

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**FINANCIAL STATEMENTS
AND SUPPLEMENTAL SCHEDULES
AS OF AND FOR THE YEAR ENDED
DECEMBER 31, 2017**



**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**TABLE OF CONTENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017**

CONTENTS

	Page
REQUIRED SUPPLEMENTAL INFORMATION (PART I)	
Management's Discussion and Analysis	1 - 5
INDEPENDENT AUDITOR'S REPORT	6 - 9
BASIC FINANCIAL STATEMENTS	10
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
Statement of Net Position	11
Statement of Activities	12
FUND FINANCIAL STATEMENTS	
Governmental Funds:	
Balance Sheet	13
Reconciliation of the Governmental Funds' Balance Sheet to the Statement of Net Position	14
Statement of Revenues, Expenditures, and Changes in Fund Balances	15-16
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	17
Notes to Financial Statements	18 - 51
REQUIRED SUPPLEMENTAL INFORMATION (PART II)	
Budgetary Comparison Information - Major Funds	53-57
Schedule of Employer's Proportionate Share of Net Pension Liability	58
Schedule of Employer's Contributions	59
OTHER INFORMATION	
Nonmajor Governmental Funds:	
Fund Descriptions	61
Combining Balance Sheet - Special Revenue Funds	62
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances - Special Revenue Funds	63
Supplemental Information Schedules	64
Schedule of Compensation Paid Police Jurors	65
Schedule of Compensation, Benefits, Reimbursements and Other Payments to Agency Head	66
Schedule of Expenditures of Federal Awards	67-68
OTHER REPORTS	
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements in Accordance with <i>Government Auditing Standards</i>	70-71
Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control over Compliance in Accordance with <i>OMB Circular A-133</i>	72-73
Schedule of Findings	74-78
Summary Schedule of Prior Audit Findings	79
Statewide Agreed-Upon Procedures Representation Letter	80-82
Independent Accountant's Report on Applying Statewide Agreed-Upon Procedures	83-99
Management's Corrective Action Plan	100

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

Caldwell Parish Police Jury
Columbia, Louisiana
Management's Discussion and Analysis
December 31, 2017

As management of the Caldwell Parish Police Jury, we offer readers of the Police Jury's financial statements this narrative overview and analysis of the financial activities of the police jury for the year ended December 31, 2017. We encourage readers to consider the information presented here, in conjunction with the basic financial statements, and the supplementary information provided in this report in assessing the efficiency and effectiveness of our stewardship of public resources.

Overview of the Financial Statements

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

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

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

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

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

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

Caldwell Parish Police Jury
Columbia, Louisiana
Management's Discussion and Analysis (Continued)
December 31, 2017

The Police Jury maintains thirteen individual governmental funds. Information is presented separately in the governmental funds' balance sheet and in the governmental funds' statement of revenues, expenditures, and changes in fund balances for the General Fund, the Road Maintenance, Recreation, Solid Waste, and Blacktop Road special revenue funds, and the Bayou de Chene Reservoir and LCDBG Funds, capital projects funds, which are considered to be major funds. Data from the other funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining schedules in the other supplemental information section of the report.

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

Table 1
Net Position
Governmental Activities

	2017	2016
Current and other assets	\$ 10,914,250	\$ 9,416,690
Capital assets (net)	21,044,443	20,424,647
Total assets	31,958,693	29,841,337
Deferred outflows	375,511	507,181
Long-term obligations (compensated absences)	440,029	507,150
Other liabilities	192,442	191,433
Total liabilities	632,471	698,583
Deferred inflows	65,270	67,271
Net position:		
Invested in capital assets, net of debt	21,044,443	20,424,647
Restricted	7,714,160	7,391,130
Unrestricted	2,877,859	1,766,889
Total net position	\$ 31,636,462	\$ 29,582,666

Caldwell Parish Police Jury
Columbia, Louisiana
Management's Discussion and Analysis (Continued)
December 31, 2017

At the close of the fiscal year, assets of the Police Jury exceeded liabilities by \$31,326,222. Of that amount, \$21,044,443 represents the Police Jury's investment in capital assets net of accumulated depreciation and related debt. These assets are not available for future spending. The remaining net position consists of bank balances and receivables.

Net position increased by \$2,053,796 in 2017. Current and other assets increased 15.5%. Capital assets (net) increased by \$619,796 or 3%. Significant additions included building improvements, land, and Bayou de Chene additions. Additions were offset by depreciation of \$370,831.

The following table presents changes in revenues and expenses. Total revenues decreased \$2,117,688 primarily due to a decrease in capital grants. Total expenses decreased by \$146,234 or 3%.

Table 2
Changes in Net Position
Governmental Activities

	<u>2017</u>	<u>2016</u>
Revenues		
Program revenues:		
Charges for services	\$ 581,949	\$ 507,588
Operating grants	1,273,832	694,850
Capital grants	1,158,486	3,824,573
General revenues:		
Property taxes	1,773,100	1,804,243
Sales taxes	1,835,305	1,897,842
Other general revenues	96,399	108,088
Total revenues	<u>6,719,071</u>	<u>8,837,184</u>
Program expenses		
General government	999,151	796,794
Public safety	599,822	503,785
Public works	2,398,170	2,872,242
Health and welfare	170,148	149,682
Culture and recreation	271,945	229,346
Economic development and assistance	204,888	233,545
Transportation	21,151	26,115
Total expenses	<u>4,665,275</u>	<u>4,811,509</u>
Increase (decrease) in net position	<u>\$ 2,053,796</u>	<u>\$ 4,025,675</u>

Caldwell Parish Police Jury
Columbia, Louisiana
Management's Discussion and Analysis (Continued)
December 31, 2017

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

Table 3
Governmental Activities

	Total Cost of Services		Net Cost (Revenue)	
	2017	2016	2017	2016
General government	\$ 999,151	\$ 796,794	\$ 513,340	\$ 315,675
Public safety	599,822	503,785	177,087	265,597
Public works	2,398,170	2,872,242	1,275,038	2,446,970
Health and welfare	170,148	149,682	170,148	79,914
Culture and recreation	271,945	229,346	(631,780)	(3,511,249)
Economic development	204,888	233,545	204,888	233,545
Transportation	21,151	26,115	(57,713)	(45,954)
Totals	<u>\$ 4,665,275</u>	<u>\$ 4,811,509</u>	<u>\$ 1,651,008</u>	<u>\$ (215,502)</u>

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

As of December 31, 2017, combined governmental fund balances of \$10,721,808 showed an increase of \$1,496,549 from December 31, 2016. Fund balances in the Bayou De Chene Fund decreased \$5,129. All other major funds showed increases in fund balance for the year. The General Fund fund balance increased by \$171,937 during the year ended December 31, 2017

Budgetary Highlights. The Police Jury's budgets were amended multiple times during the year. The changes were made to align budgeted amounts with changes in operations and grant activity. None of the major funds expended more than final budgeted expenditures.

Caldwell Parish Police Jury
Columbia, Louisiana
Management's Discussion and Analysis (Continued)
December 31, 2013

Capital Asset and Debt Administration

Capital Assets. The Police Jury's investment in capital assets for its governmental activities as of December 31, 2017, totals \$21,044,443 (net of accumulated depreciation). This investment includes land, construction in progress, buildings and improvements, infrastructure (roads and bridges), furniture, and equipment. The increase in capital assets for the year was \$995,528. Significant additions included building improvements, land for the library, and work on the Bayou de Chene project.

Long-Term Obligations. At the end of the year, the Police Jury had total long-term obligations of \$440,029, which consisted entirely of compensated absences payable and the net pension liability. The net pension liability is a result of the implementation of GASB Statement No. 68.

Economic Factors and Next Year's Budgets. The Police Jury's financial plan for this upcoming 2018 year is well underway with the adoption of a realistic budget that meets the needs of the Parish while protecting the long-term financial stability of the Parish. At the end of 2017, the Parish had basically no long-term debt, outside of compensated absences. The Police Jury, at December 31, 2017, had cash and investments totaling \$8,920,604 which represented an increase of \$1,522,178 over the period ended December 31, 2016.

The police jury has no significant plans for 2018.

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

Caldwell Parish Police Jury
P.O. Box 1737
Columbia, Louisiana 71418

Our telephone number is (318) 649-2681.



Independent Auditor's Report

To Caldwell Parish Police Jury
Columbia, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Caldwell 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 Caldwell Parish'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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Louisiana Governmental Audit Guide*. Those standards and the guide 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 Police Jury's legally separate component units. Accounting principles generally accepted in the United States of America require financial data for those component units to be reported with the financial data of the Police Jury's primary government unless the Police Jury also issues financial statements for the financial reporting entity that include the financial data for its component units. The Police Jury has not issued such reporting entity financial statements. Because of this departure from accounting principles generally accepted in the United States of America, the assets, liabilities, net position, revenues, and expenses of the aggregate discretely presented component units are understated by the amount of assets, liabilities, net position, revenues, and expenses of the aggregate discretely presented component units. In addition, the assets, liabilities, fund balances, revenues, and expenditures of the aggregate remaining fund information would have increased by the amount of assets, liabilities, fund balances, revenues, and expenditures of the omitted component units. The amounts by which this departure would affect the financial statements are not reasonably determinable.

Adverse Opinion

In our opinion, because of the significance of the matter described in the "Basis for Adverse Opinion on Aggregate Discretely Presented Component Units and Qualified Opinion on Aggregate Remaining Fund Information" paragraph, the financial statements referred to above do not present fairly the financial position of the aggregate discretely presented component units of the Police Jury, as of December 31, 2017, or the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Qualified Opinion

In our opinion, except for 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 Police Jury as of December 31, 2017, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Police Jury, as of December 31, 2017, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 1-5), budgetary comparison information (pages 53-57), and the schedule of employer's proportionate share of pension liability and schedule of employer's contribution (pages 58-59) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the *Governmental Accounting Standards Board*, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Caldwell Parish Police Jury's primary government financial statements. The combining financial statements; the schedule of compensation paid to police jurors; and the schedule of compensation, benefits, reimbursements, and other payments to agency head, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining fund financial statements; the schedule of compensation paid to police jurors and the schedule of compensation, benefits, reimbursements, and other payments to agency head; and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining financial statements; the schedule of compensation paid police jurors; and the schedule of compensation, benefits, reimbursements, and other payments to agency head; and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Basic Financial Statements

Caldwell Parish Police Jury
Columbia, Louisiana
Independent Auditor's Report
December 31, 2017

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2018, on our consideration of the Caldwell Parish Police Jury's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Police Jury's internal control over financial reporting and compliance.

BOSCH & STATHAM, LLC



Ruston, Louisiana
June 29, 2018

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

GOVERNMENTAL ACTIVITIES
STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2017

ASSETS

Assets:

Cash and cash equivalents	\$ 8,920,604
Receivables	1,993,646
Capital assets, net of accumulated depreciation	<u>21,044,443</u>
Total assets	<u>31,958,693</u>

DEFERRED OUTFLOWS

Pension related	<u>375,511</u>
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LIABILITIES

Liabilities:

Accounts, salaries, and other payables	134,744
Due to other agencies	57,698
Compensated absences payable	117,062
Net pension liability	<u>322,967</u>
TOTAL LIABILITIES	<u>632,471</u>

DEFERRED INFLOWS

Pension related	<u>65,270</u>
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NET POSITION

Net investment in capital assets	21,044,443
Restricted	7,714,160
Unrestricted	<u>2,877,859</u>
TOTAL NET POSITION	<u>\$ 31,636,462</u>

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

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**GOVERNMENTAL ACTIVITIES
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2017**

FUNCTIONS	EXPENSES	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	
General government	\$ 999,151	\$ 159,778	\$ 326,033	\$ -	\$ (513,340)
Public safety	599,822	302,607	120,128	-	(177,087)
Public works	2,398,170	100,444	716,816	305,872	(1,275,038)
Health and welfare	170,148	-	-	-	(170,148)
Culture and recreation	271,945	19,120	110,855	773,750	631,780
Economic development and assistance	204,888	-	-	-	(204,888)
Transportation	21,151	-	-	78,864	57,713
Total governmental activities	<u>\$ 4,665,275</u>	<u>\$ 581,949</u>	<u>\$ 1,273,832</u>	<u>\$ 1,158,486</u>	<u>(1,651,008)</u>
General revenues:					
Property taxes levied for:					
General purposes					460,101
Public works					518,485
Health and welfare					128,438
Culture and recreation					335,544
Economic development and assistance					330,532
Sales and use taxes levied for:					
General purposes					248,147
Public works					1,587,158
Other taxes, penalties and interest					8,644
Unrestricted investment earnings					29,890
Gain (loss) on disposal of assets					(4,901)
Other revenues					62,766
Total general revenues					<u>3,704,804</u>
Change in net position					2,053,796
Net position at beginning of year					29,582,666
Net position at end of year					<u>\$ 31,636,462</u>

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

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**GOVERNMENTAL FUNDS - BALANCE SHEET
AS OF DECEMBER 31, 2017**

	GENERAL	ROAD MAINTENANCE	RECREATION	SOLID WASTE	BLACKTOP ROAD	BAYOU DECHENE RESERVOIR	LCDBG	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS									
Assets:									
Cash and cash equivalents	\$ 1,399,118	\$ 852,784	\$ 1,041,924	\$ 1,244,422	\$ 2,200,650	\$ 22,976	\$ 40	\$ 2,158,690	\$ 8,920,604
Receivables	406,078	505,558	327,228	106,576	-	-	3,300	644,906	1,993,646
Due from other funds	5,031	4,834	-	-	-	-	-	-	9,865
Other assets	87	-	-	-	-	-	-	-	87
TOTAL ASSETS	<u>\$ 1,810,314</u>	<u>\$ 1,363,176</u>	<u>\$ 1,369,152</u>	<u>\$ 1,350,998</u>	<u>\$ 2,200,650</u>	<u>\$ 22,976</u>	<u>\$ 3,340</u>	<u>\$ 2,803,596</u>	<u>\$ 10,924,202</u>
LIABILITIES									
Liabilities:									
Accounts payable	\$ 64,746	\$ 21,548	\$ 12,643	\$ -	\$ -	\$ -	\$ -	\$ 35,894	\$ 134,831
Due to other agencies	57,698	-	-	-	-	-	-	-	57,698
Due to other funds	4,834	-	-	-	-	5,025	-	6	9,865
Total liabilities	<u>127,278</u>	<u>21,548</u>	<u>12,643</u>	<u>-</u>	<u>-</u>	<u>5,025</u>	<u>-</u>	<u>35,900</u>	<u>202,394</u>
FUND BALANCES									
Unassigned	1,683,036	-	-	-	-	-	-	-	1,683,036
Restricted	-	1,341,628	1,356,509	1,350,998	2,200,650	17,951	3,340	2,767,696	9,038,772
Total fund balances	<u>1,683,036</u>	<u>1,341,628</u>	<u>1,356,509</u>	<u>1,350,998</u>	<u>2,200,650</u>	<u>17,951</u>	<u>3,340</u>	<u>2,767,696</u>	<u>10,721,808</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,810,314</u>	<u>\$ 1,363,176</u>	<u>\$ 1,369,152</u>	<u>\$ 1,350,998</u>	<u>\$ 2,200,650</u>	<u>\$ 22,976</u>	<u>\$ 3,340</u>	<u>\$ 2,803,596</u>	<u>\$ 10,924,202</u>

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

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS'
BALANCE SHEET TO THE STATEMENT OF NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2017**

Total fund balance - governmental funds	\$ 10,721,808
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources.	21,044,443
Deferred items for pension related items are not reported in the fund statements:	
Deferred outflows	375,511
Deferred inflows	(65,270)
Some liabilities, such as compensated absences, are not due and payable in the current period and are therefore not reported in the funds.	
Compensated absences payable	(117,063)
Net pension liability	<u>(322,967)</u>
Net position of governmental activities	<u><u>\$ 31,636,462</u></u>

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

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**GOVERNMENTAL FUNDS - STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2017**

	GENERAL	ROAD MAINTENANCE	RECREATION	SOLID WASTE	BLACKTOP ROAD	BAYOU DECHENE RESERVOIR	LCDBG	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
Revenues:									
Taxes:									
Ad valorem	\$ 262,836	\$ 518,485	\$ 335,544	\$ -	\$ -	\$ -	\$ -	\$ 656,235	\$ 1,773,100
Sales and use	248,147	160,855	-	1,426,303	-	-	-	-	1,835,305
Other taxes, penalties, and interest	6,891	-	-	-	-	-	-	1,753	8,644
Licenses and permits	159,778	-	19,120	-	-	-	-	9,095	187,993
Intergovernmental funds:									
Federal funds	201,252	377,015	-	-	-	-	305,872	-	884,139
State funds:									
Severance taxes	290,432	-	-	-	-	-	-	-	290,432
State revenue sharing	12,234	24,497	15,855	-	-	-	-	-	52,586
Parish transportation	-	160,423	-	-	-	-	-	-	160,423
Other state funds	221,594	28,800	-	-	-	773,750	-	-	1,024,144
Fees, charges and commissions for services	875	100,444	-	-	-	-	-	179,835	281,154
Fines and forfeitures	-	-	-	-	-	-	-	113,677	113,677
Use of money and property	6,938	2,654	3,707	6,201	5,189	-	-	5,201	29,890
Other revenues	11,245	-	189	-	-	46,032	3,300	2,000	62,766
Total revenues	<u>1,422,222</u>	<u>1,373,173</u>	<u>374,415</u>	<u>1,432,504</u>	<u>5,189</u>	<u>819,782</u>	<u>309,172</u>	<u>967,796</u>	<u>6,704,253</u>

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

GOVERNMENTAL FUNDS - STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2017

	GENERAL	ROAD MAINTENANCE	RECREATION	SOLID WASTE	BLACKTOP ROAD	BAYOU DECHENE RESERVOIR	LCDBG	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
Expenditures:									
Current:									
General government:									
Legislative	111,229	-	-	-	-	-	-	-	111,229
Judicial	91,660	-	-	-	-	-	-	155,366	247,026
Elections	39,584	-	-	-	-	-	-	-	39,584
Finance and administrative	264,048	-	-	-	-	-	-	-	264,048
Other general government	39,817	-	-	-	-	-	-	205,097	244,914
Public safety	431,285	-	-	-	-	-	-	125,226	556,511
Public works	-	1,186,540	-	536,672	98,284	-	305,872	109	2,127,477
Health and welfare	73,839	-	-	-	-	-	-	91,354	165,193
Culture and recreation	-	-	218,127	-	-	12,028	-	-	230,155
Economic development and assistance	42,672	-	-	-	-	-	-	162,216	204,888
Transportation	21,151	-	-	-	-	-	-	-	21,151
Capital outlay	95,000	12,850	43,795	-	-	812,883	-	31,000	995,528
Total expenditures	<u>1,210,285</u>	<u>1,199,390</u>	<u>261,922</u>	<u>536,672</u>	<u>98,284</u>	<u>824,911</u>	<u>305,872</u>	<u>770,368</u>	<u>5,207,704</u>
Excess (deficiency) of revenues over expenditures	<u>211,937</u>	<u>173,783</u>	<u>112,493</u>	<u>895,832</u>	<u>(93,095)</u>	<u>(5,129)</u>	<u>3,300</u>	<u>197,428</u>	<u>1,496,549</u>
Other sources (uses):									
Operating transfers in	-	-	-	-	750,000	-	-	90,000	840,000
Operating transfers out	<u>(40,000)</u>	<u>-</u>	<u>-</u>	<u>(750,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(50,000)</u>	<u>(840,000)</u>
Total other sources (uses)	<u>(40,000)</u>	<u>-</u>	<u>-</u>	<u>(750,000)</u>	<u>750,000</u>	<u>-</u>	<u>-</u>	<u>40,000</u>	<u>-</u>
Net change in fund balances	171,937	173,783	112,493	145,832	656,905	(5,129)	3,300	237,428	1,496,549
Fund balances at beginning of year	<u>1,511,099</u>	<u>1,167,845</u>	<u>1,244,016</u>	<u>1,205,166</u>	<u>1,543,745</u>	<u>23,080</u>	<u>40</u>	<u>2,530,268</u>	<u>9,225,259</u>
Fund balances at end of year	<u>\$ 1,683,036</u>	<u>\$ 1,341,628</u>	<u>\$ 1,356,509</u>	<u>\$ 1,350,998</u>	<u>\$ 2,200,650</u>	<u>\$ 17,951</u>	<u>\$ 3,340</u>	<u>\$ 2,767,696</u>	<u>\$ 10,721,808</u>

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

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2017

Net change in fund balances - total governmental funds	\$ 1,496,549
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>	
Capital outlay	995,103
Depreciation	(370,831)
<p>The net effect of various miscellaneous transactions involving capital assets (e.g. sales, trade-ins, and donations) is to increase net position.</p>	
	(425)
<p>Some items reported in the statement of activities, such as a net decrease or increase in compensated absences, do not require the use of current financial resources, nor do they provide any, and therefore are not reported as expenditures or revenues in the governmental funds.</p>	
Additions to compensated absences payable	(78,978)
Reductions in compensated absences payable	63,121
Pension expense	(70,415)
Nonemployer contribution to pension plans	19,719
Other	<u>(47)</u>
Change in net position of governmental activities	<u>\$ 2,053,796</u>

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Caldwell Parish, established by act of the Louisiana Legislature in 1838, is located in the northeast part of the state and occupies approximately 529 square miles of land with a population of 10,132 residents, based on the last census. State law gives the police jury various powers and functions in regulating and directing the affairs of the parish and its inhabitants. The more notable of those are the power to make regulations for their own government, the construction and maintenance of roads and bridges, drainage systems, sewerage, solid waste disposal, fire protection, recreation and parks, parish prison construction and maintenance, road lighting and marking, water works, health units, hospitals, provide for the health and welfare of the poor, disadvantaged, and unemployed, economic development, tourism and regulate the sale of alcoholic beverages in the parish. The police jury also houses and maintains the Courts and the offices of the Assessor, Clerk of Court, Registrar of Voters, District Attorney, and the Sheriff. Funding to accomplish these tasks is provided by ad valorem taxes, sales taxes, beer and alcoholic beverage permits, parish licenses, state revenue sharing, severance taxes, and various other state and federal grants.

In accomplishing its objectives, the police jury employs approximately 30 full and part-time employees (3 in the central office, 1 in the courthouse, 2 in the 911 office, 10 in the recreation department, and 14 in public works). In addition to maintaining drainage and bridges in the parish, the police jury currently maintains approximately 405 miles of parish roads, comprised of 150 miles of asphalt and 255 miles of gravel.

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

Reporting Entity

The police jury reporting entity consists of the various departments and activities that are within the control and authority of the police jury.

As required by GASB Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, a legally separate entity is considered a component unit of the police jury if at least one of the following criteria is met:

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

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued)

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

Component Units:	<u>Fiscal</u> <u>Year End</u>	<u>Criteria</u> <u>Used</u>
Caldwell Parish:		
Airport Authority	December 31	1 & 3
Clerk of Court	December 31	2 & 3
Fire Protection District #1	December 31	1 & 3
Hospital Service District #1	December 31	1 & 3
Housing Authority	December 31	1 & 3
Library	December 31	1 & 3
Recreation District	December 31	1 & 3
Sheriff	June 30	2 & 3
Assessor	December 31	2 & 3
Columbia Eastside Fire District	December 31	1 & 3
Columbia Heights Fire District	December 31	1 & 3
Columbia Heights Sewerage District	December 31	1 & 3
Columbia Heights Waterworks District #1	December 31	1 & 3
Crossroad Water System	December 31	1 & 3
East Columbia Sewerage District	December 31	1 & 3
East Columbia Waterworks District	December 31	1 & 3
Gravity Drainage District #1	December 31	1 & 3
Kelly Waterworks District	October 31	1 & 3
Thirty-Seventh Judicial District Criminal Court	December 31	2 & 3

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued)

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

GASB Statement No. 14 provides for the issuance of primary government financial statements that are separate from those of the reporting entity. However, the primary government's (police jury's) financial statements are not a substitute for the reporting entity's financial statements. The accompanying primary government financial statements have been prepared in conformity with generally accepted accounting principles as applied to governmental units.

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

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

Basis of Presentation

The financial report consists of Management's Discussion and Analysis (MD&A), basic financial statements, notes to basic financial statements, and required supplementary information other than the MD&A. The MD&A provides an overview of the financial activities of the police jury. The basic financial statements include the government-wide financial statements, fund financial statements, and the notes to the basic financial statements.

The government-wide financial statements consist of a Statement of Net Position and a Statement of Activities. These statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Major revenues such as ad valorem taxes and sales taxes are assessed, collected and susceptible to accrual. Assets, liabilities, revenues, and expenses of the government are reported in the financial statements. The statements distinguish between the governmental and business-type activities of the police jury by reporting each in a separate column. The police jury has no business-type activities at this time.

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

All capital (long-lived) assets, receivables, and long-term obligations are reported in the Statement of Net Position. The Statement of Activities reports revenues and expenses in a format that allows the reader to focus on the net cost of each function of the police jury. Both the gross and net cost per function, which is otherwise being supported by general government revenues, is compared to the revenues generated directly by the function. In the Statement of Activities, gross expenses, including depreciation, are reduced by related program revenues, which are comprised of charges for services, operating grants, and capital grants. Direct and indirect expenses are reported as program expenses for individual functions and activities. The program revenues must be directly associated with the function or a business-type activity. The types of transactions included in program revenues are licenses and permits, fines, lease income, court costs, charges for mowing, and charges for gravesites. The operating grants include operating-specific and discretionary (either operating or capital) grants, while the capital grants column reflects capital-specific grants.

The fund financial statements report the police jury as a collection of major and nonmajor funds presented on separate schedules by fund category – governmental, proprietary, and fiduciary funds. At this time, the police jury has only governmental and fiduciary funds

The governmental fund statements include a balance sheet and a statement of revenues, expenditures, and changes in fund balances, with one column for the general fund, one for each of the other major funds, and one column combining all the nonmajor governmental funds. The statements are prepared using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized in the accounting period in which they become measurable and available to finance expenditures of the current period, generally considered sixty days after the end of the fiscal year. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest payments on general long-term liabilities which are recognized when due.

Although the financial statements presented in each of these three schedules contain “total” columns, they merely combine rather than consolidate the funds. Hence, interfund transactions that generate receivables and payables or transfers from one fund to another are not eliminated.

Major funds are those whose revenues, expenditures/expenses, assets, or liabilities are at least ten percent of the total for their fund category or type (governmental or enterprise) and at least five percent of the corresponding element total for all governmental and enterprise funds combined.

The data on the face of the three sets of financial statements must be accompanied by certain disclosures to ensure accurate information is presented in the form of a single set of notes to the basic financial statements.

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

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

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

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

The Recreation Special Revenue Fund accounts for the maintenance of the parish-owned recreation facility. Financing is provided by a parish-wide ad valorem tax, state revenue sharing, interest, dues, fees, and commissions.

The Solid Waste Special Revenue Fund accounts for the collection and disposal of solid waste in the parish. Financing is provided by a specific parish-wide sales and use tax. In accordance with the tax proposition, any available revenues of the fund in excess of \$500,000 are transferred to the Blacktop Road Fund to be used for asphalt road maintenance and improvements.

The Blacktop Road Special Revenue Fund accounts for transfers from the Solid Waste Fund, as noted above. Monies in the fund support the police jury's annual capital improvement program and normal maintenance and repairs to existing asphalt roads.

The Bayou de Chene Reservoir Capital Projects Fund accounts for engineering and construction work at Bayou de Chene. Construction of the Bayou de Chene reservoir is funded by the Louisiana Department of Transportation.

The LCDBG Capital Projects Fund accounts for projects funded by Louisiana Community Development Block Grants.

Assets, Liabilities, and Net Position, Equity, or Net Fund Balances

Cash and Investments

State law allows the police jury to invest in collateralized certificates of deposits, government-backed securities, commercial paper, the Louisiana Asset Management Pool (a state-sponsored investment pool), and mutual funds consisting solely of government-backed securities. The police jury's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Investments are reported at fair value in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Cash and investment earnings are recorded in the Fund that holds the investment. Currently, all investments of the police jury consist of short-term certificates of deposit with local banks.

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Receivables and Payables

Activity between funds that is outstanding at the end the fiscal year is referred to as either “due to or from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.” All internal balances are eliminated in the total primary government column. Receivables include all amounts susceptible to accrual that have not been collected at December 31, but will be collected soon enough after the end of the year to pay liabilities of that year. They include all amounts earned, but not collected at December 31. Receivables (net of any uncollectible amounts) and payables are reported on separate lines.

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied by the police jury in September or October, are actually billed on October 1, and are mailed to the taxpayers in November. Billed taxes become delinquent on January 1 of the following year. Revenues from ad valorem taxes are budgeted in the year they are billed. The Caldwell Parish Sheriff bills and collects the police jury’s property taxes using the assessed value determined by the assessor of Caldwell Parish and approved by the State of Louisiana Tax Commission. For the year ended December 31, 2016, taxes of 29.32 mills were levied on property with assessed valuations totaling \$74,741,949 as follows:

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration</u>
Parishwide taxes:			
General maintenance	4.00	4.29	Indefinite
Health unit maintenance	2.01	2.13	2027
Road maintenance and construction	8.14	8.59	2019
Courthouse and jail maintenance	3.11	3.27	2020
Industrial park and E911 operation	2.06	2.17	2020
Recreation maintenance	5.00	5.56	2025
Economic development	3.08	3.31	2027

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Receivables and Payables (Continued)

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

	2017 Assessed Valuation	Percent of Total Assessed Valuation	Tax
Regency Intrastate Gas, LLC	\$ 21,410,689	28.24%	\$ 2,925,173
Texas Gas Transmission Corp.	6,219,950	8.20%	889,896
Union Pacific Railroad Company	2,959,980	3.90%	418,037
Entergy Louisiana, LLC	2,799,090	3.69%	390,857
Weyerhaeuser Company	1,297,796	1.71%	178,983
Homeland Federal Savings Bank	1,323,736	1.75%	178,849
Caldwell Bank & Trust Company	1,193,444	1.57%	173,407
BellSouth Telecommunications	1,076,380	1.42%	151,653
Citizens Progressive Bank	658,958	0.87%	95,209
OSR Oil & Gas Corp.	601,148	0.79%	80,999
Total	<u>\$ 39,541,171</u>	<u>52.14%</u>	<u>\$ 5,483,062</u>

Caldwell Parish has a four-percent sales and use tax, of which one percent (parish-wide) is dedicated to the Caldwell Parish School Board; one percent (parish-wide) to debt service and the operations of the parish hospital, Citizens' Medical Center; one-quarter percent (parish-wide, excluding the Town of Columbia) to fire protection and the maintenance and construction of roads and bridges; three-quarters percent (parish-wide, excluding the Town of Columbia) to blacktop roads and the collection and disposal of solid waste; one-quarter percent (parish-wide) to the operations of the parish General Fund; and three-quarters percent (parish-wide) to the collection and disposal of solid waste, with any surplus, after establishing a reserve of \$500,000 for solid-waste purposes, to be used for the establishment of a blacktop road fund for constructing, maintaining, improving, and resurfacing hard-surface roads. The parish hospital tax was passed by voters on April 2, 1977, for an indefinite period. The road, bridge, fire protection, and solid waste tax was passed on October 19, 1985, for an indefinite period. The solid waste and General Fund tax was passed on October 3, 1992, for an indefinite period and was rededicated to the above purposes at a special election held on March 12, 1996.

The police jury has an agreement with the Concordia Parish School Board to collect parish sales taxes. The school board's tax department provides collection services for a fee of one and one-quarter percent of amounts actually collected plus the cost of travel, supplies, and postage. Taxes collected for maintaining and constructing roads and bridges, fire protection, collection and disposal of solid waste, and operations of the General Fund are deposited directly in the police jury's sales tax account. The police jury's Sales Tax Agency Fund distributes the taxes to other funds and agencies on a monthly basis, after deducting the above costs of collection.

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Inventories and Prepaid Items

Inventories consisting of office supplies and water and sewer plant supplies held for consumption are valued using the average cost method. The consumption method is used for financial reporting. Certain payments reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the government-wide financial statements. Capital assets are recorded as expenditures in each fund and capitalized at the government-wide level. The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend assets' lives are not capitalized. The capitalization threshold for buildings and improvements is \$1,000. For reporting purposes, the police jury defines capital assets as follows:

- Land is an inexhaustible asset with no capitalization threshold and an unlimited useful life; therefore, it is not depreciated.
- Buildings are permanent structures erected above ground, while improvements are major repairs, renovations, or additions that increase the future service potential of the asset. Leasehold improvements are improvements made by the lessee to leased property. They are depreciated principally using the straight-line method with an estimated useful life typically of 40 years for structures and 20 years for improvements and depreciable land improvements. Leasehold improvements are depreciated using the straight-line method with an estimated useful life depending on the term of the lease. Construction-in-progress is not depreciated.
- Movable property (furniture, equipment, and vehicles) consists of assets that are not fixed or stationary in nature. The straight-line method of depreciation is used, which divides the historical cost by the estimated useful life of the asset, generally 3 to 15 years.
- Infrastructure assets include tunnels, drainage systems, water and sewer systems, dams, and lighting systems. Infrastructure is depreciated using the straight-line method with an estimated useful life of 5 to 40 years.
- Purchased computer software is depreciated using the straight-line method over an estimated useful life of 3 years.
- Donated capital assets are recorded at their estimated fair value at the date of donation.

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Long-Term Obligations

In the government-wide financial statements, long-term obligations are reported as liabilities in the applicable governmental or business-type activities. In the fund financial statements, proprietary fund long-term obligations are reported as liabilities in the proprietary fund type statement of net position. Individual funds have been used to liquidate other long-term liabilities such as compensated absences, claims and litigation payable, etc. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds.

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

Employees of the police jury and recreation district receive 18 days of annual leave each year with a maximum accumulation of 30 to 45 days, depending on their length of service. Employees earn 10 days of sick leave each year and may accumulate sick leave without limitation. Upon termination, retirement, or resignation, employees are paid for accumulated unused annual and sick leave combined up to a maximum of 90 or 105 days, depending on their years of service.

Employees of the Thirty-Seventh Judicial District Criminal Court earn from one to two weeks of annual leave and 10 to 15 days of sick leave each year, depending on their length of service. Annual and sick leave cannot be accumulated.

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

Fund Balance Classifications and Net Position

Fund balances are reported under the following fund balance classifications:

Non-spendable	Includes fund balance amounts that cannot be spent either because it is not in spendable form or are legally or contractually required to be maintained intact.
Restricted	Includes amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.
Committed	Includes amounts that can only be used for specific purposes pursuant to constraints that are internally imposed by the government through formal action of the police jury and does not lapse at year-end.

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance Classifications and Net Position (Continued)

Assigned	Includes amounts that are constrained by the Police Jury's intent to be used for specific purposes that are neither considered restricted or committed.
Unassigned	Includes amounts that have not been assigned to other funds and that have not been restricted, committed or assigned to specific purposes within the General Fund. Negative fund balances in other governmental funds can also be classified as unassigned.

The police jury has a general policy to first use restricted resources for expenditures incurred for which both restricted and unrestricted (committed, assigned, and unassigned) resources are available. When expenditures are incurred for which only unrestricted resources are available, the general policy of the police jury is to use committed resources first, followed by assigned, and then unassigned. The use of restricted/committed resources may be deferred based on a review of the specific transaction.

The difference between assets and liabilities is "net position" on the government-wide, proprietary, and fiduciary fund statements. Net position is segregated into three categories on the government-wide statement of net position:

Net investment in capital assets - Consists of capital assets including restricted capital assets net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

Restricted net position - Consists of net position with constraints placed on the use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislations. The police jury first uses restricted net position for expenses incurred when both restricted and unrestricted net position are available for use. The use of restricted net position may be deferred based on a review of the specific transaction.

Unrestricted net position – The balance of net position that does not meet the definition of "restricted" or "net investment in capital assets."

Reconciliation of Government-wide and Fund Financial Statements

The governmental fund balance sheet includes a reconciliation of the government-wide statements to the governmental fund financial statements. This reconciliation is necessary to bring the financial statements from the current financial resources measurement focus and modified accrual basis of accounting to the economic measurement focus and full accrual basis of accounting. Major items included in the reconciliation are capital assets, inventories and prepaids, long-term debt, accrued interest, long-term liabilities, and deferred revenue, which are shown on the government-wide but not the governmental fund statements.

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance Classifications and Net Position (Continued)

Budgets

Preliminary budgets for the ensuing year are prepared by the Assistant Treasurer during October of each year. Budgets are prepared for all funds except Bayou de Chene Reservoir, LCDBG, and Criminal Court. Grant funds prepare budgets and submit to grantors. The Criminal Court Fund is not legally required to adopt a budget. During November, the finance committee reviews the proposed budgets and makes changes as it deems appropriate. The availability of the proposed budgets for public inspection and the date of the public hearing on the proposed budgets are then advertised in the official journal. During 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.

During the year, the finance committee receives monthly budgetary comparison statements, which are used as a management tool to control operations of the parish. The Assistant Treasurer presents necessary budget amendments to the police jury during the year when, in her judgment, actual operations are differing materially from those anticipated in the original budget. During a 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 function levels, the secretary/treasurer has the discretion to make amendments as she deems necessary for proper control. The police jury does not utilize encumbrance accounting; however, the original budgets and any subsequent amendments are incorporated into the accounting system. Unexpended appropriations lapse at year end and must be re-appropriated in the next year's budget to be expended. For the year ended December 31, 2017, the police jury adopted cash basis budgets for the General Fund and all special revenue funds except the Criminal Court Fund.

Budgetary comparison statements included in the accompanying financial statements include the original adopted budgets and all subsequent amendments. The following schedule reconciles the net change in fund balances on the budgetary statements to the same amount on the statement of revenues, expenditures, and changes in fund balances:

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance Classifications and Net Position (Continued)

Budgets (Continued)

	<u>General Fund</u>	<u>Road Fund</u>	<u>Recreation Fund</u>	<u>Solid Waste Fund</u>	<u>Blacktop Road Fund</u>
Net change in fund balance - budget basis	\$ 160,570	\$ 220,591	\$ 134,049	\$ 95,076	\$ 656,905
Adjustments:					
Receivables	35,396	(50,945)	(15,610)	4,836	-
Interfund balances	62,251	(20,818)	-	-	-
Payables	44,346	(18,573)	(9,395)	45,919	-
Other	(130,626)	43,528	3,449	1	-
Net change in fund balance - GAAP basis	<u>\$ 171,937</u>	<u>\$ 173,783</u>	<u>\$ 112,493</u>	<u>\$ 145,832</u>	<u>\$ 656,905</u>

The following schedule reconciles actual ending fund balances as shown on the budgetary statements to cash on the balance sheet:

	<u>General Fund</u>	<u>Road Fund</u>	<u>Recreation Fund</u>	<u>Solid Waste Fund</u>	<u>Blacktop Road Fund</u>
Fund balance at end of year - budget basis	\$ 1,335,792	\$ 852,784	\$ 1,041,924	\$ 1,244,422	\$ 2,200,650
Cash - payroll	5,628	-	-	-	-
Cash - FEMA grant project	57,698	-	-	-	-
Cash on balance sheet	<u>\$ 1,399,118</u>	<u>\$ 852,784</u>	<u>\$ 1,041,924</u>	<u>\$ 1,244,422</u>	<u>\$ 2,200,650</u>

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 disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017**

NOTE 2 - CASH AND CASH EQUIVALENTS

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

At December 31, 2017, the police jury has cash and cash equivalents (book balances) totaling \$8,920,604, as follows:

Demand deposits	\$ 6,576,020
Time deposits	<u>2,344,584</u>
Total	<u>\$ 8,920,604</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

As of December 31, 2017, \$8,084,888 of the police jury's bank balances of \$8,938,037 was exposed to custodial credit risk as follows:

Insured by FDIC	<u>\$ 853,149</u>
Uninsured and uncollateralized	-
Collateralized by pledged securities not in the police jury's name	<u>8,390,764</u>
Total balances exposed to custodial credit risk	<u>8,084,888</u>
Total bank balances	<u>\$ 8,938,037</u>

NOTE 3 – RECEIVABLES

The receivables of \$1,993,646 at December 31, 2017, are as follows:

	Taxes	Due from Other Governments		Licenses and Permits	Fines and Forfeitures	Accounts and Other	Total
		Federal	State				
General	\$ 263,732	\$ 326	\$ 128,003	\$ 14,017	\$ -	\$ -	\$ 406,078
Road Maintenance	489,199	-	16,359	-	-	-	505,558
Solid Waste	106,576	-	-	-	-	-	106,576
Recreation	316,640	-	10,588	-	-	-	327,228
Other governmental	619,616	-	-	-	6,572	22,018	648,206
Total	<u>\$ 1,795,763</u>	<u>\$ 326</u>	<u>\$ 154,950</u>	<u>\$ 14,017</u>	<u>\$ 6,572</u>	<u>\$ 22,018</u>	<u>\$ 1,993,646</u>

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017**

NOTE 4 - INTERFUND TRANSFERS AND BALANCES

At December 31, 2017, interfund balances were as follows:

		Due to		
		General	Other Governmental	Total
Due from	General	\$ -	\$ 5,031	\$ 5,031
	Road Maintenance	4,834	-	4,834
	Total	\$ 4,834	\$ 5,031	\$ 9,865

General Fund owes Road Maintenance Fund for electronic transfers that were made in the General Fund bank account by the state. General Fund owes 911 Communications Fund for state funds that were direct deposited into the General Fund bank account.

The following details interfund transfers for the year ended December 31, 2017:

		Transfers out					Total
		General	Recreation	Solid Waste	Blacktop Road	Other Governmental	
Transfers in	Blacktop Road	-	-	750,000	-	-	750,000
	Other governmental	40,000	-	-	-	50,000	90,000
	Total	\$ 40,000	\$ -	\$ 750,000	\$ -	\$ 50,000	\$ 840,000

The General Fund transferred \$40,000 to the Criminal Court Fund to cover expenditures of the Court. The Solid Waste Fund transferred \$750,000 to the Blacktop Road Fund in accordance with the property tax process verbal and the annual budget. The Industrial Fund transferred \$50,000 to the E-911 Fund to support operations.

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017**

NOTE 5 – CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended December 31, 2017, is as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Capital assets not being depreciated:				
Land	\$ 420,095	\$ 95,000	\$ (425)	\$ 514,670
Construction in progress	16,545,508	812,883	-	17,358,391
Total capital assets not being depreciated	<u>16,965,603</u>	<u>907,883</u>	<u>(425)</u>	<u>17,873,061</u>
Capital assets being depreciated:				
Infrastructure:				
Roads	48,649,923	-	-	48,649,923
Bridges	662,997	-	-	662,997
Buildings and improvements	3,172,464	74,795	(41,574)	3,205,685
Land improvements	716,214	-	-	716,214
Heavy equipment	1,542,882	-	-	1,542,882
Vehicles	1,187,227	-	(17,320)	1,169,907
Public works equipment	309,466	12,850	-	322,316
Office furniture and equipment	696,985	-	(145,759)	551,226
Total capital assets being depreciated	<u>56,938,158</u>	<u>87,645</u>	<u>(204,653)</u>	<u>56,821,150</u>
Less accumulated depreciation for:				
Infrastructure:				
Roads	(46,621,529)	(171,923)	-	(46,793,452)
Bridges	(644,331)	(667)	-	(644,998)
Buildings and improvements	(2,671,916)	(35,796)	39,966	(2,667,746)
Land improvements	(278,535)	(30,321)	-	(308,856)
Heavy equipment	(1,331,164)	(54,166)	-	(1,385,330)
Vehicles	(1,169,429)	(14,156)	17,320	(1,166,265)
Public works equipment	(177,325)	(28,705)	-	(206,030)
Office furniture and equipment	(584,885)	(35,097)	142,891	(477,091)
Total accumulated depreciation	<u>(53,479,114)</u>	<u>(370,831)</u>	<u>200,177</u>	<u>(53,649,768)</u>
Total capital assets being depreciated, net	<u>3,459,044</u>	<u>(283,186)</u>	<u>(4,476)</u>	<u>3,171,382</u>
Total capital assets, net	<u>\$ 20,424,647</u>	<u>\$ 624,697</u>	<u>\$ (4,901)</u>	<u>\$ 21,044,443</u>

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

Depreciation expense by function:	
General government	\$ 15,547
Public safety	43,575
Public works	267,651
Health and welfare	4,412
Culture and recreation	39,646
Total	<u>\$ 370,831</u>

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017**

NOTE 6 – LONG-TERM OBLIGATIONS

The following is a summary of the long-term obligation transactions for the year ended December 31, 2017:

	Compensated Absences	Net Pension Liability	Total
Beginning of the year	\$ 105,489	\$ 401,960	\$ 507,449
Additions	74,694	183,390	258,084
Deductions	(67,405)	(262,363)	(329,768)
Adjustment	4,284	(20)	4,264
End of the year	<u>\$ 117,062</u>	<u>\$ 322,967</u>	<u>\$ 440,029</u>

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

NOTE 7 – RETIREMENT SYSTEMS

Parochial Employees' Retirement System of Louisiana (System)

Plan Description

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

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

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

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

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

1. Age 55 after 30 years of creditable service.
2. Age 62 after 10 years of creditable service.
3. Age 67 after seven years of creditable service.

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 7 – RETIREMENT SYSTEMS (CONTINUED)

Parochial Employees' Retirement System of Louisiana (System) (Continued)

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

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

For the year ended December 31, 2017, the Caldwell Parish Police Jury's total payroll for all employees was \$912,071. Total covered payroll was \$773,588. Covered payroll refers to all compensation paid by the Caldwell Parish Police Jury to active employees covered by the Plan.

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

Contributions

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ended December 31, 2017, the actual employer contribution rate was 12.50% for Plan A, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. In accordance with state statute, the System receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations.

Under Plan A, members are required by state statute to contribute 9.50% of their annual covered salary. The contributions are deducted from the employee's wages or salary and remitted by the Caldwell Parish Police Jury to the System monthly. The Caldwell Parish Police Jury's contributions to the System under Plan A for the year ending December 31, 2017 were \$96,699.

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

At December 31, 2017, the Employer reported a liability of \$266,542 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of December 31, 2016 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Caldwell Parish Police Jury's proportion of the Net Pension Liability was based on a projection of the Police Jury's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2016, the Police Jury's proportion was 0.129420%, which was an increase of 0.000647% from its proportion measured as of December 31, 2015.

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 7 – RETIREMENT SYSTEMS (CONTINUED)

Parochial Employees' Retirement System of Louisiana (System) (Continued)

For the year ended December 31, 2017, the Caldwell Parish Police Jury recognized pension expense of \$158,323 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, which was (\$97,276). Total pension expense for the Caldwell Parish Police Jury for the year ended December 31, 2017 was \$61,047.

At December 31, 2017, the Caldwell Parish Police Jury reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$-	\$46,642
Changes in assumption	50,605	-
Net difference between projected and actual earnings on pension plan investments	206,847	-
Changes in employer's portion of beginning net pension liability	799	-
Differences between employer contributions and proportionate share of employer contributions	1	-
Subsequent measurement contributions	96,699	-
Total	\$354,950	\$46,642

The \$96,699 reported as deferred outflows of resources related to pensions resulting from the Caldwell Parish Police Jury contributions subsequent to the measurement date will be recognized as a reduction of Net Pension Liability in the year ended December 31, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year ended December 31,	
2018	\$77,077
2019	77,077
2020	77,077
2021	77,077

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 7 – RETIREMENT SYSTEMS (CONTINUED)

Parochial Employees' Retirement System of Louisiana (System) (Continued)

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2016, are as follows:

Valuation Date	December 31, 2016
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Investment Rate of Return	7.00% (net of investment expense, including inflation)
Salary increases	5.25% (2.75% merit, 2.50% inflation)
Mortality rates	RP-2000 Employee Sex Distinct Table was selected for employees. RP-2000 Healthy Annuitant Sex Distinct Tables were selected for annuitants and beneficiaries. RP-2000 Disabled Lives Mortality Table was selected for disabled annuitants.
Expected remaining service lives	4 years
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 7 – RETIREMENT SYSTEMS (CONTINUED)

Parochial Employees' Retirement System of Louisiana (System) (Continued)

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

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the capital asset pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.00% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.66% for the year ended December 31, 2016.

Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of December 31, 2016 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed income	35%	1.24%
Equity	52%	3.63%
Alternatives	11%	0.67%
Real Assets	2%	0.12%
Totals	100%	5.66%
Inflation		2.00%
Expected arithmetic nominal return		7.66%

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017**

NOTE 7 – RETIREMENT SYSTEMS (CONTINUED)

Parochial Employees' Retirement System of Louisiana (System) (Continued)

Discount Rate

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

Sensitivity of the Caldwell Parish Police Jury's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Caldwell Parish Police Jury's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the Police Jury'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 net pension liability	\$797,335	\$266,542	(\$182,259)

Payables to the Pension Plan

These financial statements do not include a payable to the pension plan.

Plan Fiduciary Net Position

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

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017**

NOTE 7 – RETIREMENT SYSTEMS (CONTINUED)

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

Plan Description

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

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

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

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

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

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

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

For the year ended December 31, 2017, the Caldwell Parish Registrar of Voters' total payroll for all employees was \$24,192. Total covered payroll was \$24,960. Covered payroll refers to all compensation paid by the Caldwell Parish Registrar of Voters to active employees covered by the Plan.

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

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 7 – RETIREMENT SYSTEMS (CONTINUED)

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

Contributions

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ended December 31, 2017, the actual employer contribution rate was 20.00% for January through June and 17.00% for July through December, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. In accordance with state statute, the System receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations.

Plan members are required by state statute to contribute 7.00% of their annual covered salary. The contributions are deducted from the employee's wages or salary and remitted by the Caldwell Parish Registrar of Voters to the System monthly. The Caldwell Parish Registrar of Voters' contributions to the System for the year ending December 31, 2017 were \$4,618.

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

At December 31, 2017, the Employer reported a liability of \$40,005 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 that date. The Caldwell Parish Registrar of Voter's proportion of the Net Pension Liability was based on a projection of the Registrar of Voters' long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2017, the Registrar of Voters' proportion was 0.182246%, which was an increase of 0.000537% from its proportion measured as of June 30, 2016.

For the year ended December 31, 2017, the Caldwell Parish Registrar of Voters recognized pension expense of \$7,666 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, which was (\$4,301). Total pension expense for the Caldwell Registrar of Voters for the year ended December 31, 2017 was \$3,365.

At December 31, 2017, the Caldwell Parish Registrar of Voters reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 7 – RETIREMENT SYSTEMS (CONTINUED)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$-	\$7,438
Changes in assumption	3,843	1,293
Net difference between projected and actual earnings on pension plan investments	4,500	-
Changes in employer's portion of beginning net pension liability	101	1,193
Differences between employer contributions and proportionate share of employer contributions	1	-
Subsequent measurement contributions	2,122	-
Total	\$10,566	\$9,924

The \$2,122 reported as deferred outflows of resources related to pensions resulting from the Caldwell Parish Registrar of Voters contributions subsequent to the measurement date will be recognized as a reduction of Net Pension Liability in the year ended December 31, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year ended December 31,	
2018	\$129
2019	129
2020	129
2021	129
2022	129

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 7 – RETIREMENT SYSTEMS (CONTINUED)

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

Actuarial Assumptions

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

Valuation Date	June 30, 2016
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Investment Rate of Return	7.0%, net of investment expense
Salary increases	6.0% (2.5% inflation, 3.5% merit)
Mortality rates	RP-2000 Combined Healthy Mortality Table for active members, healthy annuitants and beneficiaries RP-2000 Disabled Lives Mortality Tables for disabled annuitants
Expected remaining service lives	2016-5 years 2015-5 years 2014-4 years
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The resulting long-term rate of return is 8.39% for the year ended June 30, 2017. The best estimates of arithmetic real rates of return for each major asset class based on the System's target asset allocation as of June 30, 2017, were as follows:

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 7 – RETIREMENT SYSTEMS (CONTINUED)

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

Asset Class	Target Allocation	Real Return Arithmetic Basis	Long-Term Expected Real Rate of Return
Domestic equities	40%	7.50%	3.00%
International equities	15	8.50	1.28
Domestic fixed income	20	2.50	0.50
International fixed income	10	3.50	0.35
Alternative investments	5	6.24	0.31
Real estate	10	4.50	0.45
Totals	100%		5.89%
Inflation			2.50
Expected arithmetic nominal return			8.39%

Discount Rate

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System's actuary. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

	1.0% Decrease (5.75%)	Current Discount Rate (6.75%)	1.0% Increase (7.75%)
Employer's proportionate share of net pension liability	\$61,147	\$40,005	\$21,809

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017**

NOTE 7 – RETIREMENT SYSTEMS (CONTINUED)

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

Payables to the Pension Plan

These financial statements do not include a payable to the pension plan.

Plan Fiduciary Net Position

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

District Attorney's Retirement System of Louisiana (System)

Plan Description

The Caldwell Parish Police Jury contributes to the District Attorneys' Retirement System of Louisiana (System) which is a cost sharing multiple employer defined benefit pension plan. The System was established on August 1, 1956 and was placed under the management of the board of trustees for the purpose of providing retirement allowances and other benefits as stated under the provisions of Louisiana R.S. 11, Chapter 3 for district attorneys and their assistants in each parish. All persons who are district attorneys of the State of Louisiana or assistant district attorneys in any parish shall become members as a condition of their employment, provided in the case of assistant district attorneys, they must be paid an amount not less than the minimum salary specified by the board for assistant district attorneys.

Any member of the Plan who was hired prior to July 1, 1990, and who have elected not to be covered under the new provisions, are eligible to receive normal retirement benefit if one of the following criteria is met:

8. Age 62 after 10 or more years of creditable service.
9. Age 60 after 18 or more years of creditable service.
10. Age 55 after 23 or more years of creditable service.
11. Any age after 30 or more years of creditable service.

Generally, the monthly amount of the retirement allowance of any member of the Plan shall consist of an amount equal to three percent of the employee's final compensation for each year of creditable service. However, under certain conditions as outlined in the statutes, the benefits are limited to specified amounts. Retirement benefits may not exceed 100% of final average compensation.

Any member of the Plan who was hired after to July 1, 1990, or who have elected to be covered under the new provisions, are eligible to receive normal retirement benefit if one of the following criteria is met:

1. Age 60 after 10 or more years of creditable service.
2. Age 55 after 24 or more years of creditable service.
3. Any age after 30 or more years of creditable service.

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017**

NOTE 7 – RETIREMENT SYSTEMS (CONTINUED)

District Attorney’s Retirement System of Louisiana (System) (Continued)

Generally, the monthly amount of the retirement allowance of any member of the Plan shall consist of an amount equal to 3.5% of the employee's final compensation multiplied by years of membership service. However, under certain conditions as outlined in the statutes, the benefits are limited to specified amounts. Retirement benefits may not exceed 100% of final average compensation.

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

For the year ended December 31, 2017, the Caldwell Parish Police Jury’s total payroll for all employees was \$110,259. Total covered payroll was \$37,711. Covered payroll refers to all compensation paid by the Caldwell Parish Police Jury to active employees covered by the Plan.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. The report may be obtained by writing to the District Attorneys’ Retirement System of Louisiana, 1645 Nicholson Drive, Baton Rouge, Louisiana 70802, or by calling (225) 267-4824, or by visiting the System's website www.ladars.org.

Contributions

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ended December 31, 2017, the actual employer contribution rate was 0.00%, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. In accordance with state statute, the System receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations.

Members are required by state statute to contribute 8.00% of their annual covered salary. The contributions are deducted from the employee’s wages or salary and remitted by the Caldwell Parish Police Jury to the System monthly. The Caldwell Parish Police Jury’s contributions to the System for the year ending December 31, 2017 were \$0.

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

At December 31, 2017, the Employer reported a liability of \$16,422 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 that date. The Caldwell Parish Police Jury’s proportion of the Net Pension Liability was based on a projection of the Police Jury’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2017, the Police Jury’s proportion was 0.060886%, which was an increase of 0.001254% from its proportion measured as of June 30, 2016.

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 7 – RETIREMENT SYSTEMS (CONTINUED)

District Attorney’s Retirement System of Louisiana (System) (Continued)

For the year ended December 31, 2017, the Caldwell Parish Police Jury recognized pension expense of \$5,929 plus employer’s amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, which was \$74. Total pension expense for the Caldwell Parish Police Jury for the year ended December 31, 2017 was \$6,003.

At December 31, 2017, the Caldwell Parish Police Jury reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$-	\$4,317
Changes in assumption	7,363	1,938
Net difference between projected and actual earnings on pension plan investments	6,591	-
Changes in employer’s portion of beginning net pension liability	1,468	2,449
Differences between employer contributions and proportionate share of employer contributions	(5,428)	(1)
Subsequent measurement contributions	-	-
Total	\$9,994	\$8,704

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

Year ended December 31,	
2018	\$215
2019	215
2020	215
2021	215
2022	215
2023	215
2024	215

Actuarial Assumptions

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

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 7 – RETIREMENT SYSTEMS (CONTINUED)

District Attorney’s Retirement System of Louisiana (System) (Continued)

Valuation Date	June 30, 2017
Actuarial Cost Method	Aggregate Actuarial Cost Method with allocation based on earnings
Actuarial Assumptions:	
Investment Rate of Return	6.75%, net of investment expense
Salary increases	5.50% (2.50% inflation, 3.00% merit)
Mortality rates	RP-2000 Combined Healthy with White Collar Adjustment Sex Distinct Tables (set-back 1 year for females) for employees, annuitants, and beneficiaries. RP-2000 Disabled Lives Mortality Table (set back 5 years for males and 3 years for females) for disabled annuitants.
Expected remaining service lives	7 years
Cost of Living Adjustments	Only those previously granted.

The mortality rate assumption used was set based upon an experience study performed on plan data for the period July 1, 2009, through June 30, 2014. The data was then assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the System’s liabilities. Annuity values calculated based on this mortality were compared to those produced by using a setback of standard tables. The result of the procedure indicated that the tables used would produce liability values approximating the appropriate generational mortality tables.

The long-term expected rate of return on pension plan investments was determined using 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 9.06% for the year ended June 30, 2017. The best estimates of arithmetic real rates of return for each major asset class based on the System’s target asset allocation as of June 30, 2017, were as follows:

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017**

NOTE 7 – RETIREMENT SYSTEMS (CONTINUED)

District Attorney’s Retirement System of Louisiana (System) (Continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equities	61.72%	11.31%
Fixed income	28.95%	6.84%
Alternatives	8.85%	10.50%
Real estate	0.48%	0.50%
Totals	100%	4.50%
Inflation		2.50%
Expected arithmetic nominal return		9.04%

Discount Rate

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from participating employers will be made at actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System’s actuary. Based on those assumptions, the System’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payment to determine the total pension liability.

Sensitivity of the Caldwell Parish Police Jury’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

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

	1.0% Decrease (5.75%)	Current Discount Rate (6.75%)	1.0% Increase (7.75%)
Employer’s proportionate share of net pension liability	\$46,929	\$16,422	(\$9,501)

Payables to the Pension Plan

These financial statements do not include a payable to the pension plan.

Plan Fiduciary Net Position

Detailed information about the System’s fiduciary net position is available in the separately issued District Attorneys’ Retirement System of Louisiana Audit Report at www.ladars.org.

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017**

NOTE 8 - RISK MANAGEMENT

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

NOTE 9 – COMMITMENTS AND CONTINGENCIES

At December 31, 2017, the police jury was not involved in any law suits.

NOTE 10 – BAYOU DE CHENE RESERVOIR PROJECT

Act 423 of the 1977 session of the legislature created the reservoir commission and established its powers. The police jury is constructing the Bayou de Chene Reservoir with grant funds provided by the Louisiana Department of Transportation and Development. At December 31, 2017, the police jury had expended a total of \$17,297,215 of grant funds on the project, which is included in construction in progress in Note 5.

NOTE 11 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through June 29, 2018, the date on which the financial statements were available to be issued.

NOTE 12 –NEW ACCOUNTING STANDARDS

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

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

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 12 – NEW ACCOUNTING STANDARDS (CONTINUED)

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

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

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

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

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 12 – NEW ACCOUNTING STANDARDS (CONTINUED)

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

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

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

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

Required Supplemental Information (Part II)

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND - CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017**

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
Revenues:				
Taxes:				
Ad valorem	\$ 235,000	\$ 245,000	\$ 271,339	\$ 26,339
Sales and use	240,000	230,000	243,762	13,762
Other taxes, penalties, and interest	6,100	6,100	8,549	2,449
Licenses and permits	155,000	140,000	153,972	13,972
Intergovernmental funds:				
Federal funds	137,000	177,000	200,274	23,274
State funds:				
Severance taxes	233,500	213,500	239,470	25,970
State revenue sharing	12,000	12,000	15,769	3,769
Other state funds	45,100	140,100	221,081	80,981
Fees, charges, and commissions for services	5,000	2,000	875	(1,125)
Use of money and property	5,000	5,500	6,449	949
Total revenues	<u>1,073,700</u>	<u>1,171,200</u>	<u>1,361,540</u>	<u>190,340</u>
Expenditures:				
Current:				
General government	726,800	771,700	529,276	(242,424)
Public safety	200,000	254,000	399,209	145,209
Health and welfare	65,000	65,000	73,839	8,839
Economic development and assistance	-	-	42,630	42,630
Transportation	-	-	21,016	21,016
Capital outlay	3,000	98,000	95,000	(3,000)
Total expenditures	<u>994,800</u>	<u>1,188,700</u>	<u>1,160,970</u>	<u>(27,730)</u>
Excess (deficiency) of revenues over expenditures	78,900	(17,500)	200,570	218,070
Other sources (uses):				
Operating transfers out	<u>(60,000)</u>	<u>(60,000)</u>	<u>(40,000)</u>	<u>20,000</u>
Net change in fund balances	18,900	(77,500)	160,570	238,070
Fund balances at beginning of year	<u>1,135,300</u>	<u>1,227,221</u>	<u>1,175,222</u>	<u>(51,999)</u>
Fund balances at end of year	<u>\$ 1,154,200</u>	<u>\$ 1,149,721</u>	<u>\$ 1,335,792</u>	<u>\$ 186,071</u>

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**BUDGETARY COMPARISON SCHEDULE - ROAD MAINTENANCE SPECIAL REVENUE FUND -
CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Revenues:				
Taxes:				
Ad valorem	\$ 470,000	\$ 490,000	\$ 535,536	\$ 45,536
Sales and use	170,000	165,000	170,599	5,599
Other taxes, penalties, and interest	200	200	-	(200)
Intergovernmental funds:				
Federal funds	100,000	390,000	400,411	10,411
State funds:				
State revenue sharing	24,000	24,000	31,575	7,575
Parish transportation	165,000	165,000	175,095	10,095
Other state funds	40,000	-	28,800	28,800
for services	75,000	75,000	100,444	25,444
Use of money and property	1,500	1,500	2,654	1,154
Total revenues	<u>1,045,700</u>	<u>1,310,700</u>	<u>1,445,114</u>	<u>134,414</u>
Expenditures:				
Current:				
Public works	979,500	1,254,167	1,220,397	(33,770)
Capital outlay	2,000	15,000	12,850	(2,150)
Total expenditures	<u>981,500</u>	<u>1,269,167</u>	<u>1,233,247</u>	<u>(35,920)</u>
Excess (deficiency) of revenues over expenditures	<u>64,200</u>	<u>41,533</u>	<u>211,867</u>	<u>170,334</u>
Other sources (uses):				
Operating transfers in	<u>10,000</u>	<u>10,000</u>	<u>8,724</u>	<u>(1,276)</u>
Net change in fund balances	74,200	51,533	220,591	169,058
Fund balances at beginning of year	<u>561,744</u>	<u>588,665</u>	<u>632,193</u>	<u>43,528</u>
Fund balances at end of year	<u>\$ 635,944</u>	<u>\$ 640,198</u>	<u>\$ 852,784</u>	<u>\$ 212,586</u>

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**BUDGETARY COMPARISON SCHEDULE - RECREATION FUND - CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017**

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
Revenues:				
Taxes:				
Ad valorem	\$ 300,000	\$ 320,000	\$ 346,572	\$ 26,572
Other taxes, penalties, and interest	100	100	-	(100)
Licenses and permits	15,000	18,000	19,120	1,120
Intergovernmental funds:				
State funds:				
State revenue sharing	15,000	15,000	20,437	5,437
Use of money and property	3,000	3,000	3,707	707
Total revenues	<u>333,100</u>	<u>356,100</u>	<u>389,836</u>	<u>33,736</u>
Expenditures:				
Current:				
Culture and recreation	231,600	254,100	206,992	(47,108)
Capital outlay	80,000	80,000	48,795	(31,205)
Total expenditures	<u>311,600</u>	<u>334,100</u>	<u>255,787</u>	<u>(78,313)</u>
Net change in fund balances	21,500	22,000	134,049	112,049
Fund balances at beginning of year	<u>794,466</u>	<u>904,426</u>	<u>907,875</u>	<u>3,449</u>
Fund balances at end of year	<u>\$ 815,966</u>	<u>\$ 926,426</u>	<u>\$ 1,041,924</u>	<u>\$ 115,498</u>

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

BUDGETARY COMPARISON SCHEDULE - SOLID WASTE SPECIAL REVENUE FUND - CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
Revenues:				
Taxes:				
Sales and use	\$ 1,300,000	\$ 1,300,000	\$ 1,401,467	\$ 101,467
Use of money and property	6,000	6,000	6,201	201
Total revenues	<u>1,306,000</u>	<u>1,306,000</u>	<u>1,407,668</u>	<u>101,668</u>
Expenditures:				
Current:				
Public works	<u>566,500</u>	<u>566,500</u>	<u>562,592</u>	<u>(3,908)</u>
Excess (deficiency) of revenues over expenditures	739,500	739,500	845,076	105,576
Other sources (uses):				
Operating transfers out	<u>(750,000)</u>	<u>(750,000)</u>	<u>(750,000)</u>	<u>-</u>
Net change in fund balances	(10,500)	(10,500)	95,076	105,576
Fund balances at beginning of year	<u>1,010,200</u>	<u>1,149,346</u>	<u>1,149,346</u>	<u>-</u>
Fund balances at end of year	<u>\$ 999,700</u>	<u>\$ 1,138,846</u>	<u>\$ 1,244,422</u>	<u>\$ 105,576</u>

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**BUDGETARY COMPARISON SCHEDULE - BLACKTOP ROAD SPECIAL REVENUE FUND -
CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Revenues:				
Use of money and property	<u>\$ 3,000</u>	<u>\$ 3,000</u>	<u>\$ 5,189</u>	<u>\$ 2,189</u>
Expenditures:				
Current:				
Public works	<u>360,200</u>	<u>211,300</u>	<u>98,284</u>	<u>(113,016)</u>
Excess (deficiency) of revenues over expenditures	<u>(357,200)</u>	<u>(208,300)</u>	<u>(93,095)</u>	<u>115,205</u>
Other sources (uses):				
Operating transfers in	<u>750,000</u>	<u>750,000</u>	<u>750,000</u>	<u>-</u>
Net change in fund balances	392,800	541,700	656,905	115,205
Fund balances at beginning of year	<u>2,077,705</u>	<u>1,543,745</u>	<u>1,543,745</u>	<u>-</u>
Fund balances at end of year	<u>\$ 2,470,505</u>	<u>\$ 2,085,445</u>	<u>\$ 2,200,650</u>	<u>\$ 115,205</u>

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**SCHEDULE OF EMPLOYER'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Employer's proportion of the net pension liability (asset)	Employer's proportionate share of the net pension liability (asset)	Employer's covered employee payroll	Employer's proportionate share of the net pension liability (asset) as a percentage of its covered employee payroll	Plan fiduciary net pension as a percentage of the total pension liability
Parochial Employees' Retirement Plan:					
2015	0.137540%	\$ 37,604	\$ 492,995	7.63%	99.00%
2016	0.128773%	\$ 338,968	\$ 738,327	45.91%	92.23%
2017	0.129420%	\$ 266,542	\$ 767,537	34.73%	94.15%
Registrar of Voters' Retirement Plan:					
2015	0.184007%	\$ 45,064	\$ 24,960	180.54%	76.86%
2016	0.181709%	\$ 51,560	\$ 24,960	206.57%	73.98%
2017	0.182246%	\$ 40,005	\$ 24,960	160.28%	80.51%
District Attorneys' Retirement Plan:					
2015	0.074249%	\$ 3,998	\$ -	0.00%	98.56%
2016	0.059632%	\$ 12,050	\$ 30,163	39.95%	95.09%
2017	0.060886%	\$ 16,422	\$ 36,996	44.39%	93.57%

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**SCHEDULE OF EMPLOYER'S CONTRIBUTIONS
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Contractually required contribution	Contributions in relation to contractually required contribution	Contribution deficiency (excess)	Employer's covered employee payroll	Contributions as a percentage of covered employee payroll
--	---	--	--	--	--

Parochial Employees' Retirement Plan:

2015	\$ 107,057	\$ 107,057	\$ -	\$ 738,327	14.50%
2016	\$ 99,779	\$ 99,780	\$ (1.00)	\$ 767,537	13.00%
2017	\$ 96,699	\$ 96,699	\$ -	\$ 773,588	12.50%

Registrar of Voters' Retirement Plan:

2015	\$ 5,834	\$ 5,834	\$ -	\$ 24,960	23.37%
2016	\$ 5,304	\$ 5,304	\$ -	\$ 24,960	21.25%
2017	\$ 4,618	\$ 4,618	\$ -	\$ 24,960	18.50%

0

District Attorneys' Retirement Plan:

2015	\$ 417	\$ 420	\$ (2.70)	\$ 11,999	3.50%
2016	\$ 636	\$ 636	\$ -	\$ 36,663	1.73%
2017	\$ -	\$ -	\$ -	\$ 37,711	0.00%

Other Information

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

SUPPLEMENTAL INFORMATION SCHEDULES
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

Nonmajor Governmental Funds - Special Revenue Funds

Courthouse and Jail Maintenance Fund

The Courthouse and Jail Maintenance Fund accounts for the maintenance and operation of the parish courthouse and jail. Financing is provided by a parish-wide ad valorem tax.

Industrial Operation Fund

The Industrial Operation Fund accounts for the maintenance of the parish-owned industrial district. Financing is provided by a parish-wide ad valorem tax. Any excess of funds over a \$50,000 reserve in the fund can be used for improving, maintaining, and operating the parish 911 emergency communications system.

Health Unit Maintenance Fund

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

Criminal Court Fund

The Criminal Court Fund is established under Section 571.11 of Title 15 of the Louisiana Revised Statutes of 1950, which provides that fines and forfeitures imposed by the district courts and district attorney and conviction fees in criminal cases be transferred to the parish treasurer and deposited into a special Criminal Court Fund account to be used for the expenses of the criminal court of the parish. Expenditures are made from the fund on motion of the district attorney and approval of the district judge. The statute also requires that one-half of the fund balance remaining in the Criminal Court Fund at December 31 of each year be transferred to the parish General Fund.

Witness Fee Fund

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

911 Emergency Fund

The 911 Emergency Fund accounts for the establishment, maintenance, and operation of the 911 emergency telephone system for Caldwell Parish. Financing is provided by a five-percent service charge on local telephone service within the parish.

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**NONMAJOR SPECIAL REVENUE FUNDS - COMBINING BALANCE SHEET
AS OF DECEMBER 31, 2017**

	COURTHOUSE AND JAIL MAINTENANCE	INDUSTRIAL OPERATION	HEALTH UNIT MAINTENANCE	CRIMINAL COURT	WITNESS FEE	911 EMERGENCY	TOTAL
ASSETS							
Cash and cash equivalents	\$ 524,505	\$ 668,302	\$ 474,777	\$ 14,052	\$ 239	\$ 476,815	\$ 2,158,690
Receivables	186,226	312,086	121,304	11,130	25	14,135	644,906
TOTAL ASSETS	<u>\$ 710,731</u>	<u>\$ 980,388</u>	<u>\$ 596,081</u>	<u>\$ 25,182</u>	<u>\$ 264</u>	<u>\$ 490,950</u>	<u>\$ 2,803,596</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 7,104	\$ 11,820	\$ 5,820	\$ 10,634	\$ -	\$ 516	\$ 35,894
Due to other funds	-	-	-	6	-	-	6
Total liabilities	<u>7,104</u>	<u>11,820</u>	<u>5,820</u>	<u>10,640</u>	<u>-</u>	<u>516</u>	<u>35,900</u>
Fund equity - fund balances:							
Restricted	<u>703,627</u>	<u>968,568</u>	<u>590,261</u>	<u>14,542</u>	<u>264</u>	<u>490,434</u>	<u>2,767,696</u>
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES	<u>\$ 710,731</u>	<u>\$ 980,388</u>	<u>\$ 596,081</u>	<u>\$ 25,182</u>	<u>\$ 264</u>	<u>\$ 490,950</u>	<u>\$ 2,803,596</u>

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

NONMAJOR SPECIAL REVENUE FUNDS - COMBINING SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2017

	COURTHOUSE AND JAIL MAINTENANCE	INDUSTRIAL OPERATION	HEALTH UNIT MAINTENANCE	CRIMINAL COURT	WITNESS FEE	911 EMERGENCY	TOTAL
Revenues:							
Taxes:							
Ad valorem	\$ 197,265	\$ 330,532	\$ 128,438	\$ -	\$ -	\$ -	\$ 656,235
Other taxes, penalties, and interest	1,585	168	-	-	-	-	1,753
Licenses and permits	-	-	-	-	-	9,095	9,095
Fees, charges, and commissions for services	-	-	-	-	-	179,835	179,835
Fines and forfeitures	-	-	-	113,477	200	-	113,677
Use of money and property	-	1,605	2,391	-	2	1,203	5,201
Other revenues	338	-	1,365	297	-	-	2,000
Total revenues	<u>199,188</u>	<u>332,305</u>	<u>132,194</u>	<u>113,774</u>	<u>202</u>	<u>190,133</u>	<u>967,796</u>
Expenditures:							
Current:							
General government:							
Judicial	-	-	-	155,366	-	-	155,366
Other general government	205,097	-	-	-	-	-	205,097
Public safety	-	-	-	-	2,102	123,124	125,226
Health and welfare	-	-	91,354	-	-	-	91,354
Economic development and assistance	-	162,216	-	-	-	-	162,216
Capital outlay	-	-	31,000	-	-	-	31,000
Total expenditures	<u>205,097</u>	<u>162,216</u>	<u>122,354</u>	<u>155,475</u>	<u>2,102</u>	<u>123,124</u>	<u>770,368</u>
Excess (deficiency) of revenues over expenditures	<u>(5,909)</u>	<u>170,089</u>	<u>9,840</u>	<u>(41,701)</u>	<u>(1,900)</u>	<u>67,009</u>	<u>197,428</u>
Other sources (uses):							
Operating transfers in	-	-	-	40,000	-	50,000	90,000
Operating transfers out	-	(50,000)	-	-	-	-	(50,000)
Total other sources (uses)	<u>-</u>	<u>(50,000)</u>	<u>-</u>	<u>40,000</u>	<u>-</u>	<u>50,000</u>	<u>40,000</u>
Net change in fund balances	(5,909)	120,089	9,840	(1,701)	(1,900)	117,009	237,428
Fund balances at beginning of year	<u>709,536</u>	<u>848,479</u>	<u>580,421</u>	<u>16,243</u>	<u>2,164</u>	<u>373,425</u>	<u>2,530,268</u>
Fund balances at end of year	<u>\$ 703,627</u>	<u>\$ 968,568</u>	<u>\$ 590,261</u>	<u>\$ 14,542</u>	<u>\$ 264</u>	<u>\$ 490,434</u>	<u>\$ 2,767,696</u>

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**SUPPLEMENTAL INFORMATION SCHEDULES
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017**

Compensation Paid Police Jurors

The schedule of compensation paid to police jurors is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the police jurors is included in the legislative expenditures of the General Fund. In accordance with Louisiana Revised Statute-33:1233, the police jury has elected the monthly payment method of compensation. Under this method, the president receives \$1,200 per month and the other jurors receive \$1,100 per month.

**Compensation, Benefits, Reimbursements, and other Payments
to Agency Head (President)**

The schedule of compensation, benefits, reimbursements, and other payments is presented in compliance with Act 706 of the 2015 Session of the Louisiana Legislature. The expenditures are included in the legislative expenditures of the General Fund.

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**SCHEDULE OF COMPENSATION PAID POLICE JURORS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Glenn Barnhill	\$ 13,200
Aubrey M. Bratton	13,200
Bennett L. Clark, President	14,400
Lanny Dark	13,200
Manuel Escalon	13,200
Kenneth Graham	13,200
Don K. Martin	13,200
Total	<u>\$ 93,600</u>

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**SCHEDULE OF COMPENSATION, BENEFITS, REIMBURSEMENTS,
AND OTHER PAYMENTS TO AGENCY HEAD (SECRETARY-TREASURER)
FOR THE YEAR ENDED DECEMBER 31, 2017**

Wanda Stowe, Secretary-Treasurer:

Salaries	\$ 47,188
Benefits:	
Retirement	5,907
Medicare	684
Travel	436
Registration/Convention Fees	629
Total	<u>\$ 54,845</u>

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2017**

**UNITED STATES DEPARTMENT OF HOUSING AND
URBAN DEVELOPMENT**

Passed through Office of the Governor, Division of Administration -
Community Development Block Grant (States Program) 14.228 B-15-DC-22-0001 \$ 305,872

UNITED STATES DEPARTMENT OF INTERIOR

Passed through Louisiana Department
of the Treasury - In Lieu of Taxes 15.000 N/A 2,260

**UNITED STATES DEPARTMENT OF TRANSPORTATION
AND DEVELOPMENT**

Passed through Louisiana Department of Transportation and Development:
Public Transportation Operating Assistance Program 20.509 741-11-0119 78,864

UNITED STATES DEPARTMENT OF HOMELAND SECURITY

Passed through Louisiana Governor's Office of Homeland Security
and Emergency Preparedness -
Disaster Grants - Public Assistance 97.036 PW 452,296
Emergency Management Performance Grant 97.067 EM W-2016-EP-00062-SO1 17,765
Emergency Management Performance Grant 97.067 EM W-2017-EP-00062-SO1 326
State Homeland Security Grant Program 97.067 EM W-2015-SS-00124-SO1 7,836
State Homeland Security Grant Program 97.067 EM W-2016-SS-00124-SO1 18,610
Total United States Department of Homeland Security 496,833

Total Federal Expenditures \$ 883,829

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTES:

General

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

Basis of Accounting

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

Other Reports



INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

To the Honorable President and Members
Caldwell Parish Police Jury
Columbia, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the primary government financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Caldwell Parish Police Jury, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise Caldwell Parish Police Jury's basic financial statements and have issued our report thereon dated June 29, 2018.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Caldwell Parish Police Jury's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Caldwell Parish Police Jury's internal control. Accordingly, we do not express an opinion on the effectiveness of the Caldwell Parish Police Jury's internal control.

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying schedule of findings as item 2017-001 to be a material weakness.

Caldwell Parish Police Jury
Columbia, Louisiana
Independent Auditor's Report on Internal Control
Over Financial Reporting and on Compliance, etc.
December 31, 2017

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Caldwell Parish Police Jury's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings as items 2017-002, 2017-003, and 2017-004.

Caldwell Parish Police Jury's Response to Findings

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

Purpose of this Report

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

BOSCH & STATHAM, LLC

Bosch & Statham

Ruston, Louisiana
June 29, 2018



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

To the Honorable President and Members
Caldwell Parish Police Jury
Columbia, Louisiana

Report on Compliance for Each Major Federal Program

We have audited Caldwell Parish Police Jury's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Caldwell Parish Police Jury's major federal programs for the year ended December 31, 2017. Caldwell Parish Police Jury's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Caldwell Parish Police Jury's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Caldwell Parish Police Jury's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, Caldwell Parish Police Jury complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2017.

Report on Internal Control over Compliance

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

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the *Uniform Guidance*. Accordingly, this report is not suitable for any other purpose.

BOSCH & STATHAM, LLC

Bosch & Statham

Ruston, Louisiana
June 29, 2018

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

SCHEDULE OF FINDINGS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses unqualified opinions on the financial statements of the governmental activities and each major fund of the Caldwell Parish Police Jury. Due to the omission of the financial statements of the component units listed in note 1 to the financial statements, the auditor's report expresses an adverse opinion on the aggregate discretely presented component units and a qualified opinion the aggregate remaining fund information. The component units issue separate financial statements.
2. One material weakness is reported in the 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*.
3. Three instances of noncompliance material to the financial statements of the Caldwell Parish Police Jury were disclosed during the audit.
4. No significant deficiencies in internal control over major federal award programs are reported in the Independent Auditor's Report on Compliance For Each Major Program And On Internal Control Over Compliance Required By The Guidance.
5. The auditor's report on compliance for the major federal award programs for the Union Parish Police Jury expresses an unmodified opinion on all major federal programs.
6. No audit findings relative to the major federal award programs are required to be reported in accordance with 2 CFR section 200.516(a).
7. The following programs were tested as major program
8. The threshold for distinguishing Type A and B programs was \$750,000.
 - a. United States Department of Homeland Security – Passes through State of Louisiana – Governor's Office of Homeland Security and Emergency Preparedness – Disaster Grants – Public Assistance (Presidentially Declared Disasters (CFDA 97.036)
9. The Union Parish Police Jury was determined not to be a low-risk auditee.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

2017-001 Internal Control over Accounting

First Reported

2015

Type

Material Weakness

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

SCHEDULE OF FINDINGS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

Criteria

The components of internal control include the control environment, risk assessment, information and communication, monitoring, and control activities. The environment of an entity affects how employees are able to perform their duties. Risk assessments are to be performed by management to ensure the design of the internal control system is adequate to address significant risks. Proper communication must exist among all levels and among departments of an entity to ensure that employees have what they need to perform their duties. Monitoring or review must be performed to ensure that policies and procedures are being followed and the work product is of good quality. Control activities must be designed to address identified risks.

Management typically asserts that financial statement amounts exist, are complete, are valued correctly, and are classified correctly as to fund, function, and object. Management also typically asserts that the police jury has a right to the assets recorded or an obligation for the liabilities recorded.

Condition

Internal controls may not be properly designed or implemented to sufficiently lower the risk of material misstatements in the financial statements.

The following were the errors noted in 2016 or 2017:

1. **2016:** There are obvious errors in the payroll fund. There are interfund balances in the payroll fund that are not present in the matching fund. There is a "Direct Deposit Liabilities" account with a credit balance of \$191,409. The fund balance account has a debit balance of \$155,371. There should be no fund balance. **2017:** These errors appear to be cleared.
2. **2016:** The police jury collects an ad valorem tax for economic development. A portion of the tax is dedicated to the police jury's Industrial Operations and 911 Funds. The remaining balance is due to the Economic Development District. Several errors have been made in calculating the amounts belonging to each fund and the amounts to be transferred. The police jury appears to owe the District \$108,828 for the period from 2009 to 2016. **2017:** Checks were issued to the Economic Development District. However, the checks were issued for the gross amount of the taxes, not taking in to account the pension deducts that the Sheriff was required to withhold.
3. **2016:** Errors in posting deposits totaled more than \$100,000. For example, airport improvement grant funds were posted to airport fees. FEMA funds were posted against expenses instead of to federal revenue accounts. Duplicate and/or stale deposits still on the bank reconciliations totaled \$18,569. **2017:** Audit entries were made to reclassify \$137,418 deposited by the State.
4. **2016/2017:** Checks dated January 4, 2017 from individual funds to the payroll fund were deposited and cleared in December 2016. These checks totaled \$39,424. Therefore, cash in the individual funds was overstated at December 31, 2017. When the bank reconciliations were performed, the 2017 transaction was included to balance the accounts.
5. **2017:** The bank reconciliation was incorrect for the Bayou DeChene Fund that is maintained outside of the primary accounting software.
6. **2017:** One of twelve 2017 deposits for sales tax and occupational license taxes was posted to the wrong account.
7. **2017:** Three late penalties were incurred on IRS 941 payments for the fourth quarter of 2016.

Cause

The internal control system is not adequately designed to prevent material errors. Specifically, the monitoring element is not functioning adequately to detect errors.

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

SCHEDULE OF FINDINGS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

Effect

See condition.

Recommendation

Monitoring procedures include but are not limited to: review of the general ledger, the general journal, accounts payable and payroll check registers, bank reconciliations, payroll tax returns, retirement reports, and grant reports. Monitoring procedures should be performed by someone other than the person preparing documents or posting transactions.

Responsible Person

Wanda Stowe, Police Jury Secretary-Treasurer

Management's Response

See Management's Corrective Action Plan

2017-002 No Written Agreement Between Dixie Youth and Caldwell Parish Recreation District

First Reported

2016

Type

Noncompliance with Laws

Criteria

Article VII, Section 14 of the Louisiana Constitution prohibits public entities from donating public funds or property. Louisiana Attorney General opinion 14-0112 specifically addresses an issue where a nonprofit organization runs a baseball league using a governmental entity's property. The summary of that opinion was, "The Town of Jena has the legal authority to purchase an ice machine for use at its recreational facilities; however, the Town may not make a monetary donation to a non-profit entity currently operating a youth baseball league so that the non-profit can purchase and retain ownership of the ice machine. To do so would constitute a donation of public funds prohibited by La. Const. Art. VII, Sec. 14." The body of the opinion includes a recommendation that the Town establish a comprehensive agreement between the Town and the League which governs the overall use of the Town's facilities by the League.

Condition

The police jury and the recreation district own the land and structures that the Dixie Youth organization uses to operate a baseball league, including a concession stand. There is no written agreement between the entities to establish which entity is responsible for which expenses. Expenses of the land and structures include energy, water, garbage pickup, lawn maintenance, building maintenance, and supplies. Dixie Youth charges participation fees and retains profits from the concession stand but does not pay the police jury or the recreation district for the use of the property. Historically, Dixie Youth has paid certain expenses such as garbage pickup and water. During 2016, Dixie Youth has asked the District to buy supplies and equipment that seems inconsistent with historical purchases and perhaps inconsistent with state law. In 2018, an agreement was signed between the Police Jury, the Recreation District, and Dixie Youth.

Cause

The cause of the condition is unclear to the auditor.

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

SCHEDULE OF FINDINGS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

Effect

The lack of a written agreement, the operation of the concession stand without compensation to the District or Police Jury, and the purchase of certain supplies and equipment may be a violation of the Constitution.

Responsible Person

Sherie Salisbury, Recreation District Director

Recommendation

Our 2016 recommendation was that there be a cooperative endeavor agreement between the Police Jury and the District, between Dixie Youth and the District, and between Dixie Youth and the Police Jury (if applicable). An agreement has been signed in 2018. The Board Member resigned during 2018. No further action is recommended.

Management's Response

See Management's Corrective Action Plan

2017-003 Recreation District Board Member is Also Dixie Youth President

First Reported

2016

Type

Noncompliance with Laws

Criteria

See finding 2017-002.

Condition

The police jury and the recreation district own the land and structures that the Dixie Youth organization uses to operate a baseball league, including a concession stand. During 2016 and 2017, a Recreation District Board Member was also President of the Caldwell Parish Dixie Youth organization. The Board Member resigned from the Recreation District Board during 2018.

Cause

The cause is unclear to the auditor.

Effect

The board member may have violated the Ethics Code.

Recommendation

During the 2016 audit, we recommend that the Board seek legal counsel and/or an Ethics Board opinion on the matter. The Board Member resigned during 2018. No further action is recommended.

Responsible Person

Sherie Salisbury, Recreation District Director

Management's Response

See Management's Corrective Action Plan

**CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA**

**SCHEDULE OF FINDINGS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017**

2017-004 Minutes Published Late

First Reported

2017

Type

Noncompliance with Laws

Criteria

Louisiana Revised Statute 42:20 states, "Written minutes A. All public bodies shall keep written minutes of all of their open meetings. The minutes to be kept by the legislature and legislative committees and subcommittees shall be governed by the provisions of R.S. 42:21. The minutes of all other public bodies shall include but need not be limited to: (1) The date, time, and place of the meeting. (2) The members of the public body recorded as either present or absent. (3) The substance of all matters decided, and, at the request of any member, a record, by individual member, of any votes taken. (4) Any other information that the public body requests be included or reflected in the minutes. B.(1) The minutes shall be public records and shall be available within a reasonable time after the meeting, except where such disclosures would be inconsistent with R.S. 42:16, 17, and 18, or rules adopted under the provisions of R.S. 42:21. (2) If the public body has a website, the public body shall post on its website a copy of the minutes made available pursuant to Paragraph (1) of this Subsection and shall maintain the copy of those minutes on the website for at least three months after the posting. If the public body is required to publish its minutes in an official journal, the public body shall post its minutes on its website as required by this Paragraph within ten days after publication in the official journal. If the public body is not required to publish its minutes in an official journal, the public body shall post its minutes on its website as required by this Paragraph within a reasonable time after the meeting. The inability of the public to access the public body's website due to any type of technological failure shall not be a violation of the provisions of this Chapter."

Louisiana Revised State 43:144 states, "Penalty for failure to have proceedings published. The official of any municipal corporation, police jury, or school board by law responsible for the preparing and recording of the official proceedings who, within twenty days from the date of any meeting at which the official proceedings were had, wilfully neglects or fails to furnish the official journal with a copy of the minutes, ordinances, resolutions, budgets, and proceedings for publication, shall be fined not less than twenty-five dollars nor more than five hundred dollars, or be imprisoned for not less than ten days nor more than six months, or both."

Condition

We tested publication for fourteen meetings. Minutes for eight out of fourteen meetings were published more than twenty days after the meeting.

Cause

The Secretary-Treasurer believed the minutes had to be approved before publishing.

Effect

The Police Jury did not comply with state law concerning minutes.

Recommendation

We recommend that the Secretary-Treasurer publish the minutes within 20 days from the meeting.

Responsible Person

Wanda Stowe, Secretary-Treasurer

Management's Response

See Management's Corrective Action Plan.

CALDWELL PARISH POLICE JURY
COLUMBIA, LOUISIANA

SCHEDULE OF FINDINGS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

B. FINDINGS - SINGLE AUDIT

No findings are reported.

C. STATUS OF PRIOR YEAR FINDINGS

2016-001 Audit Report Filed Late

This finding is resolved.

2016-002 Significant Accounting Errors

This finding is repeated as 2017-001.

2016-003 No Three-Year Capital Improvement List

This finding is resolved.

2016-004 Recreation District Time Cards Did Not Match the Paychecks

This finding is resolved.

2016-005 Recreation District Board Member's Participation in Transactions with a Vendor May Be Improper

This finding is resolved.

2016-006 No Written Agreement Between Dixie Youth and Caldwell Parish Recreation District

This finding is repeated as 2017-002.

2016-007 Recreation District Board Member is Also Dixie Youth President

This finding is repeated as 2017-003.

Caldwell Parish Police Jury

Post Office Box 1737 Columbia, Louisiana 71418
Phone 318-649-2681 - Fax 318-649-5930

Ben Clark
President

Aubrey Bratton
Vice President

Wanda Stowe
Secretary/Treasurer

June 29, 2018

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

In connection with your engagement to apply agreed-upon procedures to certain control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures (SAUPs), for the fiscal period January 1, 2017 through December 31, 2017, we confirm to the best of our knowledge and belief, the following representations made to you during your engagement.

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

Yes No

2. For the fiscal period January 1, 2017 through December 31, 2017, the C/C areas were administered in accordance with the best practice criteria presented in the SAUPs.

Yes No

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

Yes No

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

Yes No

5. We have disclosed to you any communications from regulatory agencies, internal auditors, other independent practitioners or consultants, and others affecting the C/C areas, including communications received between December 31, 2017, and June 29, 2018.

Yes No

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

Yes No

7. We represent that the listing of bank accounts provided to you is complete.
- Yes No
8. We represent that the listing of cash/check/money order (cash) collection locations provided to you is complete.
- Yes No
9. We represent that the listing of entity disbursements or the general ledger population of entity disbursements provided to you is complete.
- Yes No
10. We represent that the 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, provided to you is complete.
- Yes No
11. We represent that the listing of all travel and related expense reimbursements, by person, during the fiscal period or the general ledger population of travel and related expense reimbursements provided to you is complete.
- Yes No
12. We represent that the listing of all contracts in effect during the fiscal period or the general ledger population of contract payments provided to you is complete.
- Yes No
13. We represent that the listing of employees (and elected officials, if applicable) with their related salaries provided to you is complete.
- Yes No
14. We represent that the listing of employees (and elected officials, if applicable) that terminated during the fiscal period provided to you is complete.
- Yes No
15. We have disclosed to you *[list other matters as you have deemed appropriate]*.
- Yes No
16. We have responded fully to all inquiries made by you during the engagement.
- Yes No
17. We are not aware of any events that have occurred subsequent to December 31, 2017, that would require adjustment to or modification of the results of the agreed-upon procedures.
- Yes No

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

Signature Wanda Stowe Date July 2, 2018

Title Secretary/Treasurer

District 1
Speck Graham

District 2
Lanny Dark

District 3
Ben Clark

District 4
Kevin Martin

District 5
Manual Escalon

District 6
Glenn Barnhill

District 7
Aubrey Bratton



Independent Accountant's Report
on Applying Agreed-Upon Procedures

To the Caldwell Parish Police Jury
and the Louisiana Legislative Auditor

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

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain the entity's written policies and procedures and 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:

We obtained the entity's written policy and procedures. The entity adopted new policies and procedures on December 20, 2017.

- a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget

There was no written policy before December 20, 2017. The new budgeting policy included all the required elements.

Exceptions: None.

- b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.

The older policy did not address how vendors are added to the vendor list, controls to ensure compliance with the bid law, or documentation required to be maintained. The new purchasing policy did not address how and by whom vendors are added to the system.

Exceptions: See above.

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

**CALDWELL PARISH POLICE JURY
REPORT ON STATEWIDE AGREED-UPON PROCEDURES
FOR THE YEAR ENDED DECEMBER 31, 2017**

- c) **Disbursements**, including processing, reviewing, and approving
There was no written policy before December 20, 2017. The new disbursements policy included all the required elements.
Exceptions: See above.
Management's Response: See Management's Corrective Action Plan
- d) **Receipts**, including receiving, recording, and preparing deposits
There was no written policy before December 20, 2017. The new receipts policy does not address the preparation of deposits.
Exceptions: See above.
Management's Response: See Management's Corrective Action Plan
- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
The policy before December 20, 2017 did not address the required elements. The payroll/personnel policy adopted December 20, 2017, does not address payroll processing, review of payroll, or approval of leave.
Exceptions: See above.
Management's Response: See Management's Corrective Action Plan
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process
There was no written policy before December 20, 2017. After December 20, 2017, contracting is only addressed under the grant policies. The policy states that a system must be set up but does not detail what the system or procedures are.
Exceptions: See above.
Management's Response: See Management's Corrective Action Plan
- 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
There was no written policy before December 20, 2017. The new credit card policy addresses the elements.
Exceptions: None
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers
The entity does not have a written policy.
Exceptions: See above.
Management's Response: See Management's Corrective Action Plan

**CALDWELL PARISH POLICE JURY
REPORT ON STATEWIDE AGREED-UPON PROCEDURES
FOR THE YEAR ENDED DECEMBER 31, 2017**

- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy. Note: Ethics requirements are not applicable to nonprofits.

The entity does not have a written policy.

Exceptions: See above.

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

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

The entity does not have a written policy.

Exceptions: See above.

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

Board (or Finance Committee, if applicable)

2. Obtain and review the board/committee minutes for the fiscal period, and:

We obtained the board minutes for the fiscal period. The entity did not maintain committee meeting minutes for the period.

Exceptions: See above.

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

- a) Report whether the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.

The Police Jury met at least monthly. The Recreation Board met at least quarterly. The E-911 Board met once during the year. We did not identify any legal requirements for the latter two boards to meet at a particular frequency.

Exceptions: None

- 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).

Budget-to-actual comparisons were not referenced or included in any of the minutes.

Exceptions: See above.

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

- 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.

See above.

**CALDWELL PARISH POLICE JURY
REPORT ON STATEWIDE AGREED-UPON PROCEDURES
FOR THE YEAR ENDED DECEMBER 31, 2017**

- 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.

Both the Police Jury and the Recreation boards' minutes referenced non-budgetary financial information for at least one meeting during the fiscal period. The 911 Board minutes did not reference such information.

Exceptions: See above.

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

Bank Reconciliations

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

The listing was not provided to us. The listing used for testing was compiled from bank statements provided by management.

Exceptions: See above.

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

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. *Note: Police Jury student activity fund accounts may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* For each of the bank accounts selected, obtain bank statements and reconciliations for all months in the fiscal period and report whether:

The entity had fifteen bank accounts. We obtained the bank statements and reconciliations for five selected bank accounts.

Exceptions: None

- a) Bank reconciliations have been prepared;

Due to the nature of one of the accounts selected for testing, there was no activity during the fiscal period. Therefore, there were no formal reconciliations. Four of five selected accounts were reconciled all twelve months.

Exceptions: None

- 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

Of the forty-eight required reconciliations, fifteen showed no evidence of review.

Exceptions: See above.

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

**CALDWELL PARISH POLICE JURY
REPORT ON STATEWIDE AGREED-UPON PROCEDURES
FOR THE YEAR ENDED DECEMBER 31, 2017**

- 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.

Thirty-three reconciliations included reconciling items that had been outstanding for more than six months. We noted no evidence of research.

Exceptions: See above

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

Collections

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

We were not given a list of cash collection locations. However, we identified three locations: the police jury office, the recreation center, and the E-911 office.

Exceptions: See above

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

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. *Note: School Board activity funds may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement. For each cash collection location selected:*

The entity has 3 cash collection locations. Therefore, all 3 were selected for testing.

- 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.

We obtained insurance policies and noted each of the three office employees for the police jury are bonded. The police jury has additional insurance that covers employee theft up to \$200,000, which covers the cash collectors at the Recreation Center and E-911. For the police jury, we noted the Assistant Secretary-Treasurer is responsible for depositing cash in the bank, recording the related transactions and reconciling the bank accounts, except for the payroll bank account which is reconciled by the Assistant Treasurer. The Recreation Center Director prepares and makes deposits. She then brings the deposit slip to the Police Jury office to be recorded. The E-911 Director prepares and makes deposits. She brings the deposit slip to the Police Jury. The Police Jury Assistant Secretary-Treasurer reconciles the bank statements.

Exceptions: See above.

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

**CALDWELL PARISH POLICE JURY
REPORT ON STATEWIDE AGREED-UPON PROCEDURES
FOR THE YEAR ENDED DECEMBER 31, 2017**

- 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.

We noted no such policy.

Exceptions: See above.

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

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

We obtained deposit details for each of the funds and calculated weekly totals to determine the highest week of collections.

Exceptions: None

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.

We used Police Jury documentation to trace daily collections to deposit dates to determine whether they were deposited within one day of collection. We noted 12 of 29 receipts were deposited within one day of collection. The remaining 17 receipts were deposited from 2 to 48 days from the day of collection.

Exceptions: See above.

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

- 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.

We noted each cash receipt was completely supported by documentation.

Exceptions: None

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.

We noted no such policy.

Exceptions: See above.

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

**CALDWELL PARISH POLICE JURY
REPORT ON STATEWIDE AGREED-UPON PROCEDURES
FOR THE YEAR ENDED DECEMBER 31, 2017**

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.

We obtained check details from QuickBooks for all funds maintained by the Police Jury. We also obtained management's representation that these reports are complete.

Exceptions: None

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:

We randomly selected twenty-five disbursements for testing and obtained supporting documentation for each transaction.

Exceptions: None

- 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.

The police jury does not use purchase requisitions. Five purchases required purchase orders under the entity's policy. Two out of five purchases did not have a proper purchase order. Two out of three purchase orders were not signed in evidence of approval. We could not determine if the approver was different than the requestor. It is the police jury's policy for the Assistant Secretary-Treasurer to approve purchase orders.

Exceptions: See above.

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

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

We were unable to determine who initiated purchases.

Exceptions: See above.

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

- 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.

All payments were supported by invoices or other appropriate support. See above regarding purchase orders. Seven payments were for services, such as utilities, that did not require documentation of receipt of goods or services.

Exceptions: See above comments regarding purchase orders.

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

**CALDWELL PARISH POLICE JURY
REPORT ON STATEWIDE AGREED-UPON PROCEDURES
FOR THE YEAR ENDED DECEMBER 31, 2017**

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

The police jury's policy does not address whether the person responsible for processing payments is prohibited from adding vendors to the entity's purchasing system. The Assistant Treasurer, who is responsible for processing payments, can also add or delete vendors in QuickBooks.

Exceptions: See above.

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

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.

The Assistant Secretary-Treasurer is the purchasing agent for the parish, has signatory authority on bank accounts, and has responsibility for recording deposits and processing payroll. She can also initiate purchases. She does not sign checks unless another authorized signor is not available. We observed the Assistant Treasurer in possession of the purchase order book and issuing purchase orders. The Assistant Treasurer can initiate purchases. She is responsible for processing accounts payable and preparing and issuing checks to vendors. She is also responsible for drafting and monitoring budgets.

Exceptions: See above.

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

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.

The Assistant Secretary-Treasurer processes payroll and has responsibility for Bayou DeChene Capital Project checks. Payroll checks are stored in an unlocked cabinet in the Assistant Secretary-Treasurer's office. Bayou DeChene checks are stored in a locked closet in the Assistant Secretary-Treasurer's office. The Assistant Treasurer is responsible for all other checks. These checks are stored in a locked box with a key that only the Assistant Treasurer has access to. The Secretary-Treasurer, Assistant Secretary-Treasurer, or Assistant Treasurer would notice if someone else was in the areas where the checks are stored. The entire office is locked if one of the three employees is not present.

Exceptions: See above.

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

**CALDWELL PARISH POLICE JURY
REPORT ON STATEWIDE AGREED-UPON PROCEDURES
FOR THE YEAR ENDED DECEMBER 31, 2017**

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.

There is a signature stamp for the Police Jury President and the Police Jury Secretary-Treasurer. We discussed the stamps with the Secretary-Treasurer and the Assistant Treasurer. They assert that the stamp is rarely used and then only on correspondence. The stamps are controlled by the Secretary-Treasurer. Signed payroll checks are returned to the Assistant Secretary-Treasurer for distribution. Most payroll is paid via direct deposit. Signed accounts payable checks are returned to the Assistant Treasurer for mailing.

Exceptions: Checks are not maintained under the control of the signer until mailed.

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

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.

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

Exceptions: None

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:

The entity had five credit cards. Therefore, we selected two cards for testing. We obtained the monthly statements for each of the cards. We selected the monthly statement with the largest dollar activity for each card.

Exceptions: None

- 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 (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]

There was no evidence that monthly statements are being reviewed and approved.

Exceptions: See above.

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

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

**CALDWELL PARISH POLICE JURY
REPORT ON STATEWIDE AGREED-UPON PROCEDURES
FOR THE YEAR ENDED DECEMBER 31, 2017**

We noted no exceptions.

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).

We obtained supporting documentation for all the transactions for the two cards selected for testing.

Exceptions: None

- 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.)

Each transaction was accompanied by an original itemized receipt, where applicable.

We noted no documentation of the business/public purpose for any of the transactions.

The purchasing policy in effect during the period this purchase was made, required a purchase order to be issued for all purchases. We noted no documentation of a purchase order for one of the three transactions tested. The other two transactions were annual fees for the credit card itself. Therefore, a purchase order was not required.

Exceptions: See above.

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

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

We noted no transactions that were subject to the LA Public Bid Law.

Exceptions: None

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

The entity did not document business purpose. Based on the vendor and the details received, one transaction appears to violate the requirements of Article 7, Section 14 of the LA Constitution because sales taxes were paid.

Exceptions: See above.

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

**CALDWELL PARISH POLICE JURY
REPORT ON STATEWIDE AGREED-UPON PROCEDURES
FOR THE YEAR ENDED DECEMBER 31, 2017**

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.

We obtained a listing of all travel that was reimbursed during the year. As there were no amounts on the list we were given, we used the check numbers on the list to search for amounts in QuickBooks. We obtained management's representation that the listing was otherwise complete.

Exceptions: See above.

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

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.

We noted no such policy.

Exceptions: See above.

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

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:

We selected the three persons who incurred the most travel costs during the fiscal period and obtained the expense reimbursement reports/supporting documentation for each person selected. We selected the largest travel expense to review in detail.

Exceptions: None

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

The entity does not have a travel policy. We compared expenses to the GSA rates. We noted two of the three expenses tested were higher than GSA rates.

Exceptions: See above.

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

**CALDWELL PARISH POLICE JURY
REPORT ON STATEWIDE AGREED-UPON PROCEDURES
FOR THE YEAR ENDED DECEMBER 31, 2017**

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)

We noted original itemized receipts for all reimbursements except for one. The police jury reimbursed one employee \$48.02 for dinner for one night. The documentation did not include itemized detail.

Each reimbursement did have documentation of the business purpose.

We did not identify a written travel policy.

Exceptions: See above.

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

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.

We compared each expense reimbursement to the requirements of Article 7, Section 14 of the LA Constitution. Two of the three reimbursements appear to violate those requirements. Sales taxes were reimbursed in the amounts of \$25.92 and \$29.70.

Exceptions: See above.

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

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

We noted no evidence of review or approval for any of the three expense reimbursements.

Exceptions: See above.

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

**CALDWELL PARISH POLICE JURY
REPORT ON STATEWIDE AGREED-UPON PROCEDURES
FOR THE YEAR ENDED DECEMBER 31, 2017**

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.

We obtained the listing of all contracts in effect during the fiscal period and management's representation that the listing is complete. However, the listing was submitted to us after we had completed the testing. We prepared a listing from a report in the accounting software.

Exceptions: See above.

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

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:

We selected the five contract vendors that were paid the most money during the fiscal period. We obtained the related contracts and paid invoices.

Exceptions: None

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

There was a formal/written contract that supports the services arrangement and the amount paid for each contract selected for testing.

Exceptions: None

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

We compared each contract's detail to the Louisiana Public Bid Law. Three out of five contracts were subject to the bid law.

For contracts that were required to be bid, we compared supporting contract documentation to legal requirements and noted no exceptions.

The entity did not solicit quotes for the contract that was not subject to the bid law.

Exceptions: See above.

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

**CALDWELL PARISH POLICE JURY
REPORT ON STATEWIDE AGREED-UPON PROCEDURES
FOR THE YEAR ENDED DECEMBER 31, 2017**

- 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.

Two contracts had amendments. One road improvements contract was amended by \$468 to omit and add roads and again by \$15,100 to add two roads. Another contract was amended by \$8,200 to modify the point system and additional repairs. One contract provided that the cost per unit could be increased annually by the CPI.

Exceptions: None.

- 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.

We selected the largest payment from each of the five contracts and obtained the supporting invoices. We compared the invoice to the contract terms and noted that each invoice and related payment complied with the terms and conditions of the contract.

Exceptions: None

- 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).

We obtained the minutes and reported that each contract/bid item was approved in the minutes except one.

Exceptions: See above

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

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:

We obtained a listing and management's representation. We selected five employees/officials and obtained the personnel files.

Exceptions: None

- 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.

The entity does not utilize employment contracts or pay structures. Pay rates are approved by the jury on a case by case basis. The authorized pay rate was not documented for three out of five employees selected for testing

Exceptions: See above.

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

**CALDWELL PARISH POLICE JURY
REPORT ON STATEWIDE AGREED-UPON PROCEDURES
FOR THE YEAR ENDED DECEMBER 31, 2017**

- 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.

Pay rates changed for two of five employees selected for testing. Authorization for the changes were approved in writing. There was no documented policy for changes in pay rates.

Exceptions: None

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:

We obtained the records and selected the sample period and twenty-five employees/officials.

Exceptions: None

- 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.)

All selected employees/officials documented their attendance and leave.

Exceptions: None.

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

Approval by supervisors was not documented for seven of the twenty-five selected transactions.

Exceptions: See above.

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

- 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.

Fifteen out of the twenty-five employees earn leave. The entity maintained written leave records for the fifteen employees.

Exceptions: See above.

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

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.

We obtained a list and management's representation. We selected the two largest termination payments and obtained the personnel files. Both payments were made in strict accordance with the policy. However, neither payment was approved by management.

Exceptions: See above.

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

**CALDWELL PARISH POLICE JURY
REPORT ON STATEWIDE AGREED-UPON PROCEDURES
FOR THE YEAR ENDED DECEMBER 31, 2017**

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.

We obtained the documentation. All payroll tax payments were submitted timely. All federal 941s and state L-1s were submitted timely. Except for two of the District Attorney Retirement System forms, all retirement forms were submitted timely. For two of the DA System forms, the mailing date on was not documented.

Exceptions: See above.

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

Ethics (excluding nonprofits)

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

For the sample selected in procedure number 22, we requested documentation to demonstrate that ethics training was completed. The sample included one police jury employee, one employee of the District Attorney's office, one employee of the criminal court, and two justices or constables. The police jury employee had appropriate documentation. Management of the Court or the District Attorney did not provide documentation. Management provided documentation for two employees that demonstrated completion of Justice of the Peace Training. The documentation does not specify whether ethics training was included.

Exceptions: See above.

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

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.

We inquired of the Secretary-Treasurer who stated that no alleged ethics violations were reported to the entity during the fiscal period.

Exceptions: None

Debt Service (excluding nonprofits)

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

We did not identify any debt issuances during the fiscal period.

Exceptions: None.

**CALDWELL PARISH POLICE JURY
REPORT ON STATEWIDE AGREED-UPON PROCEDURES
FOR THE YEAR ENDED DECEMBER 31, 2017**

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.

No outstanding debt was identified.

Exceptions: None.

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.

We noted no such millages.

Exceptions: None.

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.

We inquired of the Secretary-Treasurer who asserted she knew of no misappropriations.

Exceptions: None

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.

We observed the notice required by R.S 24:523.1 posted in the break room area of the Police Jury offices. The notice was not posted on the website.

Exceptions: See above.

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

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

All exceptions are reported above.

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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

BOSCH & STATHAM, LLC

Bosch & Statham

Ruston, Louisiana
June 29, 2018

Caldwell Parish Police Jury

Post Office Box 1737 Columbia, Louisiana 71418
Phone 318-649-2681 - Fax 318-649-5930

Ben Clark
President

Aubrey Bratton
Vice President

Wanda Stowe
Secretary/Treasurer

CORRECTIVE ACTION PLAN FOR 2017 AUDIT

2017-001 - Internal Control over Accounting

1. This error was corrected prior to the 2017 Audit.
2. We will consider the auditor's recommendations and take action as considered necessary.
3. We will consider the auditor's recommendations and take action as considered necessary.
4. This error was corrected prior to the 2017 Audit.
5. We will consider the auditor's recommendations and take action as considered necessary.
6. We will consider the auditor's recommendations and take action as considered necessary.
7. We will consider the auditor's recommendations and take action as considered necessary.

2017-002 – No Written Agreement Between Dixie Youth and Caldwell Parish Recreation District

The recommendation of the Auditor was considered and the recommended action was taken.

2017-003 – Recreation District Board Member is Also Dixie Youth President

The recommendation of the Auditor was considered and the recommended action was taken.

2017-004 – Minutes Published Late

The recommendation of the Auditor will be considered and the minutes will be published within 20 days, with or without first being approved by the Jury.

CORRECTIVE ACTION PLAN FOR STATEWIDE AUPs

We will consider the Auditor's recommendations and take action as considered necessary.



Wanda Stowe
Secretary/Treasurer

District 1
Speck Graham

District 2
Lanny Dark

District 3
Ben Clark

District 4
Kevin Martin

District 5
Manual Escalon

District 6
Glenn Barnhill

District 7
Aubrey Bratton