May 15, 2020. The future minimum lease payments as follows:

For the Year Ended December 31	Amount
2018	\$ 34,320
2019	34,320
2020	14,300
	<u>\$ 82,940</u>

Rental expense was \$34,317 for the year ended December 31, 2017 and is reported as public works expenses within the drainage fund.

Concordia Parish Police Jury
Notes to Financial Statements

8. Component Units

The following schedule summarizes the balances due from component units at December 31, 2017:

Component Unit	Fund	Amount
Concordia Parish Sheriff's Office	General	\$ 7,360
	Drainage	11,651
	Public Health	1,147
	Witness & Juror	1,475
Seventh Judicial District Criminal Court of Concordia Parish	Criminal Court	12,914
	Concordia Parish Sewer District No. 1	General 2,146
		<u>\$ 36,693</u>

The following schedule summarizes the balance due to a component unit at December 31, 2017:

Component Unit	Fund	Amount
Concordia Parish Sheriff's Office	General	<u>\$ 8,115</u>

9. Contingency

The Police Jury participates in a number of federal and state programs. These programs require the Police Jury to comply with certain requirements of laws, regulations, contracts, and agreements applicable to the programs in which it participates. All funds expended in connection with government grants and contracts are subject to audit by government agencies. While the ultimate liability, if any, from such audits of government and contracts by government agencies is presently not determinable, should not, in the opinion of management, have a material effect on the financial position or results of operations. Accordingly, no provision for any such liability that may result has been made in the accompanying financial statements.

10. Litigation and Claims / Risk Management

The Police Jury is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Police Jury attempts to minimize risk from significant losses through the purchase of commercial insurance.

Concordia Parish Police Jury

Notes to Financial Statements

11. Commitments

The Police Jury was committed to construction and engineering contracts during 2017. The significant commitments are as follows:

	Contract Amount	Already Incurred	Reimbursed by	Reimbursement Percentage
Sewer improvements	\$ 664,130	\$ 664,130	HUD LCDBG	100%
Brushy Bayou drainage project	4,609,549	653,312	FEMA HMGP	14%
Front Street drainage project	707,328	318,199	FEMA HMGP	45%
Courtroom renovations	420,000	46,671	FP&C	11%

Sewer Improvements

In 2015, the Police Jury was awarded a \$664,130 Community Development Block Grant from the U.S. Department of Housing and Urban Development. The project included lift station repairs, force main upgrades, waste water collection sites, and general improvements for sewer treatment areas around Skipper Drive, Levee Heights, and Concordia Park. For the year ended December 31, 2017, the Police Jury incurred \$80,550 of expenses. The project was completed in 2017 and the required monitoring for close out has been completed at the local level.

Brushy Bayou Drainage Project

The Police Jury was awarded a \$4,609,549 grant by the Federal Emergency Management Agency Hazard Mitigation Grant Program which is passed through the Louisiana Governor's Office of Homeland Security and Emergency Preparedness. The grant to fund the drainage improvements made to and around Brushy Bayou. The Police Jury incurred expenses totaling \$59,563 for the year ended December 31, 2017.

Front Street Drainage Project

The Police Jury acts as intermediary for Town of Vidalia's grant awarded by the Federal Emergency Management Agency Hazard Mitigation Grant Program which is passed through the Louisiana Governor's Office of Homeland Security and Emergency Preparedness ("GOSHEP"). The Town of Vidalia was awarded \$707,328 to make drainage improvements along Front Street in Vidalia, Louisiana. For the year ended December 31, 2017, the Police Jury reported federal grant revenues and grants expenses of \$280,791 as non-operating revenues and expenses within the grant fund on the statement of revenues, expenditures, and changes in fund balances.

Courtroom Renovations

The Police Jury was awarded a capital outlay grant through a cooperative endeavor agreement under the Capital Outlay Act through Facility Planning & Control ("FP&C") for \$315,000 with a required match of \$105,000 by the Police Jury. The purpose of the project is to renovate both the interior courtroom, exterior of the courthouse, and construct a vertical lift compliant with the American with Disabilities Act. For the year ended December 31, 2017, the Police Jury incurred \$7,500 of expenses. The Police Jury met \$46,171 of its required match as of December 31, 2017. Both construction of the vertical lift and the renovations of the courtroom and exterior of the courthouse are expected to be completed in 2018.

Concordia Parish Police Jury

Notes to Financial Statements

12. Police Juror Compensation

The following schedule presents compensation paid to the Police Jurors for the year ended December 31, 2017:

<u>Juror</u>	<u>Amount</u>
Jimmy K. Wilkinson	\$ 22,222
Whest Shirley	21,708
Jerry Beatty	19,924
Carey Cook	19,928
Willie Dunbar	20,035
Joseph Parker	19,935
Adam Probst	19,200
Tommy Tiffie	19,200
James Jernigan	20,065
	<u>\$ 182,217</u>

13. Fund Deficit

Funds that have a deficit fund balance at December 31, 2017 are as follows:

<u>Nonmajor Governmental Fund</u>	<u>Balance</u>
Grant fund	\$ (17,447)

The negative balance is the result of the Police Jury accruing project expenditures at year end. The Police Jury received the grant reimbursement subsequent to year-end which eliminated this deficit.

14. Subsequent Events

Management has evaluated subsequent events through June 30, 2018, which is the date the financial statements were available to be issued.

Required Supplementary Information

**Concordia Parish Police Jury
Budgetary Comparison Schedule
General Fund
For the Year Ended December 31, 2017**

	Original Budget	Revised Budget	Actual Amounts	Adjustments to Budgetary Basis	Budgetary Basis	Variance Favorable (Unfavorable)
Revenues						
Taxes						
Ad valorem taxes	\$ 606,640	\$ 641,025	\$ 652,161	\$ -	\$ 652,161	\$ 11,136
Other taxes	4,500	5,241	5,204	-	5,204	(37)
Federal grants	30,024	37,933	38,775	-	38,775	842
State funds						
Grants	-	53,574	78,408	-	78,408	24,834
State revenue sharing	18,525	25,700	16,883	-	16,883	(8,817)
Severance taxes	510,250	635,096	603,750	-	603,750	(31,346)
Fire insurance premium tax	80,000	88,056	88,056	-	88,056	-
Parish royalty	19,725	32,107	30,448	-	30,448	(1,659)
Licenses and permits	242,750	215,696	238,743	-	238,743	23,047
Interest	12,250	26,595	16,188	-	16,188	(10,407)
Other revenues	174,439	256,062	47,173	70,724	117,897	(138,165)
	<u>1,699,103</u>	<u>2,017,085</u>	<u>1,815,789</u>	<u>70,724</u>	<u>1,886,513</u>	<u>(130,572)</u>
Expenditures						
General government						
Legislative	217,013	224,159	214,791	(662)	214,129	10,030
Judicial	461,293	455,428	446,593	(14,011)	432,582	22,846
Elections	55,870	60,610	50,498		50,498	10,112
Finance and administration	224,600	258,927	260,587		260,587	(1,660)
Other general government	816,036	635,749	453,567	(42,851)	410,716	225,033
Public safety	236,880	159,472	231,123	(13,200)	217,923	(58,451)
Public works	1,000	55,708	86,123		86,123	(30,415)
Health and welfare	41,954	44,436	49,603		49,603	(5,167)
Culture and recreation	11,500	8,886	16,467		16,467	(7,581)
Economic development	83,260	77,052	79,244		79,244	(2,192)
Capital outlay	-	-	7,500		7,500	(7,500)
	<u>2,149,406</u>	<u>1,980,427</u>	<u>1,896,096</u>	<u>(70,724)</u>	<u>1,825,372</u>	<u>155,055</u>
Excess (deficiency) of revenues over expenditures						
	<u>(450,303)</u>	<u>36,658</u>	<u>(80,307)</u>	<u>-</u>	<u>61,141</u>	<u>24,483</u>
Other Financings Sources (Uses)						
Transfers in	197,925	195,325	572,777	(320,424)	252,353	57,028
Transfers (out)	(6,050)	(6,705)	(6,205)	-	(6,205)	500
	<u>191,875</u>	<u>188,620</u>	<u>566,572</u>	<u>(320,424)</u>	<u>246,148</u>	<u>57,528</u>
Net change in fund balances						
	<u>(258,428)</u>	<u>225,278</u>	<u>486,265</u>		<u>307,289</u>	<u>82,011</u>
Fund balances, beginning of year	<u>1,375,554</u>	<u>3,173,323</u>	<u>3,553,237</u>		<u>3,656,073</u>	
Fund balances, end of year	<u>\$ 1,117,126</u>	<u>\$ 3,398,601</u>	<u>\$ 4,039,502</u>		<u>\$ 3,963,362</u>	

See independent auditor's report.

**Concordia Parish Police Jury
 Budgetary Comparison Schedule
 Drainage Fund
 For the Year Ended December 31, 2017**

	Original Budget	Revised Budget	Actual Amounts	Adjustments to Budgetary Basis	Budgetary Basis	Variance Favorable (Unfavorable)
Revenues						
Taxes						
Ad valorem taxes	\$ 953,300	\$ 1,006,762	\$ 1,012,407	\$ -	\$ 1,012,407	\$ 5,645
Intergovernmental revenues						
State funds						
Grants	18,800	18,606	18,606	-	18,606	-
State revenue sharing	26,450	39,769	27,777	-	27,777	(11,992)
Interest	4,250	8,881	8,649	-	8,649	(232)
Other revenues	-	220,971	3,117	269,554	272,671	51,700
	<u>1,002,800</u>	<u>1,294,989</u>	<u>1,070,556</u>	<u>269,554</u>	<u>1,340,110</u>	<u>45,121</u>
Expenditures						
Public works	930,188	1,111,307	865,708	232,951	1,098,659	12,648
Capital outlay	-	17,853	23,953	6,100	30,053	(12,200)
	<u>930,188</u>	<u>1,129,160</u>	<u>889,661</u>	<u>239,051</u>	<u>1,128,712</u>	<u>448</u>
Excess (deficiency) of revenues over expenditures	<u>72,612</u>	<u>165,829</u>	<u>180,895</u>	<u>30,503</u>	<u>211,398</u>	<u>45,569</u>
Other Financings Sources (Uses)						
Transfers in	112,000	112,000	112,066	-	112,066	66
Transfers (out)	(51,050)	(51,100)	(319,654)	269,554	(50,100)	1,000
	<u>60,950</u>	<u>60,900</u>	<u>(207,588)</u>	<u>269,554</u>	<u>61,966</u>	<u>1,066</u>
Net change in fund balances	<u>133,562</u>	<u>226,729</u>	<u>(26,693)</u>		<u>273,364</u>	<u>46,635</u>
Fund balances, beginning of year	<u>472,798</u>	<u>1,431,667</u>	<u>2,557,472</u>		<u>2,525,978</u>	
Fund balances, end of year	<u>\$ 606,360</u>	<u>\$ 1,658,396</u>	<u>\$ 2,530,779</u>		<u>\$ 2,799,342</u>	

See independent auditor's report.

Concordia Parish Police Jury
Budgetary Comparison Schedule
Sales Tax Fund
For the Year Ended December 31, 2017

	Original Budget	Revised Budget	Actual Amounts	Adjustments to Budgetary Basis	Budgetary Basis	Variance Favorable (Unfavorable)
Revenues						
Taxes						
Sales and use taxes	\$ 2,424,075	\$ 2,502,740	\$ 2,563,624	\$ -	\$ 2,563,624	\$ 60,884
Interest	6,000	6,488	5,757	-	5,757	(731)
	<u>2,430,075</u>	<u>2,509,228</u>	<u>2,569,381</u>	<u>-</u>	<u>2,569,381</u>	<u>60,153</u>
Expenditures						
General government						
Finance and administration	164,487	163,784	99,695	-	99,695	64,089
Public works	242,410	222,012	208,629	-	208,629	13,383
	<u>406,897</u>	<u>385,796</u>	<u>308,324</u>	<u>-</u>	<u>308,324</u>	<u>77,472</u>
Excess (deficiency) of revenues over expenditures	<u>2,023,178</u>	<u>2,123,432</u>	<u>2,261,057</u>	<u>-</u>	<u>2,261,057</u>	<u>137,625</u>
Other Financings Sources (Uses)						
Transfers in	-	-	-	-	-	-
Transfers (out)	(1,874,000)	(1,874,000)	(1,987,150)	-	(1,987,150)	(113,150)
	<u>(1,874,000)</u>	<u>(1,874,000)</u>	<u>(1,987,150)</u>	<u>-</u>	<u>(1,987,150)</u>	<u>(113,150)</u>
Net change in fund balances	149,178	249,432	273,907		273,907	24,475
Fund balances, beginning of year	<u>1,602,953</u>	<u>2,042,445</u>	<u>2,233,661</u>		<u>2,090,353</u>	
Fund balances, end of year	<u>\$ 1,752,131</u>	<u>\$ 2,291,877</u>	<u>\$ 2,507,568</u>		<u>\$ 2,364,260</u>	

See independent auditor's report.

Concordia Parish Police Jury
Budgetary Comparison Schedule
Road Debt Service Fund
For the Year Ended December 31, 2017

	Original Budget	Revised Budget	Actual Amounts	Adjustments to Budgetary Basis	Budgetary Basis	Variance Favorable (Unfavorable)
Revenues						
Interest	\$ 4,500	\$ 2,921	\$ 2,947	\$ -	\$ 2,947	\$ 26
Other revenues	-	-	-	-	-	-
	<u>4,500</u>	<u>2,921</u>	<u>2,947</u>	<u>-</u>	<u>2,947</u>	<u>26</u>
Expenditures						
Debt service	588,014	453,522	453,522	-	453,522	-
	<u>588,014</u>	<u>453,522</u>	<u>453,522</u>	<u>-</u>	<u>453,522</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures						
	<u>(583,514)</u>	<u>(450,601)</u>	<u>(450,575)</u>	<u>-</u>	<u>(450,575)</u>	<u>26</u>
Other Financings Sources (Uses)						
Transfers in	795,255	794,391	792,000	-	792,000	(2,391)
Transfers (out)	-	-	-	-	-	-
	<u>795,255</u>	<u>794,391</u>	<u>792,000</u>	<u>-</u>	<u>792,000</u>	<u>(2,391)</u>
Net change in fund balances						
	<u>211,741</u>	<u>343,790</u>	<u>341,425</u>		<u>341,425</u>	<u>(2,365)</u>
Fund balances, beginning of year	2,857,007	1,094,052	1,261,592		1,213,694	
Fund balances, end of year	<u>\$ 3,068,748</u>	<u>\$ 1,437,842</u>	<u>\$ 1,603,017</u>		<u>\$ 1,555,119</u>	

See independent auditor's report.

**Concordia Parish Police Jury
 Budgetary Comparison Schedule
 Highway Maintenance Fund
 For the Year Ended December 31, 2017**

	Original Budget	Revised Budget	Actual Amounts	Adjustments to Budgetary Basis	Budgetary Basis	Variance Favorable (Unfavorable)
Revenues						
Federal grant	\$ -	\$ -	\$ 3,010	\$ (3,010)	\$ -	\$ -
State funds						
Parish transportation funds	257,750	252,435	240,071	(29,195)	210,876	(41,559)
Interest	1,225	2,016	2,032	-	2,032	16
Other revenues	3,575	112,295	11,886	99,272	111,158	(1,137)
	<u>262,550</u>	<u>366,746</u>	<u>256,999</u>	<u>67,067</u>	<u>324,066</u>	<u>(42,680)</u>
Expenditures						
Public works	458,870	472,492	359,161	110,131	469,292	3,200
Capital outlay	-	-	-	-	-	-
	<u>458,870</u>	<u>472,492</u>	<u>359,161</u>	<u>110,131</u>	<u>469,292</u>	<u>3,200</u>
Excess (deficiency) of revenues over expenditures	<u>(196,320)</u>	<u>(105,746)</u>	<u>(102,162)</u>	<u>(43,064)</u>	<u>(145,226)</u>	<u>(39,480)</u>
Other Financings Sources (Uses)						
Transfers in	336,000	336,000	320,834	-	320,834	(15,166)
Transfers (out)	(24,000)	(24,000)	(24,000)	-	(24,000)	-
	<u>312,000</u>	<u>312,000</u>	<u>296,834</u>	<u>-</u>	<u>296,834</u>	<u>(15,166)</u>
Net change in fund balances	<u>115,680</u>	<u>206,254</u>	<u>194,672</u>		<u>151,608</u>	<u>(54,646)</u>
Fund balances, beginning of year	469,982	711,530	809,692		636,008	
Fund balances, end of year	<u>\$ 585,662</u>	<u>\$ 917,784</u>	<u>\$ 1,004,364</u>		<u>\$ 787,616</u>	

See independent auditor's report.

Concordia Parish Police Jury
Schedules of Employer's Proportionate Share of Net Pension Liability
For the Year Ended December 31, 2017

Parochial Employees' Retirement System

<u>Measurement Date</u>	<u>Proportion of the Net Pension Liability</u>	<u>Proportionate Share of the Net Pension Liability</u>	<u>Covered Employee Payroll</u>	<u>Proportionate Share of the Net Pension Liability as a Percentage of Covered Employee Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
December 31, 2016	0.14957%	\$ 308,037	\$ 908,950	33.89%	94.15%
December 31, 2015	0.15852%	417,257	843,068	49.49%	92.23%
December 31, 2014	0.14881%	40,685	843,068	4.83%	99.15%

**The information above is presented as of the pension plan measurement dates of December 31, 2016; December 31, 2015; and December 31, 2014.*

District Attorneys' Retirement System

<u>Measurement Date</u>	<u>Proportion of the Net Pension Liability</u>	<u>Proportionate Share of the Net Pension Liability</u>	<u>Covered Employee Payroll</u>	<u>Proportionate Share of the Net Pension Liability as a Percentage of Covered Employee Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
June 30, 2017	0.04130%	\$ 11,141	\$ 25,100	44.39%	93.57%
June 30, 2016	0.04145%	7,935	30,033	26.42%	95.09%
June 30, 2015	0.05116%	2,756	30,033	9.18%	98.56%

**The information above is presented as of the pension plan measurement dates of June 30, 2017; June 30, 2016; and June 30, 2015.*

See independent auditor's report.

Concordia Parish Police Jury
Schedules of Employer's Proportionate Share of Net Pension Liability (Continued)
For the Year Ended December 31, 2017

Registrar of Voters Employees' Retirement System

<u>Measurement Date</u>	<u>Proportion of the Net Pension Liability</u>	<u>Proportionate Share of the Net Pension Liability</u>	<u>Covered Employee Payroll</u>	<u>Proportionate Share of the Net Pension Liability as a Percentage of Covered Employee Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
June 30, 2017	0.13355%	\$ 29,315	\$ 18,288	160.30%	80.51%
June 30, 2016	0.13314%	37,780	18,288	206.58%	73.98%
June 30, 2015	0.13482%	33,018	18,288	180.54%	76.86%

* The information above is presented as of the pension plan measurement dates of June 30, 2017; June 30, 2016; and June 30, 2015.

**The above schedules are intended to present information for 10 years. Additional years will be displayed as they become available.

Concordia Parish Police Jury
Schedules of Employer's Pension Contributions
For the Year Ended December 31, 2017

Parochial Employees' Retirement System

Year Ended	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
December 31, 2017	\$ 111,006	\$ 111,006	\$ -	\$ 887,706	12.50%
December 31, 2016	131,785	131,785	-	908,950	14.50%
December 31, 2015	134,891	137,367	(2,476)	843,068	16.29%

District Attorneys' Retirement System

Year Ended	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
December 31, 2017	\$ -	\$ -	\$ -	\$ 17,300	0.00%
December 31, 2016	878	878	-	25,100	3.50%
December 31, 2015	1,318	1,318	-	30,033	4.39%

See independent auditor's report.

Concordia Parish Police Jury
Schedules of Employer's Pension Contributions (Continued)
For the Year Ended December 31, 2017

Registrar of Voters Employees' Retirement System

Year Ended	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
December 31, 2017	\$ 3,658	\$ 3,658	\$ -	\$ 18,288	20.00%
December 31, 2016	4,115	4,115	-	18,288	22.50%
December 31, 2015	4,457	4,275	182	18,288	23.38%

***The above schedules are intended to present information for 10 years. Additional years will be displayed as they become available.*

Other Supplementary Information

Concordia Parish Police Jury
Combining Balance Sheet of Nonmajor Governmental Funds
December 31, 2017

	Solid Waste Fund	Public Health Fund	Witness and Juror Fund	Section 8 Housing Fund	Criminal Court Fund	Grants Fund	Total
Assets							
Current Assets							
Cash and cash equivalents	\$ 198,803	\$ 183,095	\$ 109,126	\$ -	\$ 82,071	\$ -	\$ 573,095
Certificates of deposit	-	700,000	-	-	-	-	700,000
Grants receivable	-	-	-	-	-	271,789	271,789
Ad valorem taxes receivable, net	-	207,743	-	-	-	-	207,743
Accrued interest receivable	-	2,319	-	-	-	-	2,319
Due from other funds	145,834	-	1,475	-	-	-	147,309
Due from component units	-	1,147	-	-	12,914	-	14,061
Prepaid expenses	738	386	8	-	6,589	-	7,721
	<u>345,375</u>	<u>1,094,690</u>	<u>110,609</u>	<u>-</u>	<u>101,574</u>	<u>271,789</u>	<u>1,924,037</u>
Restricted assets							
Cash and cash equivalents	-	-	-	3,568	-	35,033	38,601
	<u>\$ 345,375</u>	<u>\$ 1,094,690</u>	<u>\$ 110,609</u>	<u>\$ 3,568</u>	<u>\$ 101,574</u>	<u>\$ 306,822</u>	<u>\$ 1,962,638</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
Liabilities							
Accounts payable	\$ 41,000	\$ 2,624	\$ -	\$ -	\$ 10,711	\$ 21,980	\$ 76,315
Accrued payroll and benefits	280	2,067	-	-	8,214	-	10,561
Due to other funds	-	-	-	-	38,832	-	38,832
Payable from restricted assets							
Grants payable	-	-	-	-	-	271,786	271,786
Due to other funds	-	-	-	-	-	30,503	30,503
	<u>41,280</u>	<u>4,691</u>	<u>-</u>	<u>-</u>	<u>57,757</u>	<u>324,269</u>	<u>427,997</u>
Deferred Inflows of Resources							
Unavailable							
Ad valorem taxes	-	13,465	-	-	-	-	13,465
Interest	-	2,260	-	-	-	-	2,260
	<u>-</u>	<u>15,725</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,725</u>
	<u>41,280</u>	<u>20,416</u>	<u>-</u>	<u>-</u>	<u>57,757</u>	<u>324,269</u>	<u>443,722</u>
Fund Balances							
Nonspendable: prepaid expense	738	386	8	-	6,589	-	7,721
Restricted	-	-	-	3,568	-	(17,447)	(13,879)
Committed	303,357	1,073,888	110,601	-	37,228	-	1,525,074
Unassigned	-	-	-	-	-	-	-
	<u>304,095</u>	<u>1,074,274</u>	<u>110,609</u>	<u>3,568</u>	<u>43,817</u>	<u>(17,447)</u>	<u>1,518,916</u>
	<u>\$ 345,375</u>	<u>\$ 1,094,690</u>	<u>\$ 110,609</u>	<u>\$ 3,568</u>	<u>\$ 101,574</u>	<u>\$ 306,822</u>	<u>\$ 1,962,638</u>

See independent auditor's report.

Concordia Parish Police Jury
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances of Nonmajor Governmental Funds
For the Year Ended December 31, 2017

	Solid Waste Fund	Public Health Fund	Witness and Juror Fund	Section 8 Housing Fund	Criminal Court Fund	Grants Fund	Total
Revenues							
Taxes							
Ad valorem taxes	\$ -	\$ 243,534	\$ -	\$ -	\$ -	\$ -	\$ 243,534
Intergovernmental revenues							
Federal grants	-	-	-	112,510	-	77,053	189,563
State funds							
Grants	-	-	-	-	-	3,500	3,500
State revenue sharing	-	2,738	-	-	-	-	2,738
Fines and forfeitures	-	-	-	-	167,371	-	167,371
Other revenues	285	11,741	25,524	3,359	3,098	-	44,007
	<u>285</u>	<u>258,013</u>	<u>25,524</u>	<u>115,869</u>	<u>170,469</u>	<u>80,553</u>	<u>650,713</u>
Expenditures							
General government							
Judicial	-	-	12,484	-	166,327	-	178,811
Public works	521,282	-	-	-	-	-	521,282
Health and welfare	-	92,159	-	127,786	-	-	219,945
Capital outlay	-	-	-	-	-	133,033	133,033
	<u>521,282</u>	<u>92,159</u>	<u>12,484</u>	<u>127,786</u>	<u>166,327</u>	<u>133,033</u>	<u>1,053,071</u>
Excess (deficiency) of operating revenues over expenditures	(520,997)	165,854	13,040	(11,917)	4,142	(52,480)	(402,358)
Nonoperating Revenues (Expenditures)							
Interest	419	3,533	209	21	177	-	4,359
Federal grants	-	-	-	-	-	280,791	280,791
Grants to subrecipients	-	-	-	-	-	(280,791)	(280,791)
	<u>419</u>	<u>3,533</u>	<u>209</u>	<u>21</u>	<u>177</u>	<u>-</u>	<u>4,359</u>
	(520,578)	169,387	13,249	(11,896)	4,319	(52,480)	(397,999)
Other Financing Sources (Uses)							
Transfers in	604,234	-	6,205	-	-	-	610,439
Transfers (out)	(27,500)	(4,775)	-	-	(38,832)	-	(71,107)
	<u>576,734</u>	<u>(4,775)</u>	<u>6,205</u>	<u>-</u>	<u>(38,832)</u>	<u>-</u>	<u>539,332</u>
Net change in fund balances	56,156	164,612	19,454	(11,896)	(34,513)	(52,480)	141,333
Fund balances, beginning of year	247,939	909,662	91,155	15,464	78,330	35,033	1,377,583
Fund balances, end of year	<u>\$ 304,095</u>	<u>\$ 1,074,274</u>	<u>\$ 110,609</u>	<u>\$ 3,568</u>	<u>\$ 43,817</u>	<u>\$ (17,447)</u>	<u>\$ 1,518,916</u>

See independent auditor's report.

Concordia Parish Police Jury
Schedule of Compensation, Benefits, and Other Payments to Police Jury President
For the Year Ended December 31, 2017

Agency Head: Jimmy Wilkinson

Position: President

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 21,489
Registration fees	275
Conference travel	458
	<u>\$ 22,222</u>

*Reports Required by
Government Accounting Standards*

**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 Police Jurors
Concordia Parish Police Jury
Vidalia, 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 financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Concordia Parish Police Jury (the “Police Jury”) as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Police Jury’s basic financial statements, and have issued our report thereon dated June 30, 2018.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies; therefore, material weaknesses or significant deficiencies may exist that were not identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 an instances of noncompliance that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings as item 2017-1.

Concordia Parish Police Jury's Response to Findings

The Police Jury's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The 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 Police Jury'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 Police Jury's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.



Covington, Louisiana
June 30, 2018

Concordia Parish Police Jury
Schedule of Auditor's Results and Findings
For the Year Ended December 31, 2017

A. Summary of Auditor's Results

Financial Statements

- | | | |
|---|---|--|
| a. Type of auditors' report issued: | Adverse | |
| b. Internal control over financial reporting: | | |
| Material weaknesses identified | _____ yes | _____ <input checked="" type="checkbox"/> no |
| Significant deficiencies identified that are not considered to be material weaknesses | _____ yes | _____ <input checked="" type="checkbox"/> none noted |
| c. Noncompliance material to financial statements noted | _____ <input checked="" type="checkbox"/> yes | _____ no |

B. Findings Relating to the Financial Statements Reported in Accordance with Government Auditing Standards

2017-1 Compliance –Public Funds

Criteria

Public funds should be expended for transactions that benefit the public. Louisiana Attorney General Opinion No. 03-0157 states that "...serving meals at brief meetings, particularly meetings that could be scheduled at times other than meal times would appear to be unreasonable."

Condition

- a) The Police Jury incurred \$3,597 for two meals held after office hours at the restaurant Duck Nest which is recorded in the accounting records as 'safety meeting'. A list of participants was maintained by management; however, there is no documentation supporting how the meals benefited the public.
- b) A Police Juror's spouse attended the Police Jury Associations annual meeting at a cost of \$175. The Police Juror did not reimburse the Police Jury for the costs until detected by the audit procedures.

Cause

There appeared to be a lack of knowledge regarding reasonable and allowable expenditures.

Effect

Public funds were expended for costs that are unreasonable.

Concordia Parish Police Jury
Schedule of Auditor's Results and Findings
For the Year Ended December 31, 2017

Recommendation

We recommend the Police Jury hold safety meetings at the Police Jury at a time other than meal times on Police Jury grounds.

We recommend Police Jurors and staff to pay for spouse's expenses directly to the vendor rather than having to reimburse the Police Jury.

Management's Response and Corrective Action Plan

See management' response and corrective action plan at page 74.

Concordia Parish Police Jury
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Vidalia, LA 71373
Phone: 318-336-7151 Fax: 318-336-9915
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June 30, 2018

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District 1B
Joseph Parker, Sr.

District 2
Willie Dunbar

District 3A
Adams Probst

District 3B
Whest Shirley

District 4A
Jerry Beatty

District 4B
Jimmy Wilkinson

District 5A
Jimmy Jernigan

District 5B
Red Tiffie

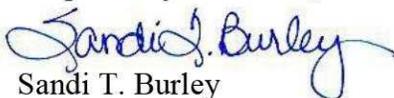
RE: 2017 FY Audit Finding 2017-1

Management's Response and Corrective Action Plan:

Management has reviewed the audit findings and established that going forward, safety meetings will be held during work hours as explained in the Louisiana Attorney General Opinion No. 03-0157. Management had conducted these meetings after work on the last work day of the year as these could be scheduled ahead of time. Management will no longer conduct meetings outside of work hours or at meal times to prevent further occurrences.

Reimbursement for the spouse's attendance at the Police Jury Association's annual meeting of \$175 has been obtained from the employee upon the finding. Going forward, management will receive a check directly for the spouse from the employee to submit for registration to prevent further occurrence.

Respectfully submitted,



Sandi T. Burley
Secretary / Treasurer
Concordia Parish Police Jury

Concordia Parish Police Jury
Summary Schedule of Prior Year Findings and Questioned Costs
For the Year Ended December 31, 2017

**A. Findings Relating to the Financial Statements Reported in Accordance with
*Government Auditing Standards***

2016-1 Material Weakness in Internal Controls -- Inadequate System of Controls over Financial Reporting in Accordance with Accounting Principles Generally Accepted in the United States of America

Criteria

The Police Jury's management is required to maintain a system of controls over financial reporting in accordance with accounting principles generally accepted in the United States of America ("GAAP"). This includes having adequately trained personnel with the knowledge and expertise to maintain the accounting records in accordance with GAAP and to prepare and/or thoroughly review GAAP based financial statements to ensure that they are free of material misstatements and include all disclosures as required by the Governmental Accounting Standards Board.

Condition

During our audit, we identified and proposed to management 68 adjustments within the fund financial statements which increased assets by \$466,827; increased liabilities by \$209,500; increased deferred inflows of resources by \$47,914; decreased revenues by \$242,338; increased expenses by \$3,907,944; and increased other financing sources by \$4,359,695. The proposed adjustments were reviewed and posted by management. These adjustments included, but were not limited to: reversing prior year accruals, recording current year accruals, correcting balances for current property taxes receivable; correcting interfund transfers; and reclassing transactions to the correct revenue and expense accounts. In our judgement, these adjustments had a material effect on the Police Jury's financial statements.

Cause

This condition was caused by a general lack of formalized policies and procedures in place to cover all matters required in reviewing and approving invoices, posting transactions to the accounting records, closing the Police Jury's year, preparing closing journal entries, and sufficient management review of the accounting records. Also, there were various oversights, including those in decentralized locations, in identifying relevant financial information and providing documentation to the Police Jury's finance department.

Effect

As a result of this condition, the Police Jury's accounting records were initially misstated by amounts that were material to the financial statements. In addition, the Police Jury was exposed to an increased risk that misstatements (whether caused by error or fraud) may occur and not be detected and corrected by management in a timely manner leading to a potential material misstatement of the financial statements.

Recommendation

The adjustments noted above have been reviewed by management, posted to the Police Jury's records, and are reported correctly in the audited financial statements. We recommend the Police Jury continue to improve controls over financial reporting to ensure all transactions are properly accounted for in accordance with generally accepted accounting principles.

Concordia Parish Police Jury

Summary Schedule of Prior Year Findings and Questioned Costs

For the Year Ended December 31, 2017

Management's Response and Corrective Action Plan

Management has reviewed the audit adjustments recommended by the auditors and posted such entries to the Police Jury's accounting system. Given the volume of year-end adjustments needed for external financial reporting, the decentralized nature of the Police Jury, and limited staffing, management has accepted that it may, at times, need to rely on the auditors for identification of and assistance with year-end journal entries.

2016-2 Material Weakness in Internal Controls -- Inadequate System of Controls over Disbursements

Criteria

The Police Jury's management is required to maintain a system of controls over disbursements in accordance with accounting principles generally accepted in the United States of America ("GAAP"). This includes having adequately trained personnel with the knowledge and expertise to maintain the accounting records in accordance with GAAP.

Condition

- a) The Police Jury overpaid an invoice due to the Louisiana Department of Health and Hospitals by \$27,000. The invoice was for \$3,006, but the Police Jury submitted a payment of \$30,006. The invoice nor the check had any evidence of review and/or approval for payment by management. The Police Jury has since contacted the Louisiana Department of Health and Hospitals – agreeing to carry forward a credit balance on the Police Jury's account.

- b) The Police Jury pays various expenses for the District Attorney's Office and the Judge's Office of Louisiana's 7th District which oversees cases for both Catahoula and Concordia Parishes. The Police Jury is responsible for costs attributed to Concordia Parish. In regards to the District Attorney's Office, the Police Jury issues a monthly salary allowance of \$19,966 and pays for the District Attorney Assistant's salary, supplies related to court cases pertaining to Concordia Parish, telephone, office maintenance and repairs, and other costs requested by the District Attorney's Office. In regards to the Judge's Office, the Police Jury does not issue a monthly allowance but pays the invoices submitted to the Police Jury by the Judge's Office and includes: salaries, building maintenance and repairs, administration costs, monthly subscriptions to research software, newspaper subscription, books, and various supplies.

The Police Jury has no written agreement on file with the District Attorney's Office or the Judge's Office indicating the Police Jury's financial responsibility, how the costs are accounted for to ensure accurate sharing with Catahoula Parish, or the total funds that are to be provided. In addition, we tested 22 disbursements for invoices paid on behalf of either the Judge's Office or the District Attorney's Office and none of the invoices or payments had evidence of the Police Jury's review / approval before payment was made.

- c) The Police Jury issued a check for payment to Marlin Business Bank on August 16, 2016. The Police Jury had only a portion of the invoice on file. The portion with the name of the entity or individual who was billed by Marlin Business Bank was missing. Therefore, we could not determine if the payment was reasonable or allowable.

Concordia Parish Police Jury

Summary Schedule of Prior Year Findings and Questioned Costs

For the Year Ended December 31, 2017

- d) During our testing of expenses, we noted inconsistent review and approval of invoices before payment. For many invoices and disbursements selected, there was no evidence a member of management reviewed the invoice before payment was made.
- e) During our audit testing, we noted purchase orders signed as "Police Jury" next to the "Received By" column rather than the name of the individual who received the item(s).
- f) The Police Jury reimbursed the City of Vidalia \$11,534 without an approved invoice, purchase order, or other supporting documentation. The Police Jury subsequently obtained the documentation from the City of Vidalia at the auditor's request.

Cause

This condition was caused by a general lack of formalized policies and procedures in place to cover all matters required in reviewing and approving invoices, posting transactions to the accounting records, closing the Police Jury's year, preparing closing journal entries, and sufficient management review of the accounting records. Also, there were various oversights, including those in decentralized locations, in identifying relevant financial information and providing documentation to the Police Jury's finance department.

Effect

As a result of this condition, the Police Jury's accounting records were initially misstated by amounts that were material to the financial statements. In addition, the Police Jury was exposed to an increased risk that misstatements (whether caused by error or fraud) may occur and not be detected and corrected by management in a timely manner leading to a potential material misstatement of the financial statements.

Recommendation

We recommend the Police Jury to design and implement an adequate system of internal controls over disbursements based on the Police Jury's staffing level. The manual should direct management to:

- Obtain and file a copy of complete invoices before disbursements are made. Also, review all invoices and payments before the payment is submitted, even for routine transactions. Doing this will assist the Police Jury with determining whether or not disbursements are reasonable and allowable, so the likelihood of assets being misappropriated is reduced.
- Obtain a written agreement with the District Attorney's Office and Judge's Office stipulating exactly what expenses are to be reimbursed and stipulate the total funds to be provided in a given year.
- Review the accounting records on a routine basis (i.e. monthly) to determine if transactions are properly recorded and make corrections as necessary.

Update

It appears that management has adequately addressed this finding and the finding has been resolved.

Concordia Parish Police Jury

Summary Schedule of Prior Year Findings and Questioned Costs

For the Year Ended December 31, 2017

2016-3 Material Weakness in Internal Controls -- Inadequate System of Controls over Receipts

Criteria

The Police Jury's management is required to maintain a system of controls over receipts in accordance with accounting principles generally accepted in the United States of America ("GAAP"). This includes having adequately trained personnel with the knowledge and expertise to maintain the accounting records in accordance with GAAP.

Condition

- a) Our audit procedures indicated bond proceeds totaling \$4,366,295 from the Sales Tax Refunding Bond, Series 2016 were not recorded to the accounting records. This resulted in other financing sources and debt service principal expense within the fund financial statements to be understated by \$4,366,295.
- b) The Police Jury recorded a \$3,500 deposit to an expense account. This resulted in revenues and expenses being understated by \$3,500 within the grant fund.
- c) The Louisiana Department of Treasury automatically deposited Payments in Lieu of Taxes for \$45,020 in the Police Jury's general fund rather than to the Concordia Parish Sheriff's Office, as required. The Police Jury recorded this deposit as revenue. The Police Jury subsequently issued a check to the Concordia Parish Sheriff's Office for \$45,020 which was recorded as an expense in the Police Jury's accounting records. The accounting treatment resulted in a \$45,020 overstatement of revenues and expenses within the general fund.

Cause

The primary cause is a general lack of formalized policies and procedures in place to cover all matters required in reviewing and approving invoices, posting transactions to the accounting records, closing the Police Jury's year, preparing closing journal entries, and sufficient management review of the accounting records. Also, there were various oversights, including those in decentralized locations, in identifying relevant financial information and providing documentation to the Police Jury's finance department.

Effect

As a result of this condition, the Police Jury's accounting records were initially misstated by amounts that were material to the financial statements. In addition, the Police Jury was exposed to an increased risk that misstatements (whether caused by error or fraud) may occur and not be detected and corrected by management in a timely manner leading to a potential material misstatement of the financial statements.

Recommendation

We recommend the Police Jury to design and implement an adequate system of internal controls over receipts based on the Police Jury's staffing level. The manual should direct management to review the accounting records on a routine basis (i.e. monthly) to determine if transactions are properly recorded and make corrections as necessary.

In addition, we recommend the Police Jury to record deposits received in error as a payable. When the outside agency/entity is repaid, the payable is then reduced.

Concordia Parish Police Jury
Summary Schedule of Prior Year Findings and Questioned Costs
For the Year Ended December 31, 2017

Update

It appears that management has adequately addressed this finding and the finding has been resolved.

2016-4 Material Weakness in Internal Controls -- Inadequate System of Controls over Payroll

Criteria

The Police Jury's management is required to maintain a system of controls over payroll.

Condition

The District Attorney's Office and Judge's Office do not submit time sheets for each pay period for their employees on the Police Jury's payroll. Instead, the Police Jury's payroll department is told the amount to pay and does so.

Cause

The primary cause is a general lack of formalized policies and procedures in place to cover all matters required in reviewing and approving disbursements, including payroll. Also, there were various oversights, including those in decentralized locations, in identifying relevant financial information and providing documentation to the Police Jury's finance department.

Effect

The Police Jury was exposed to an increased risk that misstatements (whether caused by error or fraud) may occur and not be detected and corrected by management in a timely manner leading to a potential material misstatement of the financial statements.

Recommendation

We recommend the Police Jury to design and implement an adequate system of internal controls over payroll based on the Police Jury's staffing level. In addition, we recommend the Police Jury to obtain time sheets from all individuals on the Police Jury's payroll.

Update

It appears that management has adequately addressed this finding and the finding has been resolved.

2016-5 Material Weakness in Internal Controls -- Inadequate System of Controls over Interfund Transactions

Criteria

The Police Jury's management is required to maintain a system of controls over interfund transactions in accordance with accounting principles generally accepted in the United States of America ("GAAP"). This includes having adequately trained personnel with the knowledge and expertise to maintain the accounting records in accordance with GAAP.

Concordia Parish Police Jury

Summary Schedule of Prior Year Findings and Questioned Costs

For the Year Ended December 31, 2017

Condition

- a) Our audit testing indicated the Public Health Fund's ad valorem and state revenue sharing tax revenues were being deposited into the Drainage Fund. Based upon inquiries of management, the Public Health Fund's ad valorem tax revenues and state revenue sharing tax revenues are included in a single check from the Concordia Parish Sheriff's Office who is responsible for collecting and disbursing the taxes. The Police Jury has the General Fund and Drainage Fund bank accounts at one bank and the Public Health Fund at a separate bank. In prior years, the main bank would issue a cashier's check to the Police Jury for the amount due to the Public Health Fund which would be taken directly to the bank for deposit into the Public Health Fund. However, the bank no longer issues the cashier's check.

As a result, the full amount of the check was deposited to the single bank with the Public Health Fund's portion being deposited to the Drainage Fund and recorded as revenue within the Drainage Fund by the Police Jury. Afterwards, the Police Jury wrote a check from the Drainage Fund made payable to the Public Health Fund to transfer the tax revenues to the correct bank account. The disbursements were recorded as an expense in the Drainage Fund. This practice has resulted in the Drainage Fund's revenues and expenses to be overstated by \$241,394.

- b) The Police Jury recorded the transfer of \$60,000 on October 6, 2016 and the transfer of \$320,432 on November 28, 2016 from the Road Tax Reserve Fund bank account to the Road Tax Sinking Fund bank account as revenue within the Road Tax Sinking Fund and as an expense within the Road Tax Reserve Fund rather than recording it as an interfund transfer. This resulted in both revenues and expenses to be overstated by \$380,432 within the Road Debt Service Fund.
- c) The Police Jury inadvertently deposited \$13,839 of state revenue sharing monies due to the Public Health and Drainage Funds into the Highway Maintenance Fund. This deposit was recorded as revenue within the Highway Maintenance Fund. Subsequently, the Police Jury wrote a check from the Highway Maintenance Fund to the Public Health and Drainage Funds to transfer the state revenue sharing monies to the correct funds. This disbursement was recorded as an expense within the Highway Maintenance Fund. These transactions resulted in revenues and expenses to be overstated by \$13,839 within the Highway Maintenance Fund.
- d) The Police Jury deposited \$3,729 for a salary reimbursement to the Witness & Juror Fund that was due to the Criminal Court Fund. This deposit was recorded as revenue within the Witness & Juror Fund. Subsequently, the Police Jury wrote a check from the Witness & Juror Fund to the Criminal Court Fund to transfer the monies to the correct fund. This disbursement was recorded as an expense within the Witness & Juror Fund.

In addition, the Police Jury deposited \$1,190 for court fees to the Special Juror bank account rather than the Law Enforcement Witness bank account. This deposit was recorded as revenue within the Witness & Juror Fund. Subsequently, the Police Jury wrote a check from the Special Juror bank account payable to the Law Enforcement Witness bank account. This disbursement was recorded as an expense within the Witness & Juror Fund.

These transactions resulted in both revenues and expenses to be overstated by \$4,919 within the Witness & Juror Fund.

Concordia Parish Police Jury

Summary Schedule of Prior Year Findings and Questioned Costs

For the Year Ended December 31, 2017

- e) The Police Jury inadvertently used the Section 8 Housing Fund rather than the Sales Tax Fund to disburse \$18,101 of sales tax collections to other entities. This disbursement was recorded as an expense within the Section 8 Fund. Subsequently, the Police Jury issued a check from the Sales Tax Fund to the Section 8 Fund to reimburse the Section 8 Fund. The receipt from the Sales Tax Fund was recorded as revenue. These transactions resulted in Section 8 Fund revenues and expenses to be overstated by \$18,101.

Cause

The primary cause is a general lack of formalized policies and procedures in place to cover all matters required in reviewing and approving invoices, posting transactions to the accounting records, closing the Police Jury's year, preparing closing journal entries, and sufficient management review of the accounting records. Also, there were various oversights, including those in decentralized locations, in identifying relevant financial information and providing documentation to the Police Jury's finance department.

Effect

As a result of this condition, the Police Jury's accounting records were initially misstated by amounts that were material to the financial statements. In addition, the Police Jury was exposed to an increased risk that misstatements (whether caused by error or fraud) may occur and not be detected and corrected by management in a timely manner leading to a potential material misstatement of the financial statements.

Recommendation

We recommend the Police Jury to design and implement an adequate system of internal controls over interfund transactions based on the Police Jury's staffing level. The manual should direct management to review the accounting records on a routine basis (i.e. monthly) to determine if transactions are properly recorded and make corrections as necessary. In addition, we recommend the Police Jury to:

- Move the Public Health Fund's bank account to the same bank as the Drainage Fund and General Fund. This will decrease the number of transactions between the funds and within the accounting records which may reduce the likelihood of accounting errors.
- Record a due to other fund / due from other fund when a deposit is made to the incorrect fund.

Update

It appears that management has adequately addressed this finding and the finding has been resolved.

Concordia Parish Police Jury
Summary Schedule of Prior Year Findings and Questioned Costs
For the Year Ended December 31, 2017

B. Findings and Questioned Costs for Federal Awards under Uniform Guidance

2016-6 Material Weakness in Internal Controls over Compliance – Preparation of Schedule of Expenditures of Federal Awards

Criteria

The Office of Management and Budget's (OMB) *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") requires that a recipient of federal awards subject to a single audit identify, in its accounts, all Federal awards received and expended and the federal programs under which they were received. Federal program and award identification shall include, as applicable, the CFDA title and number, award number and year, name of the federal agency, and name of the pass-through entity.

Condition

We noted errors in the initial Schedule of Expenditures of Federal Awards provided by management. These errors included failure to identify certain awards as being funded, erroneously including revenues and expenditures, reporting expenditures under wrong federal department names, and failure to record all expenditures within the correct time period. In addition, we requested all grant awards and contracts before the audit began; however, our audit procedures indicated multiple grants that were in place during the fiscal year that were not brought to our attention by the Police Jury.

Cause and Effect

As is the case with many parish governments, the Police Jury administers a vast array of federal and state grants throughout its many departments. The function of grant administration is therefore decentralized. This decentralization resulted in the Police Jury's finance department not identifying relevant financial information and various departments not providing documentation to the Police Jury's finance department.

As a result of this condition, the Police Jury's schedule of expenditures of federal awards was initially misstated. The inability to provide a complete and accurate schedule at the commencement of audit fieldwork delayed the completion of the audit.

Questioned Costs

No costs were required to be questioned as a result of this finding as no unallowable costs were identified.

Recommendation

We recommend that the Police Jury formally adopt a policy for grants administration, and clearly assign the responsibility for grant reporting and preparation of the SEFA each year. All grant financial reports should be reviewed centrally by a member of management prior to submission, and compared against the Police Jury's accounting records. Incoming grant receipts should similarly be reviewed to determine the appropriate program for coding. Differences between amounts requested, amounts received, and/or amounts reported on the Police Jury's accounting records should be promptly investigated and resolved.

Update

It appears that management has adequately addressed this finding and the finding has been resolved.

Statewide Agreed-Upon Procedures

Independent Accountant's Report on Applying Agreed-Upon Procedures

To the Police Jurors
Concordia Parish Police Jury
Vidalia, Louisiana

We have performed the procedures enumerated below, which were agreed to by the management of Concordia Parish Police Jury (the "Police Jury") and the Louisiana Legislative Auditor on the control and compliance areas identified in the Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures for the fiscal period January 1, 2017 to December 31, 2017. The Police Jury's management is responsible for those control and compliance areas identified in the Statewide Agreed-Upon Procedures.

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 Police Jury's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the entity does not have any written policies and procedures), as applicable:
 - a) *Budgeting*, including preparing, adopting, monitoring, and amending the budget
 - b) *Purchasing*, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes
 - c) *Disbursements*, including processing, reviewing, and approving
 - d) *Receipts*, including receiving, recording, and preparing deposits
 - e) *Payroll/Personnel*, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked
 - f) *Contracting*, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process

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- g) *Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)*, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, and (5) monitoring card usage
 - h) *Travel and expense reimbursement*, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers
 - i) *Ethics*, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy
 - j) *Debt Service*, including (1) debt issuance approval, (2) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements

Results

No exceptions noted.

Police Jurors

- 2. Obtain and review the board minutes for the fiscal period, and:
 - a) Report whether the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.
 - b) Report whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and any additional funds identified as major funds in the entity's prior audit (GAAP-basis).
 - If the budget-to-actual comparisons show that management was deficit spending during the fiscal period, report whether there is a formal/written plan to eliminate the deficit spending for those entities with a fund balance deficit. If there is a formal/written plan, report whether the meeting minutes for at least one board meeting during the fiscal period reflect that the board is monitoring the plan.
 - c) Report whether the minutes referenced or included non-budgetary financial information (e.g. approval of contracts and disbursements) for at least one meeting during the fiscal period.

Results

The Police Jurors met on a frequency in accordance with the Police Jury's enabling legislation. No exceptions noted.

Bank Reconciliations

- 3. Obtain a listing of client bank accounts from management and management's representation that the listing is complete.
- 4. Using the listing provided by management, select all of the entity's bank accounts (if five accounts or less) or one-third of the bank accounts on a three year rotating basis (if more than 5 accounts). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. For each of the bank accounts selected, obtain bank statements and reconciliations for all months in the fiscal period and report whether:

-
- a) Bank reconciliations have been prepared;
 - b) Bank reconciliations include evidence that a member of management or a board member (with no involvement in the transactions associated with the bank account) has reviewed each bank reconciliation; and
 - c) If applicable, management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months as of the end of the fiscal period.

Results

No exceptions noted.

Collections

5. Obtain a listing of cash/check/money order (cash) collection locations and management's representation that the listing is complete.
6. Using the listing provided by management, select all of the entity's cash collection locations (if five locations or less) or one-third of the collection locations on a three year rotating basis (if more than 5 locations). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. For each cash collection location selected:
 - a) Obtain existing written documentation (e.g. insurance policy, policy manual, job description) and report whether each person responsible for collecting cash is (1) bonded, (2) not responsible for depositing the cash in the bank, recording the related transaction, or reconciling the related bank account (report if there are compensating controls performed by an outside party), and (3) not required to share the same cash register or drawer with another employee.
 - b) Obtain existing written documentation (e.g. sequentially numbered receipts, system report, reconciliation worksheets, policy manual) and report whether the entity has a formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, by a person who is not responsible for cash collections in the cash collection location selected.
 - c) Select the highest (dollar) week of cash collections from the general ledger or other accounting records during the fiscal period and:
 - Using entity collection documentation, deposit slips, and bank statements, trace daily collections to the deposit date on the corresponding bank statement and report whether the deposits were made within one day of collection. If deposits were not made within one day of collection, report the number of days from receipt to deposit for each day at each collection location.
 - Using sequentially numbered receipts, system reports, or other related collection documentation, verify that daily cash collections are completely supported by documentation and report any exceptions.
7. Obtain existing written documentation (e.g. policy manual, written procedure) and report whether the entity has a process specifically defined (identified as such by the entity) to determine completeness of all collections, including electronic transfers, for each revenue source and agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation) by a person who is not responsible for collections.

Results

No exceptions noted.

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

8. Obtain a listing of entity disbursements from management or, alternately, obtain the general ledger and sort/filter for entity disbursements. Obtain management's representation that the listing or general ledger population is complete.
9. Using the disbursement population from #8 above, randomly select 25 disbursements (or randomly select disbursements constituting at least one-third of the dollar disbursement population if the entity had less than 25 transactions during the fiscal period), excluding credit card/debit card/fuel card/P-card purchases or payments. Obtain supporting documentation (e.g. purchase requisitions, system screens/logs) for each transaction and report whether the supporting documentation for each transaction demonstrated that:
 - a) Purchases were initiated using a requisition/purchase order system or an equivalent electronic system that separates initiation from approval functions in the same manner as a requisition/purchase order system.
 - b) Purchase orders, or an electronic equivalent, were approved by a person who did not initiate the purchase.
 - c) Payments for purchases were not processed without (1) an approved requisition and/or purchase order, or electronic equivalent; a receiving report showing receipt of goods purchased, or electronic equivalent; and an approved invoice.
10. Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the person responsible for processing payments is prohibited from adding vendors to the entity's purchasing/disbursement system.
11. Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the persons with signatory authority or who make the final authorization for disbursements have no responsibility for initiating or recording purchases.
12. Inquire of management and observe whether the supply of unused checks is maintained in a locked location, with access restricted to those persons that do not have signatory authority, and report any exceptions. Alternately, if the checks are electronically printed on blank check stock, review entity documentation (electronic system control documentation) and report whether the persons with signatory authority have system access to print checks.
13. If a signature stamp or signature machine is used, inquire of the signer whether his or her signature is maintained under his or her control or is used only with the knowledge and consent of the signer. Inquire of the signer whether signed checks are likewise maintained under the control of the signer or authorized user until mailed. Report any exceptions.

Results

No exceptions noted.

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

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

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15. Using the listing prepared by management, randomly select 10 cards (or at least one-third of the cards if the entity has less than 10 cards) that were used during the fiscal period, rotating cards each year. If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner.

Obtain the monthly statements, or combined statements if multiple cards are on one statement, for the selected cards. Select the monthly statement or combined statement with the largest dollar activity for each card (for a debit card, select the monthly bank statement with the largest dollar amount of debit card purchases) and:

- a) Report whether there is evidence that the monthly statement or combined statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder (Note: Requiring such approval may constrain the legal authority of certain public officials; these instances should not be reported).
 - b) Report whether finance charges and/or late fees were assessed on the selected statements.
16. Using the monthly statements or combined statements selected under #15 above, obtain supporting documentation for all transactions for each of the 10 cards selected (i.e. each of the 10 cards should have one month of transactions subject to testing).
- a) For each transaction, report whether the transaction is supported by:
 - An original itemized receipt (i.e., identifies precisely what was purchased)
 - Documentation of the business/public purpose. For meal charges, there should also be documentation of the individuals participating.
 - Other documentation that may be required by written policy (e.g., purchase order, written authorization.)
 - b) For each transaction, compare the transaction's detail (nature of purchase, dollar amount of purchase, supporting documentation) to the entity's written purchasing/disbursement policies and the Louisiana Public Bid Law (i.e. transaction is a large or recurring purchase requiring the solicitation of bids or quotes) and report any exceptions.
 - c) For each transaction, compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. cash advances or non-business purchases, regardless whether they are reimbursed). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

Results

No exceptions noted.

Travel and Expense Reimbursement

17. Obtain from management a listing of all travel and related expense reimbursements, by person, during the fiscal period or, alternately, obtain the general ledger and sort/filter for travel reimbursements. Obtain management's representation that the listing or general ledger is complete.
18. Obtain the entity's written policies related to travel and expense reimbursements. Compare the amounts in the policies to the per diem and mileage rates established by the U.S. General Services Administration (www.gsa.gov) and report any amounts that exceed GSA rates.
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19. Using the listing or general ledger from #17 above, select the three persons who incurred the most travel costs during the fiscal period. Obtain the expense reimbursement reports or prepaid expense documentation of each selected person, including the supporting documentation, and choose the largest travel expense for each person to review in detail. For each of the three travel expenses selected:
- a) Compare expense documentation to written policies and report whether each expense was reimbursed or prepaid in accordance with written policy (e.g., rates established for meals, mileage, lodging). If the entity does not have written policies, compare to the GSA rates (#18 above) and report each reimbursement that exceeded those rates.
 - b) Report whether each expense is supported by:
 - An original itemized receipt that identifies precisely what was purchased. [Note: An expense that is reimbursed based on an established per diem amount (e.g., meals) does not require a receipt.]
 - Documentation of the business/public purpose (Note: For meal charges, there should also be documentation of the individuals participating).
 - Other documentation as may be required by written policy (e.g., authorization for travel, conference brochure, certificate of attendance)
 - c) Compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. hotel stays that extend beyond conference periods or payment for the travel expenses of a spouse). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.
 - d) Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Results

No exceptions noted.

Contracts

20. Obtain a listing of all contracts in effect during the fiscal period or, alternately, obtain the general ledger and sort/filter for contract payments. Obtain management's representation that the listing or general ledger is complete.
21. Using the listing above, select the five contract "vendors" that were paid the most money during the fiscal period (excluding purchases on state contract and excluding payments to the practitioner). Obtain the related contracts and paid invoices and:
- a) Report whether there is a formal/written contract that supports the services arrangement and the amount paid.
 - b) Compare each contract's detail to the Louisiana Public Bid Law or Procurement Code. Report whether each contract is subject to the Louisiana Public Bid Law or Procurement Code and:
 - If yes, obtain/compare supporting contract documentation to legal requirements and report whether the entity complied with all legal requirements (e.g., solicited quotes or bids, advertisement, selected lowest bidder)

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- If no, obtain supporting contract documentation and report whether the entity solicited quotes as a best practice.
 - c) Report whether the contract was amended. If so, report the scope and dollar amount of the amendment and whether the original contract terms contemplated or provided for such an amendment.
 - d) Select the largest payment from each of the five contracts, obtain the supporting invoice, compare the invoice to the contract terms, and report whether the invoice and related payment complied with the terms and conditions of the contract.
 - e) Obtain/review contract documentation and board minutes and report whether there is documentation of board approval, if required by policy or law (e.g. Lawrason Act or Home Rule Charter).

Results

No exceptions noted.

Payroll and Personnel

- 22. Obtain a listing of employees (and elected officials, if applicable) with their related salaries, and obtain management's representation that the listing is complete. Randomly select five employees/officials, obtain their personnel files, and:
 - a) Review compensation paid to each employee during the fiscal period and report whether payments were made in strict accordance with the terms and conditions of the employment contract or pay rate structure.
 - b) Review changes made to hourly pay rates/salaries during the fiscal period and report whether those changes were approved in writing and in accordance with written policy.
 - 23. Obtain attendance and leave records and randomly select one pay period in which leave has been taken by at least one employee. Within that pay period, randomly select 25 employees/officials (or randomly select one-third of employees/officials if the entity had less than 25 employees during the fiscal period), and:
 - a) Report whether all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)
 - b) Report whether there is written documentation that supervisors approved, electronically or in writing, the attendance and leave of the selected employees/officials.
 - c) Report whether there is written documentation that the entity maintained written leave records (e.g., hours earned, hours used, and balance available) on those selected employees/officials that earn leave.
 - 24. Obtain from management a list of those employees/officials that terminated during the fiscal period and management's representation that the list is complete. If applicable, select the two largest termination payments (e.g., vacation, sick, compensatory time) made during the fiscal period and obtain the personnel files for the two employees/officials. Report whether the termination payments were made in strict accordance with policy and/or contract and approved by management.
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25. Obtain supporting documentation (e.g. cancelled checks, EFT documentation) relating to payroll taxes and retirement contributions during the fiscal period. Report whether the employee and employer portions of payroll taxes and retirement contributions, as well as the required reporting forms, were submitted to the applicable agencies by the required deadlines.

Results

No exceptions noted.

Ethics

26. Using the five randomly selected employees/officials from procedure #22 under “Payroll and Personnel” above, obtain ethics compliance documentation from management and report whether the entity maintained documentation to demonstrate that required ethics training was completed.
27. Inquire of management whether any alleged ethics violations were reported to the entity during the fiscal period. If applicable, review documentation that demonstrates whether management investigated alleged ethics violations, the corrective actions taken, and whether management’s actions complied with the entity’s ethics policy. Report whether management received allegations, whether management investigated allegations received, and whether the allegations were addressed in accordance with policy.

Results

No exceptions noted.

Debt Service

28. If debt was issued during the fiscal period, obtain supporting documentation from the entity, and report whether State Bond Commission approval was obtained.
29. If the entity had outstanding debt during the fiscal period, obtain supporting documentation from the entity and report whether the entity made scheduled debt service payments and maintained debt reserves, as required by debt covenants.
30. If the entity had tax millages relating to debt service, obtain supporting documentation and report whether millage collections exceed debt service payments by more than 10% during the fiscal period. Also, report any millages that continue to be received for debt that has been paid off.

Results

No bonds were issued during the period. No exceptions noted.

Other

31. Inquire of management whether the entity had any misappropriations of public funds or assets. If so, obtain/review supporting documentation and report whether the entity reported the misappropriation to the legislative auditor and the district attorney of the parish in which the entity is domiciled.
32. Observe and report whether the entity has posted on its premises and website, the notice required by R.S. 24:523.1. This notice (available for download or print at www.la.gov/hotline) concerns the reporting of misappropriation, fraud, waste, or abuse of public funds.

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

Results

No exceptions noted.

Results

We noted no exceptions as a result of applying the above procedures:

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those control and compliance areas identified in the Statewide Agreed-Upon Procedures. 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 control and compliance areas identified in the Statewide Agreed-Upon Procedures, 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 Louisiana Legislative Auditor as a public document.



Covington, Louisiana
June 30, 2018