

VERMILION PARISH POLICE JURY

Abbeville, Louisiana

Financial Report

Year Ended December 31, 2017

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INDEPENDENT AUDITOR'S REPORT

To the Members of the Police Jury
Vermilion Parish
Abbeville, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Vermilion Parish Police Jury (Police Jury), as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the basic financial statements of the Police Jury's primary government as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

The financial statements referred to above do not include financial data for some of the Police Jury's legally separate discretely presented component units. Accounting principles generally accepted in the United States of America require the financial data for those component units to be reported with the financial data of the 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. The amount by which this departure would affect the assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues, and expenses of the aggregate discretely presented component units financial statements has not been determined.

Adverse Opinion on Discretely Presented Component Units

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

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the primary government 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.

Emphasis of Matter

As described in Note 27 to the financial statements, the 2017 financial statements have been restated to correct a material misstatement. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, on pages 77 through 95, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The Vermilion Parish Police Jury has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Vermilion Parish Police Jury's basic financial statements. The other supplementary information on pages 98 through 123 is presented for purposes of additional analysis and is not a required part of the financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) 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 schedule of expenditures of federal awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The other supplementary information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated June 5, 2018 on our consideration of the Vermilion Parish Police Jury's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Vermilion Parish Police Jury's internal control over financial reporting and compliance.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Abbeville, Louisiana
June 5, 2018

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)**

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VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Statement of Net Position
December 31, 2017

	Primary Government	Component Units	
	Governmental Activities	Criminal Court Fund	Tourist Commission
ASSETS			
Cash and interest-bearing deposits	\$ 54,700,956	\$ 31,899	\$ 345,827
Receivables, net	6,373,345	-	9,268
Due from component unit	630	-	-
Due from other governmental units	1,111,737	28,084	-
Prepaid expenses	46,457	-	-
Capital assets:			
Non-depreciable	7,740,603	-	-
Depreciable, net	76,037,439	-	-
Total assets	146,011,167	59,983	355,095
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources - pensions	2,288,603	7,378	18,788
LIABILITIES			
Accounts and other payables	1,587,676	3,961	3,637
Contracts payable	1,041,980	-	-
Retainage payable	305,079	-	-
Due to primary government	-	630	-
Accrued interest payable	11,365	-	-
Long-term liabilities:			
Other post employment benefits payable	2,899,486	-	-
Net pension liability	1,890,600	5,656	14,585
Due within one year	415,000	-	-
Due in more than one year	3,138,769	-	-
Total liabilities	11,289,955	10,247	18,222
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources - pensions	353,645	1,020	2,552
Deferred revenues	526,021	-	-
Total deferred inflows of resources	879,666	1,020	2,552
NET POSITION			
Net investment in capital assets	82,928,042	-	-
Restricted for:			
Debt service	670,059	-	-
Tax dedications	37,966,708	-	-
Unrestricted	14,565,340	56,094	353,109
Total net position	\$ 136,130,149	\$ 56,094	\$ 353,109

The accompanying notes are an integral part of the basic financial statements.

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Statement of Activities
For the Year Ended December 31, 2017

Activities	Expenses	Program Revenues			Net (Expense) Revenues and Changes in Net Position		
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Governmental Activities	Component Units Criminal Court Fund Tourist Commission	
Primary government:							
Governmental activities:							
General government	\$ 4,652,056	\$ 1,058	\$ 242,773	\$ -	\$ (4,408,225)	\$ -	\$ -
Public works	9,992,080	-	961,716	4,086,128	(4,944,236)	-	-
Public safety	4,076,011	870,358	-	-	(3,205,653)	-	-
Sanitation and waste disposal	6,751,112	821,002	-	-	(5,930,110)	-	-
Health and welfare	1,797,952	44,534	-	-	(1,753,418)	-	-
Economic development	144,244	-	-	-	(144,244)	-	-
Culture and recreation	89,108	-	-	-	(89,108)	-	-
Interest on long-term debt	38,059	-	-	-	(38,059)	-	-
Total governmental activities	<u>\$ 27,540,622</u>	<u>\$ 1,736,952</u>	<u>\$ 1,204,489</u>	<u>\$ 4,086,128</u>	<u>\$ (20,513,053)</u>	<u>\$ -</u>	<u>\$ -</u>
Component units:							
Criminal Court Fund	\$ 566,283	\$ 329,621	\$ 250,958	\$ -	\$ -	\$ 14,296	\$ -
Tourist Commission	138,291	-	250,000	-	-	-	111,709
Total component units	<u>\$ 704,574</u>	<u>\$ 329,621</u>	<u>\$ 500,958</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,296</u>	<u>\$ 111,709</u>

(continued)

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Statement of Activities (Continued)
For the Year Ended December 31, 2017

General revenues:			
Taxes -			
Property taxes, levied for general purposes	4,942,466	-	-
Property taxes, levied for debt service	150,066	-	-
Sales and use taxes, levied for general purposes	10,860,354	-	51,938
Severance tax	1,007,713	-	-
Franchise tax	142,683	-	-
Beer taxes	6,859	-	-
Grants and contributions not restricted to specific programs -			
State revenue sharing	372,482	-	-
Fire insurance rebate	261,735	-	-
Occupational licenses and other permits	522,648	-	-
Nonemployer pension contributions	91,117	203	523
Interest income	672,923	1,558	293
Miscellaneous	244,373	-	453
Gain on sale of capital assets	56,612	-	-
Appropriation of capital expenditures to other governmental entities	<u>(3,350,026)</u>	<u>-</u>	<u>-</u>
Total general revenues and transfers	<u>15,982,005</u>	<u>1,761</u>	<u>53,207</u>
Change in net position	(4,531,048)	16,057	164,916
Net position, beginning (restated)	<u>140,661,197</u>	<u>40,037</u>	<u>188,193</u>
Net position, ending	<u>\$ 136,130,149</u>	<u>\$ 56,094</u>	<u>\$ 353,109</u>

The accompanying notes are an integral part of the basic financial statements.

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FUND FINANCIAL STATEMENTS (FFS)

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Balance Sheet
Governmental Funds
December 31, 2017

	General	1976 Sales Tax Fund	1978 Sales Tax Fund	1994 Sales Tax Fund
ASSETS				
Cash and interest-bearing deposits	\$ 1,460,102	\$ 9,757,487	\$ 13,256,820	\$ 13,460,128
Accounts receivable	-	-	-	38,122
Ad valorem tax receivable, net	909,986	621,644	621,644	621,644
Accrued interest receivable	-	20,155	56,057	41,901
Due from other funds	260,788	974	160,966	-
Due from component unit	111	-	-	-
Due from other governmental units	108,405	-	-	-
Other receivables	51,711	-	-	-
Prepaid expenses	-	1,345	-	5,516
Total assets	\$ 2,791,103	\$ 10,401,605	\$ 14,095,487	\$ 14,167,311
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 111,852	\$ 76,888	\$ 17,610	\$ 423,693
Contracts payable	-	-	45,323	-
Retainage payable	-	-	21,359	-
Accrued liabilities	11,098	2,551	2,483	21,057
Due to other funds	121,369	4,473	1,200	67,787
Other liabilities	273,162	-	-	-
Total liabilities	517,481	83,912	87,975	512,537
Deferred inflows of resources:				
Deferred revenues	179,187	-	-	13,271
Fund balances -				
Nonspendable	-	1,345	-	5,516
Restricted	-	10,316,348	14,007,512	13,635,987
Assigned	81,265	-	-	-
Unassigned	2,013,170	-	-	-
Total fund balances	2,094,435	10,317,693	14,007,512	13,641,503
Total liabilities, deferred inflows of resources, and fund balances	\$ 2,791,103	\$ 10,401,605	\$ 14,095,487	\$ 14,167,311

The accompanying notes are an integral part of the basic financial statements.

Royalty Road Fund	Parishwide Public Improvement Maintenance Fund	Project Account Fund	Other Governmental Funds	Total (Memorandum Only)
\$ 7,789,986	\$ 532,994	\$ 52,369	\$ 8,391,070	\$ 54,700,956
-	-	-	113,031	151,153
-	816,926	-	2,416,644	6,008,488
36,712	-	-	1,149	155,974
84,830	58,761	-	1,044	567,363
519	-	-	-	630
191,233	148,706	488,947	174,446	1,111,737
-	6,019	-	-	57,730
24,029	15,065	-	502	46,457
<u>\$ 8,127,309</u>	<u>\$ 1,578,471</u>	<u>\$ 541,316</u>	<u>\$ 11,097,886</u>	<u>\$ 62,800,488</u>
\$ 71,031	\$ 67,624	\$ 125,690	\$ 341,766	\$ 1,236,154
-	663,294	290,137	43,226	1,041,980
-	179,458	85,439	18,823	305,079
-	2,704	-	38,467	78,360
-	44,609	326,405	1,520	567,363
-	-	-	-	273,162
<u>71,031</u>	<u>957,689</u>	<u>827,671</u>	<u>443,802</u>	<u>3,502,098</u>
-	58,003	39,502	236,058	526,021
24,029	15,065	-	502	46,457
8,032,249	547,714	-	10,417,524	56,957,334
-	-	-	-	81,265
-	-	(325,857)	-	1,687,313
<u>8,056,278</u>	<u>562,779</u>	<u>(325,857)</u>	<u>10,418,026</u>	<u>58,772,369</u>
<u>\$ 8,127,309</u>	<u>\$ 1,578,471</u>	<u>\$ 541,316</u>	<u>\$ 11,097,886</u>	<u>\$ 62,800,488</u>

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VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
December 31, 2017

Total fund balances for governmental funds		\$ 58,772,369
Capital assets, net		83,778,042
Long-term liabilities:		
Bonds payable	\$ (850,000)	
Landfill postclosure cost	(2,703,769)	
Net OPEB obligation payable	(2,899,486)	
Net pension liability	(1,890,600)	
Accrued interest payable	<u>(11,365)</u>	(8,355,220)
Deferred outflows of resources related to net pension liability		2,288,603
Deferred inflows of resources related to net pension liability		<u>(353,645)</u>
Net position		<u>\$ 136,130,149</u>

The accompanying notes are an integral part of the basic financial statements.

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balances-
Governmental Funds

For the Year Ended December 31, 2017

	General	1976 Sales Tax Fund	1978 Sales Tax Fund	1994 Sales Tax Fund
Revenues:				
Taxes -				
Ad valorem	\$ 1,120,244	\$ -	\$ -	\$ -
Sales and use	-	3,620,118	3,620,118	3,620,118
Licenses and permits	500,548	-	-	22,100
Intergovernmental revenues -				
Federal grants	262,188	-	-	365,634
State funds -				
State revenue sharing	120,182	-	-	-
Other	1,609,235	-	-	-
Local funds	-	-	-	-
Fees, charges and commissions	358,175	-	-	821,002
Interest income	11,085	110,722	175,519	163,872
Miscellaneous	213,724	13,835	218	2,066
Total revenues	4,195,381	3,744,675	3,795,855	4,994,792
Expenditures:				
Current -				
General government:				
Legislative	331,481	-	-	-
Judicial	1,831,261	-	-	-
Elections	96,890	-	-	-
Finance and administration	710,277	56,759	56,820	56,227
Other	593,345	-	-	-
Public works	128,057	249,015	-	-
Public safety	1,331,093	484,750	519,407	-
Sanitation, sewerage, and waste disposal	-	-	-	6,101,197
Health and welfare	137,348	857,341	-	-
Economic development and assistance	140,036	-	-	-
Culture and recreation	321	-	83,104	-
Capital outlay	-	339,155	598,654	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	5,300,109	1,987,020	1,257,985	6,157,424
Excess (deficiency) of revenues over expenditures	(1,104,728)	1,757,655	2,537,870	(1,162,632)
Other financing sources (uses):				
Proceeds from sale of assets	500	20,618	18	24,543
Transfers in	1,301,917	-	1,200,000	1,200,000
Transfers out	(165,848)	(1,200,000)	(2,200,000)	(800,000)
Total other financing sources (uses)	1,136,569	(1,179,382)	(999,982)	424,543
Net change in fund balances	31,841	578,273	1,537,888	(738,089)
Fund balance, beginning	2,062,594	9,739,420	12,469,624	14,379,592
Fund balances, ending	\$ 2,094,435	\$ 10,317,693	\$ 14,007,512	\$ 13,641,503

The accompanying notes are an integral part of the basic financial statements.

Royalty Road Fund	Parishwide Public Improvement Maintenance Fund	Project Account Fund	Other Governmental Funds	Total (Memorandum Only)
\$ -	\$ 1,021,177	\$ -	\$ 2,951,111	\$ 5,092,532
-	-	-	-	10,860,354
-	-	-	-	522,648
-	223,788	2,645,136	538,942	4,035,688
-	89,234	-	163,066	372,482
364,797	557,205	-	-	2,531,237
-	-	-	-	-
-	-	-	914,892	2,094,069
109,598	7,128	-	94,999	672,923
-	8,300	-	6,230	244,373
<u>474,395</u>	<u>1,906,832</u>	<u>2,645,136</u>	<u>4,669,240</u>	<u>26,426,306</u>
-	-	-	-	331,481
-	-	-	-	1,831,261
-	-	-	-	96,890
240,197	89,851	-	251,318	1,461,449
-	-	-	-	593,345
11,131	4,184,737	329,238	1,154,607	6,056,785
-	-	-	907,622	3,242,872
-	-	-	-	6,101,197
-	-	-	687,257	1,681,946
-	-	-	-	140,036
-	-	-	-	83,425
144,470	2,992,981	2,542,149	428,925	7,046,334
-	-	-	405,000	405,000
-	-	-	48,509	48,509
<u>395,798</u>	<u>7,267,569</u>	<u>2,871,387</u>	<u>3,883,238</u>	<u>29,120,530</u>
<u>78,597</u>	<u>(5,360,737)</u>	<u>(226,251)</u>	<u>786,002</u>	<u>(2,694,224)</u>
-	10,933	-	-	56,612
219,161	4,142,392	-	171,173	8,234,643
<u>(2,000,000)</u>	<u>(5,325)</u>	<u>(1,917)</u>	<u>(1,861,553)</u>	<u>(8,234,643)</u>
<u>(1,780,839)</u>	<u>4,148,000</u>	<u>(1,917)</u>	<u>(1,690,380)</u>	<u>56,612</u>
(1,702,242)	(1,212,737)	(228,168)	(904,378)	(2,637,612)
<u>9,758,520</u>	<u>1,775,516</u>	<u>(97,689)</u>	<u>11,322,404</u>	<u>61,409,981</u>
<u>\$ 8,056,278</u>	<u>\$ 562,779</u>	<u>\$ (325,857)</u>	<u>\$ 10,418,026</u>	<u>\$ 58,772,369</u>

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

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

Net changes in fund balances per Statement of Revenues, Expenditures and Changes in Fund Balances		\$ (2,637,612)
Capital assets:		
Capital outlay	7,046,334	
Depreciation expense	<u>(4,968,735)</u>	2,077,599
Transactions involving capital assets:		
Proceeds on disposal of assets	(56,612)	
Gain on disposal	56,612	
Appropriation to other government entities	<u>(3,350,026)</u>	(3,350,026)
Long-term debt:		
Principal payments	405,000	
Increase in net OPEB obligation	<u>(500,883)</u>	(95,883)
Increase in landfill postclosure costs		(210,865)
Decrease in accrued interest payable		5,415
Effect of the change in net pension liability, deferred outflows/inflows of resources:		
Change in pension expense	(410,793)	
Nonemployer pension contribution revenue recognized	<u>91,117</u>	<u>(319,676)</u>
Changes in net position per Statement of Activities		<u>\$ (4,531,048)</u>

The accompanying notes are an integral part of the basic financial statements.

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies

The accompanying financial statements of the Vermilion Parish Police Jury (Police Jury) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

The land area of Vermilion Parish is 1173.9 square miles and has a population of 57,999 people. The Police Jury currently employs approximately 244 people.

Louisiana Revised Statute 33:1236 gives the Police Jury various powers in regulating and directing the affairs of the parish and its inhabitants. The more notable of those are the power to make regulations for its own government; to regulate the construction and maintenance of roads, bridges, and drainage systems; to regulate the sale of alcoholic beverages; and to provide for the health and welfare of the poor, disadvantaged and unemployed in the parish. Funding to accomplish these tasks is provided by ad valorem taxes, sales and use tax, beer and alcoholic beverage permits, occupational license, state revenue sharing and various other state and federal grants.

A. Financial Reporting Entity

The financial reporting entity should consist of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statement to be misleading or incomplete. These financial statements include the primary government and two component units as follows:

Primary government:

Vermilion Parish Police Jury is the governing authority for Vermilion Parish and is a political subdivision of the State of Louisiana. The Police Jury is governed by 14 jurors representing the various districts within the parish. The jurors serve four-year terms that expire when the first meeting is held in January of 2020.

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Notes to Basic Financial Statements

Individual component units:

Blended component unit -

Communication District – The voters of Vermilion Parish approved the establishment of a 911 Communication District in 1993. The District is funded primarily by fees added to customers' telephone bills. The Police Jury is currently the commissioner of the District. Although it is legally separate from the Police Jury, the District is reported as if it were part of the primary government because its governing body is the same as the governing body of the Police Jury.

Discretely presented component units -

The component unit column in the combined financial statements includes the financial data of some of the Police Jury's component units. They are reported in a separate column to emphasize that they are legally separate from the Police Jury. Other political subdivisions, as detailed below, which would be required to be included, based on current standards, issue separate financial statements, which have not been included in these financial statements, and can be obtained from the individual entities. Those entities are as follows:

Consolidated Gravity Drainage District No. 1
Consolidated Gravity Drainage District No. 2-A
Coulee Baton Gravity Drainage District No. 1
Coulee Des Jonc Gravity Drainage District
Coulee Kinney Gravity Drainage District
Gravity Drainage District No. 2
Gueydan Sub-Drainage District No. 5
Isle Maronne Gravity Drainage District No. 1
Prairie Gregg Gravity Drainage District No. 2
Seventh Ward Gravity Drainage District No. 2
Waterworks District No. 1
Pecan Island Waterworks District No. 3
Parish Library
Fire Protection District No. 7
Hospital Service District No. 1
Hospital Service District No. 2
Hospital Service District No. 3
Southeast Waterworks District No. 2
Pecan Island Fire District No. 16
Vermilion Economic Development District

The component unit column in the Statement of Net Position and Statement of Activities includes the financial data of two of the Police Jury's component units. The component units are reported in a separate column to emphasize that it is legally separate from the Police Jury and is described below:

- Fifteenth Judicial District Criminal Court - The Criminal Court Fund accounts for the operations of the district court. Funding is provided by fines, forfeits and transfers

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Notes to Basic Financial Statements

from the Police Jury. Due to the nature and significance of the relationship between the district court and the Police Jury, the court is considered a component unit.

-Vermilion Parish Tourist Commission - The Vermilion Parish Tourist Commission was established in 1992 to encourage the development of tourism in Vermilion Parish. There are presently nine commission members who are all appointed by the Police Jury. The primary source of revenue is a 5% hotel/motel tax levied upon the occupancy of hotel and motel rooms and overnight camping facilities.

Other political subdivisions, which would be required to be included, based on current standards, issue separate financial statements, which have not been included in these financial statements. The exclusion of these component units is a departure from generally accepted accounting principles.

In addition, numerous other authorities and governmental entities established within Vermilion Parish have been excluded because control and/or financial responsibility by the Police Jury is considered remote or due to the fact that such entities are governed by separately elected governmental officials. In particular, the three hospital districts in the Parish are considered fiscally independent special purpose governments as they meet the requirements specified in Governmental Accounting Standard Board Standards. Those requirements are that they have the authority to (1) determine their budget without the Police Jury being able to approve or modify it; (2) levy taxes or set rates or charges without approval by the Police Jury; and (3) issue bonded debt without the approval of the Police Jury, other than ministerial or compliance approval.

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The statement of net position and statement of activities display information about the reporting government as a whole. These statements include all the financial activities of the reporting entity. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The Police Jury has no business-type activities. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Police Jury's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Notes to Basic Financial Statements

Fund Financial Statements

The accounts of the Police Jury are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The Police Jury's various funds are classified as governmental funds. The emphasis on fund financial statements is on major governmental funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the Police Jury or meets the following criteria:

- a. Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The major funds of the Police Jury are described below:

Governmental Funds -

General Fund -

The General Fund is the general operating fund of the Police Jury. It is used to account for all financial resources except those required to be accounted for in another fund.

1976 Sales Tax Fund -

The 1976 Sales Tax Fund is used to account for funds derived from a 1976 special one-half cent sales and use tax dedicated for the maintenance of solid waste disposal, fire protection, mosquito control and public works facilities.

1978 Sales Tax Fund -

The 1978 Sales Tax Fund is used to account for funds derived from a 1978 special one-half cent sales and use tax dedicated for the maintenance of law enforcement facilities, health unit facilities, cooperative extension service facilities, other public buildings and public roads.

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Notes to Basic Financial Statements

1994 Sales Tax Fund -

The 1994 Sales Tax Fund is used to account for funds derived from a 1994 special one-half cent sales and use tax dedicated for the construction, acquisition, improvements, maintenance and operation of solid waste collection and disposal facilities.

Royalty Road Fund -

Royalty Road Fund is used to account for funds received from the State of Louisiana Royalty Road Fund. These funds are derived from one-tenth of the royalties from mineral leases on state owned lands where production occurred. Expenditures may be made for any lawful purpose.

Parish-wide Public Improvement Maintenance Fund -

The Parish-wide Public Improvement Maintenance Fund is used to account for expenditures in connection with maintenance and upkeep of parish roads, bridges, and ferries. Major means of financing is provided by ad valorem taxes, state revenue sharing, the State of Louisiana Parish Transportation fund and transfers from other revenue sources of the Police Jury.

Project Account Fund -

The Project Account Fund is used to account for costs associated with protecting Vermilion Parish citizens from the impact of coastal hazards associated with natural disasters. These costs are being paid through a Hazard Mitigation grant.

C. Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide statement of net position and the statement of activities, governmental activities are presented using the economic resources measurement focus as defined in item b. below. In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate:

- a. All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Notes to Basic Financial Statements

their measure of available spendable financial resources at the end of the period.

- b. The government-wide financial statement utilizes an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets, deferred outflows, liabilities, and deferred inflows (whether current or noncurrent) associated with their activities are reported. Government-wide fund equity is classified as net position.

Basis of Accounting

In the government-wide statement of net position and statement of activities, governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

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

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

Program revenues

Program revenues included in the Statement of Activities are derived directly from the program itself or from parties outside the Police Jury’s taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the Police Jury’s general revenues.

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Notes to Basic Financial Statements

Allocation of indirect expenses

The Police Jury reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions, but are reported separately in the Statement of Activities. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Revenues

Federal and state entitlements (unrestricted grants-in-aid, which include state revenue sharing) are recorded when available and measurable. Expenditure-driven federal and state grants, which are restricted as to the purpose of the expenditure, are recorded when the reimbursable expenditures have been incurred.

Ad valorem taxes are recorded in the year taxes are due and payable. Ad valorem taxes are assessed in November, by the Parish Assessor, based on the assessed value and become due on November 15 of each year. The taxes are collected by the Sheriff and are remitted to the Police Jury net of deductions for Pension Fund contributions. The taxes become delinquent on January 1, when an enforceable lien attaches to the property. The taxes are generally collected in December, January, and February of the fiscal year. Property tax revenues are accrued at fiscal year-end to the extent that they have been collected but not received by the Vermilion Parish Tax Collector's Office. Such amounts are measurable and available to finance current operations. Any taxes collected after February are recorded as deferred revenue.

Interest income on interest-bearing deposits is recorded or accrued as revenues when earned. Substantially all other revenues are recorded when received.

Expenditures

The Police Jury's primary expenditures include salaries and insurance, which are recorded when the liability is incurred. Capital expenditures and purchases of various operating supplies are regarded as expenditures at the time purchased.

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses) when the transfer is authorized by the members of the Police Jury.

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Notes to Basic Financial Statements

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Equity

Cash and interest-bearing deposits

For purposes of the statement of net position, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the Police Jury.

Under state law, the Police Jury may invest in United States bonds, treasury notes, or certificates.

Interfund receivables and payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as “due to and from other funds.” Short-term interfund loans are reported as “interfund receivables and payables.”

Long-term interfund loans (noncurrent portion) are reported as “advances from and to other funds.” Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net position.

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include ad valorem and sales and use taxes.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Police Jury maintains a threshold level of \$5,000 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Prior to January 1, 2003, governmental funds' infrastructure assets were not capitalized. These assets have been valued at estimated historical cost.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Notes to Basic Financial Statements

Buildings and building improvements	40 years
Furniture and equipment	5 years
Infrastructure	40-50 years

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

Long-term debt

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental resources is reported as liabilities in the government-wide statements. The long-term debt consists primarily of the bonds payable and certificates of indebtedness.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures.

Compensated Absences

Employees of the Police Jury earn from one to four weeks of vacation leave each year, depending on length of service. Vacation leave cannot accumulate and carryover, unless the employee has been denied all or part of his earned vacation leave due to an emergency. In this case, the employee can request in writing to the Parish Administrator to carry over his remaining vacation leave and if approved, the employee must take his carried over vacation leave within 45 days. Upon termination, employees are paid for any unused vacation leave accrued during the year.

Employees of the Police Jury accrue one day of sick leave each month. A total of 148 days can be accumulated. Upon termination, employees are paid for any unused sick leave. However, if an employee leaves under their own free will, all accumulated sick leave lapses.

Due to uncertainty of actual amounts which will be paid for vacation and sick leave, no accruals have been made at December 31, 2017 for such absences.

Deferred Outflows of Resources and Deferred Inflows of Resources

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

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Notes to Basic Financial Statements

In addition to liabilities, the statement of net position and or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Vermilion Parish Police Jury has two types of items that qualify for reporting in this category. The amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The governmental funds report deferred revenues from the following sources:

	Ad valorem Taxes	Rent	Grants	Accounts Receivable	Total
General Fund	\$ 85,437	\$ 93,750	\$ -	\$ -	\$ 179,187
1994 Sales Tax	-	-	-	13,271	13,271
Parishwide Public Improvement Maintenance	58,003	-	-	-	58,003
Project Account	-	-	39,502	-	39,502
Other governmental funds	236,058	-	-	-	236,058
Totals	<u>\$ 379,498</u>	<u>\$ 93,750</u>	<u>\$ 39,502</u>	<u>\$ 13,271</u>	<u>\$ 526,021</u>

Equity Classifications

In the government-wide statements, equity is classified as net position and displayed in three components:

- a. 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.
- b. Restricted net position – Consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Constraints may be 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 legislation.
- c. Unrestricted net position – Net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in either of the other two categories of net position.

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Notes to Basic Financial Statements

In the fund statements, fund balances are classified as follows in the governmental fund financial statements.

Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed – amounts that can be used only for specific purposes determined by a formal action of the Police Jurors. The Jurors are the highest level of decision-making authority for the Vermilion Parish Police Jury. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by board members.

Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the Police Jury's adopted policy, only jurors or the Police Jury's finance committee may assign amounts for specific purposes.

Unassigned – all other spendable amounts.

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Notes to Basic Financial Statements

As of December 31, 2017, fund balances are composed of the following:

	<u>Nonspendable</u>	<u>Restricted</u>	<u>Assigned</u>	<u>Unassigned</u>	<u>Total</u>
General					
15th Judicial District	\$ -	\$ -	\$ 81,265	\$ -	\$ 81,265
Other	-	-	-	2,013,170	2,013,170
1976 Sales Tax Fund					
Prepaid items	1,345	-	-	-	1,345
Public Works	-	10,316,348	-	-	10,316,348
1978 Sales Tax Fund					
Public Works	-	14,007,512	-	-	14,007,512
1994 Sales Tax Fund					
Prepaid items	5,516	-	-	-	5,516
Solid Waste - Collection and Disposal	-	13,635,987	-	-	13,635,987
Royalty Road					
Prepaid items	24,029	-	-	-	24,029
Other	-	8,032,249	-	-	8,032,249
Parishwide					
Prepaid items	15,065	-	-	-	15,065
Public Improvement Maintenance	-	547,714	-	-	547,714
Project Account					
Hazard Mitigation	-	-	-	(325,857)	(325,857)
Other governmental funds	502	10,417,524	-	-	10,418,026
Totals	<u>\$ 46,457</u>	<u>\$ 56,957,334</u>	<u>\$ 81,265</u>	<u>\$ 1,687,313</u>	<u>\$ 58,772,369</u>

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Police Jury considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Police Jury considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the jurors or the finance committee has provided otherwise in its commitment or assignment actions.

E. Revenue Restrictions

The Police Jury has various restrictions placed over certain revenue sources from state or local requirements. The primary restricted revenue sources include:

<u>Revenue Source</u>	<u>Legal Restrictions of Use</u>
Ad valorem taxes	See Note 2
Sales taxes	See Note 3

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Notes to Basic Financial Statements

The Police Jury uses unrestricted resources only when restricted resources are fully depleted.

F. Capitalization of Interest Expense

It is the policy of the Police Jury to capitalize material amounts of interest resulting from borrowings in the course of the construction of capital assets. At December 31, 2017, there were no borrowings for assets under construction and no capitalized interest expense was recorded on the books.

G. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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.

(2) Ad Valorem Taxes

For the year ended December 31, 2017, taxes of 78.39 mills were levied on property with assessed valuations and were dedicated as follows:

Parish wide taxes:

Parish tax (except Abbeville and Kaplan)	4.05	mills
Parish tax (Abbeville and Kaplan)	2.02	mills
Parishwide public improvement	3.26	mills
Health unit	2.56	mills
Library Bonds	0.50	mills

District taxes:

Road District No. 1 - Maintenance	5.72	mills
Sub Road District No. 1 of 2 - Maintenance	5.06	mills
Sub Road District No. 2 of 2 - Maintenance	6.50	mills
Sub Road District No. 3 of 2 - Maintenance	5.00	mills
Sub Road District No. 4 of 2 - Maintenance	8.61	mills
Sub Road District No. 5 of 2 - Maintenance	6.00	mills
Road District No. 3 - Maintenance	6.10	mills
Road District No. 4-A - Maintenance	6.93	mills
Road District No. 6	6.27	mills
Road District No. 7	8.62	mills
Ward 8 Cemetery	<u>1.19</u>	mills
Total	<u>78.39</u>	mills

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Notes to Basic Financial Statements

(3) Sales and Use Tax

The Police Jury has levied three one-half cent sales and use taxes in the years 1976, 1978, and 1994. The taxes are collected by the Vermilion Parish School Board and are remitted to the Police Jury monthly, net of any collection expenses. The proceeds of these taxes, as well as other designated funds are dedicated as follows:

1976 one-half cent sales and use tax

Proceeds of this tax are dedicated for the purpose of constructing, acquiring, improving and/or maintaining garbage and waste disposal facilities; constructing, acquiring, improving and/or maintaining mosquito control and abatement facilities; and purchasing and acquiring the necessary land, equipment and furnishing for any of the aforesaid public works improvements and facilities; or for any one or more of said purposes.

1978 one-half cent sales and use tax

Proceeds of this tax are dedicated for the purpose of providing additional revenues for constructing, operating, improving and maintaining public buildings and structures, including, but not limited to, public buildings for the housing of the Parish jail and law enforcement facilities, health unit facilities, Cooperative Extension Service facilities; and constructing, improving and maintaining the road system of the Parish.

1994 one-half cent sales and use tax

Proceeds of this tax are dedicated for the purpose of supplementing other sales tax revenues being collected in the Parish; and constructing, acquiring, improving, maintaining and operating solid waste collection and disposal facilities in the Parish, including the cost of a recycling program.

(4) Cash and Interest-Bearing Deposits

Under state law, the Police Jury may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Police Jury may invest in certificates and time deposits of the state banks organized under Louisiana law and national banks having principal offices in Louisiana.

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Notes to Basic Financial Statements

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Police Jury's deposits may not be recovered or will not be able to recover the collateral securities that are in the possession of an outside party. 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 pledging financial institution. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the financial institution. These securities are held in the name of the pledging financial institution in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at December 31, 2017 were secured as follows:

Bank balances	<u>\$ 5,617,130</u>
Deposits are secured as follows:	
Federal deposit insurance	\$ 1,091,404
Uninsured and collateral held by the pledging bank, not in the Police Jury's name	<u>55,079,726</u>
 Total	 <u>\$ 56,171,130</u>

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Notes to Basic Financial Statements

(5) Receivables

Receivables at December 31, 2017 consist of the following:

Fund	Accounts Receivable	Ad Valorem Taxes, net	Sales Taxes	Interest Receivable	Other	Total
General	\$ -	\$ 909,986		\$ -	\$ 51,711	\$ 961,697
1976 Sales Tax Fund	-	-	621,644	20,155	-	641,799
1978 Sales Tax Fund	-	-	621,644	56,057	-	677,701
1994 Sales Tax Fund	38,122	-	621,644	41,901	-	701,667
Royalty Road Fund	-	-	-	36,712	-	36,712
Parishwide Public Improvement						
Maintenance Fund	-	816,926	-	-	6,019	822,945
Nonmajor Funds	113,031	2,416,644	-	1,149	-	2,530,824
Component units	-	-	9,168	-	100	9,268
Total	<u>\$ 151,153</u>	<u>\$ 4,143,556</u>	<u>\$ 1,874,100</u>	<u>\$ 155,974</u>	<u>\$ 57,830</u>	<u>\$ 6,382,613</u>

Ad valorem taxes receivables are reported net of uncollectible amounts. Total uncollectible amounts are as follows:

General	\$ 11,270
Parishwide Public Improvement Maintenance Fund	10,102
Nonmajor Funds	<u>29,757</u>
Total uncollectibles	<u>\$ 51,129</u>

VERMILION PARISH POLICE JURY
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Notes to Basic Financial Statements

(6) Capital Assets

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

	Balance 01/01/17	Additions	Deletions	Balance 12/31/17
Governmental activities:				
Capital assets not being depreciated:				
Police Jury:				
Land	\$ 2,327,396	\$ -	\$ -	\$ 2,327,396
Construction in progress	3,226,959	6,955,939	4,769,691	5,413,207
Total capital assets, not being depreciated	<u>5,554,355</u>	<u>6,955,939</u>	<u>4,769,691</u>	<u>7,740,603</u>
Capital assets being depreciated				
Police Jury:				
Building and improvements	24,800,267	-	-	24,800,267
Furniture and equipment	24,921,512	382,232	246,295	25,057,449
Infrastructure:				
Road surfaces	136,667,292	983,358	-	137,650,650
Bridges and drainage improvements	19,366,020	144,470	-	19,510,490
Total capital assets, being depreciated	<u>205,755,091</u>	<u>1,510,060</u>	<u>246,295</u>	<u>207,018,856</u>
Less accumulated depreciation				
Police Jury:				
Building and improvements	11,824,143	662,969	-	12,487,112
Furniture and equipment	18,854,565	1,280,144	246,295	19,888,414
Infrastructure:				
Road surfaces	90,161,595	2,518,447	-	92,680,042
Bridges and drainage improvements	5,418,674	507,175	-	5,925,849
Total accumulated depreciation	<u>126,258,977</u>	<u>4,968,735</u>	<u>246,295</u>	<u>130,981,417</u>
Total capital assets being depreciated, net	<u>79,496,114</u>	<u>(3,458,675)</u>	<u>-</u>	<u>76,037,439</u>
Governmental activities, capital assets, net	<u>\$ 85,050,469</u>	<u>\$ 3,497,264</u>	<u>\$ 4,769,691</u>	<u>\$ 83,778,042</u>

VERMILION PARISH POLICE JURY
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Depreciation expense was charged to governmental activities as follows:

General government	\$ 88,194
Public safety	732,960
Public works	3,807,579
Health and welfare	100,619
Sanitation, sewerage, and waste disposal	236,750
Culture and recreation	<u>2,633</u>
Total depreciation expense	<u>\$ 4,968,735</u>

(7) Accounts and Other Payables

The accounts, salaries, and other payables consisted of the following at December 31, 2017:

Fund	Accounts Payable	Salaries and Payroll Taxes Payable	Other Payables	Total
General	\$ 111,852	\$ 11,098	\$ 273,162	\$ 396,112
1976 Sales Tax Fund	76,888	2,551	-	79,439
1978 Sales Tax Fund	17,610	2,483	-	20,093
1994 Sales Tax Fund	423,693	21,057	-	444,750
Royalty Road Fund	71,031	-	-	71,031
Parishwide Public Improvement				
Maintenance Fund	67,624	2,704	-	70,328
Project Account Fund	125,690	-	-	125,690
Nonmajor Funds	341,766	20,144	18,323	380,233
Component units	<u>3,961</u>	<u>1,405</u>	<u>2,232</u>	<u>7,598</u>
Total	<u>\$ 1,240,115</u>	<u>\$ 61,442</u>	<u>\$ 293,717</u>	<u>\$ 1,595,274</u>

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(8) Long-Term Liabilities

The following is a summary of debt transactions of the Police Jury for the year ended December 31, 2017:

	Restated Balance 01/01/17	Additions	Deletions	Balance 12/31/17	Due Within One Year
General Obligation Bonds	\$ 1,255,000	\$ -	\$ 405,000	\$ 850,000	\$ 415,000

Long-term debt payable at December 31, 2017 is composed of the following:

General Obligation

\$3,810,000 General Obligation Refunding Bonds, Series 2005, dated April 1, 2005, for the purpose of purchasing U.S. Government Securities to defease the Parish's outstanding General Obligation Bonds, Series 1999 dated December 1, 1999. The principal is due in annual installments of \$20,000 to \$435,000 through March 1, 2019 at interest rates of 3.00% to 4.00%.

\$ 850,000

The bonds and certificates are due as follows:

Year Ending December 31,	Governmental Activities		Total
	Principal payments	Interest payments	
2018	\$ 415,000	\$ 25,700	\$ 440,700
2019	435,000	8,700	443,700
Totals	<u>\$ 850,000</u>	<u>\$ 34,400</u>	<u>\$ 884,400</u>

(9) Outstanding Letter of Credit

At December 31, 2017, the Police Jury had a \$3,100,000 outstanding letter of credit secured by a \$3,100,000 certificate of deposit to cover closure and post closure care costs and a \$1,000,000 outstanding letter of credit secured by a \$1,000,000 certificate of deposit to cover liability insurance related to the landfill as required by the Department of Environmental Quality.

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Notes to Basic Financial Statements

(10) Leases

Operating leases -

As a lessee, the Police Jury entered into numerous operating leases for the use of equipment with lease terms of one year. The minimum annual commitments under these operating leases are considered to be immaterial. In January 2012, the Vermilion Parish Communication District entered into a lease for the use of public safety answering position equipment and software with AT&T Louisiana for an initial term of sixty (60) months and a monthly payment of \$3,990. In March 2014 and July 2014, the Police Jury entered into three leases for the use of two excavators and a motor grader for initial terms of three and four years. In February 2015, the Police Jury entered into a lease for the use of a Crawler Dozer for a term of thirty-six months. In January 2016, the Police Jury entered into a lease for the use of an Excavator for a term of thirty-six months. In addition, in December of 2016 and March of 2017, the Police Jury entered into a lease for a TAG 48" bucket and a dump truck for a term of three and four years, respectively. Rent expense as of December 31, 2017 was \$253,252. The future minimum rental for these agreements are as follows:

2018	\$ 135,342
2019	99,190
2020	<u>70,854</u>
Total	<u>\$ 305,386</u>

(11) Employee Retirement

The Police Jury participates in four cost-sharing multiple-employer, public employee retirement systems (PERS): Parochial Employees' Retirement System of Louisiana (Plan A), Louisiana State Employees' Retirement System, District Attorneys' Retirement System and Registrar of Voters Employees' Retirement System. Each system is administered and controlled by a separate board of trustees.

Substantially all Police Jury employees are covered under the Parochial Employees' Retirement System of Louisiana except judges, district attorneys, and registrar of voters, who are covered under the Louisiana State Employees' Retirement System, District Attorneys' Retirement System and Registrar of Voters Employees' Retirement System, respectively. Details concerning these plans follow:

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A. Parochial Employees' Retirement System of Louisiana

Plan Description: The Parochial Employees' Retirement System of Louisiana (the System) is a cost-sharing multiple-employer defined benefit pension plan established by Act 205 of the 1952 regular session of the Legislature of the State of Louisiana to provide benefits to all employees of any parish in the State of Louisiana or any governing body or a parish which employs and pays persons serving the parish. The Retirement System is governed by Louisiana Revised Statutes, Title 11, Section 1901 through 2025, specifically, and other general laws of the State of Louisiana.

The System provides retirement benefits to employees of taxing districts of a parish or any branch or section of a parish within the State which does not have their own retirement system and which elects to become members of the System.

Act 765 of the year 1979, established by the Legislature of the State of Louisiana, revised the System to create Plan A and Plan B to replace the "regular plan" and the "supplemental plan". Plan A was designated for employers out of Social Security. Plan B was designated for those employers that remained in Social Security on the revision date. Employees of the Police Jury are members of Plan A.

The Parochial Employees' Retirement System of Louisiana has issued a stand-alone report on their financial statements. Access to the report can be found on the Louisiana Legislative Auditor's website, www.la.gov.

Eligibility Requirements: All permanent parish government employees (except those employed by Orleans, Lafourche and East Baton Rouge Parishes) who work at least 28 hours a week shall become members on the date of employment. New employees meeting the age and Social Security criteria have up to 90 days from the date of hire to elect to participate.

As of January 1997, elected officials, except coroners, justices of the peace, and parish presidents may no longer join the System.

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

For employees hired prior to January 1, 2007:

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

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For employees hired after January 1, 2007:

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

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

Survivor Benefits: Upon the death of any member of Plan A with five (5) or more years of creditable service who is not eligible for retirement, the plan provides for benefits for the surviving spouse and minor children, as outlined in the statutes.

Any member of Plan A, who is eligible for normal retirement at time of death, the surviving spouse shall receive an automatic Option 2 benefit, as outlined in the statutes.

A surviving spouse who is not eligible for Social Security survivorship or retirement benefits, and married not less than twelve (12) months immediately preceding death of the member, shall be paid an Option 2 benefit beginning at age 50.

Deferred Retirement Option Plan: Act 338 of 1990 established the Deferred Retirement Option Plan (DROP) for the Retirement System. DROP is an option for that member who is eligible for normal retirement.

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

Upon termination of employment prior to or at the end of the specified period of participation, a participant in the DROP may receive, at his option, a lump sum from the account equal to the payments into the account, a true annuity based upon his account balance in that fund, or roll over the fund to an Individual Retirement Account.

Interest is accrued on the DROP benefits for the period between the end of DROP participation and the member's retirement date.

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

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returns and other rights of the Plan are the sole liability and responsibility of the participant and the designated provider to which contributions have been made.

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

Cost of Living Increases: The Board is authorized to provide a cost of living allowance for those retirees who retired prior to July 1973. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements. In addition, the Board may provide an additional cost of living increase to all retirees and beneficiaries who are over age sixty-five equal to 2% of the member's benefit paid on October 1, 1977, (or the member's retirement date, if later). Also, the Board may provide a cost of living increase up to 2.5% for retirees 62 and older. (RS 11:1937). Lastly, Act 270 of 2009 provided for further reduced actuarial payments to provide an annual 2.5% cost of living adjustment commencing at age 55.

Employer Contributions: According to state statute, contributions for all employers are actuarially determined each year. For the year ended December 31, 2016, the actuarially determined contribution rate was 10.52% of member's compensation for Plan A. However, the actual rate for the fiscal year ending December 31, 2016 was 13.00% for Plan A.

According to state statute, the System also receives $\frac{1}{4}$ of 1% of ad valorem taxes collected within the respective parishes, except for Orleans and East Baton Rouge parishes. The System also receives revenue sharing funds each year as appropriated by the Legislature. Tax monies and revenue sharing monies are apportioned between Plan A and Plan B in proportion to the member's compensation. These additional sources of income are used as additional employer contributions and are considered support from non-employer contributing entities.

Pension Liabilities, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At December 31, 2017, the Police Jury, Criminal Court, and Tourist Commission reported a liability of \$1,682,455, \$5,656, and \$14,585 for their proportionate share of the net pension liability, which was reported in the governmental activities and component units, respectively. 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 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, which includes the Criminal Court, was .819665% which was a decrease of .073348% from its proportion measured as of December 31, 2015. At December 31, 2016, the Tourist Commission's proportion was .007082% which was an increase of .000803% from its proportion measured as of December 31, 2015.

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For the year ended December 31, 2017, the Police Jury, Criminal Court, and Tourist Commission recognized pension expense of \$994,868, \$3,344, and \$8,753, respectively, plus/(less) employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions of \$2,330, \$9, and \$(6), respectively.

At December 31, 2017, the Police Jury and the discretely presented component units reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Governmental Activities	Deferred Outflows	Deferred Inflows
Difference between expected and actual experience		\$ -	\$ 294,414
Change of assumptions		319,423	-
Change in proportion and differences between the employer's contributions and the employer's proportionate share of contributions		(2,283)	9,086
Net differences between projected and actual earnings on plan investments		1,305,648	-
Contributions subsequent to the measurement date		571,799	-
Total		<u>\$ 2,194,587</u>	<u>\$ 303,500</u>

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	Component Units			
	Tourist Commission		Criminal Court	
	Deferred Outflows	Deferred Inflows	Deferred Outflows	Deferred Inflows
Difference between expected and actual experience	\$ -	\$ 2,552	\$ -	\$ 990
Change of assumptions	2,769		1,074	
Change in proportion and differences between the employer's contributions and the employer's proportionate share of contributions	138	-	(8)	31
Net differences between projected and actual earnings on plan investments	11,319	-	4,389	-
Contributions subsequent to the measurement date	4,562	-	1,923	-
Total	<u>\$ 18,788</u>	<u>\$ 2,552</u>	<u>\$ 7,378</u>	<u>\$ 1,020</u>

Deferred outflows of resources of \$571,799, \$4,562, and \$1,923 related to pensions resulting from the Police Jury's, Tourist Commission's, and Criminal Court's contributions subsequent to the measurement date, respectively, will be recognized as a reduction of the net pension liability in the year ended December 31, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 30:	Governmental Activities	Criminal Court	Tourist Commission
2018	\$ 492,354	\$ 1,655	\$ 4,371
2019	521,058	1,751	4,623
2020	341,150	1,147	2,986
2021	(35,274)	(118)	(306)
	<u>\$ 1,319,288</u>	<u>\$ 4,435</u>	<u>\$ 11,674</u>

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

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

Valuation Date	December 31, 2016
Actuarial Cost Method	Entry Age Normal

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Investment Rate of Return	7.00%, net of investment expense, including inflation
Expected Remaining Service Lives	4 years
Projected Salary Increases	Plan A – 5.25% (2.75% Merit/2.50% inflation)
Cost of Living Adjustment	The present value of future retirement benefits are based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increase not yet authorized by the Board of Trustees.
Mortality	RP-2000 Employee Sex Distinct table was selected for employees. RP-2000 Healthy Annuitant Sex Distinct Tables were selected for annuitants and beneficiaries. RP-2000 Disabled Lives Mortality Table was selected for disabled annuitants.

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

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

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

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Asset Class	Target Asset Allocation	Long-term Expected Portfolio 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%

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

Sensitivity to Changes in Discount Rate: The following presents the net pension liability of the participating employers calculated using the discount rate of 7.00%, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is one percentage point lower 6.00% or one percentage point higher 8.00% than the current rate.

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
Net Pension Liability (Asset):			
Police Jury (includes Criminal Court)	\$ 5,049,817	\$ 1,688,111	\$ (1,154,314)
Tourist Commission	\$ 43,631	\$ 14,585	\$ (9,973)

B. Louisiana State Employees' Retirement System

Plan description: Employees of the Police Jury are provided with pensions through a cost-sharing multiple-employer defined benefit pension plan administered by the Louisiana State Employees' Retirement System (LASERS). The plan was established by Section 401 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:401) to provide retirement allowances and other

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benefits to eligible state officers, employees, and their beneficiaries. LASERS issues a publicly available financial report that can be obtained at www.lasersonline.org.

Retirement Benefits: The age and years of creditable service required in order for a member to retire with full benefits are established by statute, and vary depending on the member's hire date, employer, and job classification. LASERS rank and file members hired prior to July 1, 2006, may either retire with full benefits at any age upon completing 30 years of creditable service or at age 60 upon completing ten years of creditable service depending on their plan. Those members hired between July 1, 2006 and June 30, 2015, may retire at age 60 upon completing five years of creditable service and those hired on or after July 1, 2015 may retire at age 62 upon completing five years of creditable service. The basic annual retirement benefit for members is equal to 2.5% to 3.5% of average compensation multiplied by the number of years of creditable service. Additionally, members may choose to retire with 20 years of service at any age with an actuarially reduced benefit.

Average compensation is defined as the member's average annual earned compensation for the highest 36 consecutive months of employment for members employed prior to July 1, 2006. For members hired July 1, 2006 or later, average compensation is based on the member's average annual earned compensation for the highest 60 consecutive months of employment. The maximum annual retirement benefit cannot exceed the lesser of 100% of average compensation or a certain specified dollar amount of actuarially determined monetary limits, which vary depending upon the member's age at retirement. Judges, court officers, and certain elected officials receive an additional annual retirement benefit equal to 1.0% of average compensation multiplied by the number of years of creditable service in their respective capacity. As an alternative to the basic retirement benefits, a member may elect to receive their retirement throughout their life, with certain benefits being paid to their designated beneficiary after their death.

Act 992 of the 2010 Louisiana Regular Legislative Session, changed the benefit structure for LASERS members hired on or after January 1, 2011. This resulted in three new plans: regular, hazardous duty, and judges. The new regular plan includes regular members and those members who were formerly eligible to participate in specialty plans, excluding hazardous duty and judges. Regular members and judges are eligible to retire at age 60 after five years of creditable service and, may also retire at any age, with a reduced benefit, after 20 years of creditable service. Hazardous duty members are eligible to retire with twelve years of creditable service at age 55, 25 years of creditable service at any age or with a reduced benefit after 20 years of creditable service. Average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment for all three new plans. Members in the regular plan will receive a 2.5% accrual rate, hazardous duty plan a 3.33% accrual rate, and judges a 3.5% accrual rate. The extra 1.0% accrual rate for each year of service for court officers, the governor, lieutenant governor, legislators, House clerk, sergeants at arms, or Senate secretary, employed after January 1, 2011, was eliminated by Act 992. Specialty plan and regular members, hired prior to January 1, 2011, who are hazardous duty employees have the option to transition to the new hazardous duty plan.

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Act 226 of the 2014 Louisiana Regular Legislative Session established new retirement eligibility for members of LASERS hired on or after July 1, 2015, excluding hazardous duty plan members. Regular members and judges under the new plan are eligible to retire at age 62 after five years of creditable service and, may also retire at any age, with a reduced benefit, after 20 years of creditable service. Average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment. Members in the regular plan will receive a 2.5% accrual rate, and judges a 3.5% accrual rate, with the extra 1.0% accrual rate based on all years of service as a judge.

A member leaving employment before attaining minimum retirement age, but after completing certain minimum service requirements, becomes eligible for a benefit provided the member lives to the minimum service retirement age, and does not withdraw their accumulated contributions. The minimum service requirement for benefits varies depending upon the member's employer and service classification.

Deferred Retirement Benefits: The State Legislature authorized LASERS to establish a Deferred Retirement Option Plan (DROP). When a member enters DROP, their status changes from active member to retiree even though they continue to work and draw their salary for a period of up to three years. The election is irrevocable once participation begins. During DROP participation, accumulated retirement benefits that would have been paid to each retiree are separately tracked. For members who entered DROP prior to January 1, 2004, interest at a rate of one-half percent less than the System's realized return on its portfolio (not to be less than zero) will be credited to the retiree after participation ends. At that time, the member must choose among available alternatives for the distribution of benefits that have accumulated in the DROP account. Members who enter DROP on or after January 1, 2004, are required to participate in LASERS Self-Directed Plan (SDP) which is administered by a third-party provider. The SDP allows DROP participants to choose from a menu of investment options for the allocation of their DROP balances. Participants may diversify their investments by choosing from an approved list of mutual funds with different holdings, management styles, and risk factors.

Members eligible to retire and who do not choose to participate in DROP may elect to receive at the time of retirement an initial benefit option (IBO) in an amount up to 36 months of benefits, with an actuarial reduction of their future benefits. For members who selected the IBO option prior to January 1, 2004, such amount may be withdrawn or remain in the IBO account earning interest at a rate of one-half percent less than the System's realized return on its portfolio (not to be less than zero). Those members who select the IBO on or after January 1, 2004, are required to enter the SDP as described above.

Disability Benefits: Generally, active members with ten or more years of credited service who become disabled may receive a maximum disability retirement benefit equivalent to the regular retirement formula without reduction by reason of age.

Upon reaching age 60, the disability retiree may receive a regular retirement benefit by making application to the Board of Trustees.

For injuries sustained in the line of duty, hazardous duty personnel in the Hazardous Duty Services Plan will receive a disability benefit equal to 75% of final average compensation.

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Survivor's Benefits: Certain eligible surviving dependents receive benefits based on the deceased member's compensation and their relationship to the deceased. The deceased regular member hired before January 1, 2011 who was in state service at the time of death must have a minimum of five years of service credit, at least two of which were earned immediately prior to death, or who had a minimum of twenty years of service credit regardless of when earned in order for a benefit to be paid to a minor or handicapped child. Benefits are payable to an unmarried child until age 18, or age 23 if the child remains a full-time student. The aforementioned minimum service credit requirement is ten years for a surviving spouse with no minor children, and benefits are to be paid for life to the spouse or qualified handicapped child.

The deceased regular member hired on or after January 1, 2011, must have a minimum of five years of service credit regardless of when earned in order for a benefit to be paid to a minor child. The aforementioned minimum service credit requirements for a surviving spouse are 10 years, 2 years being earned immediately prior to death, and active state service at the time of death, or a minimum of 20 years of service credit regardless of when earned. A deceased member's spouse must have been married for at least one year before death.

Permanent Benefit Increases/Cost of Living Adjustments: As fully described in Title 11 of the Louisiana Revised Statutes, the System allows for the payment of permanent benefit increases, also known as cost-of-living adjustments (COLAs), that are funded through investment earnings when recommended by the Board of Trustees and approved by the State Legislature.

Employer Contributions: The employer contribution rate is established annually under La. R.S. 11:101-11:104 by the PRSAC, taking into consideration the recommendation of the Systems' Actuary. Each plan pays a separate actuarially-determined employer contribution rate. However, all assets of LASERS are used for the payment of benefits for all classes of members, regardless of their plan membership. Rates for the year ended June 30, 2017 are as follows:

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Notes to Basic Financial Statements

Plan	Plan Status	Employer Contribution Rate
Appellate Law Clerks		
Pre Act 75 (hired before 7/1/2006)	Closed	35.8%
Post Act 75 (hired after 6/30/2006)	Open	35.8%
Optional Retirement Plan (ORP)		
Pre Act 75 (hired before 7/1/2006)	Closed	35.8%
Post Act 75 (hired after 6/30/2006)	Closed	35.8%
Regular Employees hired before 7/1/06	Closed	35.8%
Regular Employees hired on or after 7/1/06	Closed	35.8%
Regular Employees hired on or after 1/1/11	Closed	35.8%
Legislators	Closed	39.1%
Special Legislative Employees	Closed	41.1%
Judges hired before 1/1/2011	Closed	38.0%
Judges hired after 12/31/2010	Open	36.7%
Corrections Primary	Closed	31.1%
Corrections Secondary	Closed	35.3%
Wildlife Agents	Closed	44.8%
Peace Officers	Closed	34.3%
Alcohol Tobacco Control	Closed	30.7%
Bridge Police	Closed	34.2%
Bridge Police hired on or after 7/1/06	Closed	34.2%
Hazardous Duty	Open	36.1%

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At December 31, 2017, the employer reported a liability of \$59,549 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 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 .00085%, which was an increase of .00001% from its proportion measured as of June 30, 2016.

For the year ended December 31, 2017, the Police Jury recognized pension expense of \$5,449 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, \$757.

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

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Notes to Basic Financial Statements

	Governmental Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 1,093
Change of assumptions	235	-
Change in proportion and differences between the employer's contributions and the employer's proportionate share of contributions	1,410	-
Net differences between projected and actual earnings on plan investments	1,936	-
Contributions subsequent to the measurement date	2,990	-
Total	\$ 6,571	\$ 1,093

Deferred outflows of resources of \$2,990 related to pensions resulting from Police Jury's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 30:	
2018	\$ 405
2019	2,507
2020	775
2021	(1,199)
	\$ 2,488

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:

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Notes to Basic Financial Statements

Valuation Date	June 30, 2017																		
Actuarial Cost Method	Entry Age Normal																		
Actuarial Assumptions: Expected Remaining Service Lives	3 years																		
Investment Rate of Return	7.70% per annum																		
Inflation Rate	2.75% per annum																		
Mortality	<p>Non-disabled members - Mortality rates based on the RP-2000 Combined Healthy Mortality Table with mortality improvement projected to 2015.</p> <p>Disabled members - Mortality rates based on the RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement.</p>																		
Termination, Disability, and Retirement	Termination, disability, and retirement assumptions were projected based on a five-year (2009-2013) experience study of the System's members.																		
Salary Increases	<p>Salary increases were projected based on a 2009-2013 experience study of the System's members. The salary increase ranges for specific types of members are:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: center;"><u>Member Type</u></th> <th style="text-align: center;"><u>Lower Range</u></th> <th style="text-align: center;"><u>Upper Range</u></th> </tr> </thead> <tbody> <tr> <td>Regular</td> <td style="text-align: center;">3.80%</td> <td style="text-align: center;">12.80%</td> </tr> <tr> <td>Judges</td> <td style="text-align: center;">2.80%</td> <td style="text-align: center;">5.30%</td> </tr> <tr> <td>Corrections</td> <td style="text-align: center;">3.40%</td> <td style="text-align: center;">14.30%</td> </tr> <tr> <td>Hazardous Duty</td> <td style="text-align: center;">3.40%</td> <td style="text-align: center;">14.30%</td> </tr> <tr> <td>Wildlife</td> <td style="text-align: center;">3.40%</td> <td style="text-align: center;">14.30%</td> </tr> </tbody> </table>	<u>Member Type</u>	<u>Lower Range</u>	<u>Upper Range</u>	Regular	3.80%	12.80%	Judges	2.80%	5.30%	Corrections	3.40%	14.30%	Hazardous Duty	3.40%	14.30%	Wildlife	3.40%	14.30%
<u>Member Type</u>	<u>Lower Range</u>	<u>Upper Range</u>																	
Regular	3.80%	12.80%																	
Judges	2.80%	5.30%																	
Corrections	3.40%	14.30%																	
Hazardous Duty	3.40%	14.30%																	
Wildlife	3.40%	14.30%																	
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 projected benefit payments 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.																		

VERMILION PARISH POLICE JURY
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Notes to Basic Financial Statements

Discount Rate: The discount rate used to measure the total pension liability was 7.70%. 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 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.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates 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 of 3.25% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 8.69% for 2017. Best estimates of geometric real rates of return for each major asset class included in the System's target asset allocation as of June 30, 2017 are summarized in the following table:

Asset Class	Long-term Expected Real Rates of Return
Cash	-0.24%
Domestic Equity	4.31%
International Equity	5.35%
Domestic Fixed Income	1.73%
International Fixed Income	2.49%
Alternative Investments	7.41%
Global Tactical Asset Allocation	2.84%
Total fund	5.26%

Sensitivity to Changes in the Discount Rate: The following presents the employer's net pension liability using the discount rate of 7.70%, as well as what the employer's net pension liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate:

	1% Decrease 6.70%	Current Discount Rate 7.70%	1% Increase 8.70%
Net Pension Liability	\$ 74,756	\$ 59,549	\$ 46,618

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Notes to Basic Financial Statements

C. Registrar of Voters Employees' Retirement System

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

Plan Description: The System was established on January 1, 1955 for the purpose of providing retirement allowances and other benefits as stated under the provisions of R.S. Title 11:2032, as amended, for registrars of voters, their deputies and their permanent employees in each parish. The projection of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the System in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

The Registrar of Voters Employees' Retirement System of Louisiana issues a stand-alone report on their financial statements. Access to the report can be found on the Louisiana Legislative Auditor's website, www.la.gov.

Retirement Benefits: Any member hired prior to January 1, 2013 is eligible for normal retirement after he has 20 years of creditable service and is age 55 or has 10 years of creditable service and is age 60. Any member with 30 years of creditable service regardless of age may retire. Regular retirement benefits for members hired prior to January 1, 2013 are calculated at 3.33% of the average annual earned compensation for the highest consecutive 60 months multiplied by the number of years of creditable service, not to exceed 100% of average annual compensation.

Any member hired on or after January 1, 2013 is eligible for normal retirement after he has attained 30 years of creditable service and is age 55; has attained 20 years of creditable service and is age 60; or has attained 10 years of creditable service and is age 62. Regular retirement benefits for members hired on or after January 1, 2013 are calculated at 3.00% of the average annual earned compensation for the highest consecutive 60 months multiplied by the number of years of creditable service, not to exceed 100% of average annual compensation. Retirement benefits for members hired on or after January 1, 2013 that have attained 30 years of creditable service with at least 20 years of creditable service in the System are calculated at 3.33% of the average annual compensation for the highest consecutive 60 months multiplied by the number of years of creditable service, not to exceed 100% of average annual compensation.

Any member whose withdrawal from service occurs prior to attaining the age of sixty years, who shall have completed ten or more years of creditable service and shall not have received a refund of his accumulated contributions, shall become eligible for a deferred allowance beginning upon his attaining the age of sixty years.

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Notes to Basic Financial Statements

Survivor Benefits: If a member who has less than five years of credited service dies due to any cause other than injuries sustained in the performance of his official duties, his accumulated contributions are paid to his designated beneficiary. If the member has five or more years of credited service, and is not eligible to retire, automatic option 2 benefits are payable to the surviving spouse. These benefits are based on the retirement benefits accrued at the member's date of death with option 2 factors used as if the member had continued in service to earliest normal retirement age. If a member has no surviving spouse and the member has five or more years of creditable service, the surviving minor children under 18 or disabled children shall be paid 80% of the accrued retirement benefit in equal shares until the age of majority or for the duration of the handicap for a handicapped child. Upon the death of any former member with 10 or more years of service, automatic option 2 benefits are payable to the surviving spouse. In lieu of periodic payments, the surviving spouse or children may receive a refund of the member's accumulated contributions.

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

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

Disability Benefits: Disability benefits are provided to active contributing members with at least 10 years of service established in the System and who have been officially certified as disabled by the State Medical Disability Board. The disabled member who has attained the age of sixty years shall be entitled to a regular retirement allowance.

The disabled member who has not yet attained age sixty shall be entitled to a disability benefit equal to the lesser of three percent of his average final compensation multiplied by the number of creditable years of service (not to be less than fifteen years) or three and one third percent of average final compensation multiplied by the years of service assuming continued service to age sixty. Disability benefits may not exceed two-thirds of earnable compensation.

VERMILION PARISH POLICE JURY
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Notes to Basic Financial Statements

Cost of living provisions for the System allows the Board of Trustees to provide an annual cost of living increase of 2.5% of the eligible retiree's original benefit if certain funding criteria are met. Members are eligible to receive a cost of living adjustment once they have reached the age of 60 and have been retired at least one year. Funding criteria for granting cost of living adjustments is dependent on the funded ratio.

Employer Contributions: According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ending June 30, 2017, the actual employer contribution rate was 20%.

In accordance with state statute, the System also 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. Non-employer contributions are recognized as revenue and excluded from pension expense for the year ended December 31, 2017.

Pension Liabilities, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At December 31, 2017, the Police Jury reported a liability of \$82,502 for its proportionate share of the net pension liability, which was reported in the governmental activities. 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 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 .375845% which was a decrease of .0003432% from its proportion measured as of June 30, 2016.

For the year ended December 31, 2017, the Police Jury recognized pension expense of \$15,795 less employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions of \$37.

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Notes to Basic Financial Statements

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

	Governmental Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 15,339
Change of assumptions	7,926	2,667
Change in proportion and differences between the employer's contributions and the employer's proportionate share of contributions	536	995
Net differences between projected and actual earnings on plan investments	9,280	-
Contributions subsequent to the measurement date	<u>3,869</u>	<u>-</u>
Total	<u>\$ 21,611</u>	<u>\$ 19,001</u>

Deferred outflows of resources of \$3,869 related to pensions resulting from Police Jury's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31:	
2018	\$ (339)
2019	3,056
2020	(99)
2021	<u>(3,877)</u>
	<u>\$ (1,259)</u>

VERMILION PARISH POLICE JURY
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Notes to Basic Financial Statements

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, 2017
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Investment Rate of Return	6.75%, net of investment expense
Projected Salary Increases	6.00% (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 Table for disabled annuitants
Expected Remaining Service Lives	5 years
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

During the year ended June 30, 2017, mortality assumptions were set after reviewing 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. The mortality tables selected were set forward or set back to approximate mortality improvement.

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.

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Notes to Basic Financial Statements

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

Asset Class	Target Asset Allocation	Real Return Arithmetic Basis	Long-term Expected Portfolio 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	<u>100%</u>		<u>5.89%</u>
Inflation			<u>2.50%</u>
Expected Arithmetic Nominal Return			<u>8.39%</u>

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 to Changes in Discount Rate: The following table presents the net pension liability of the participating employers calculated using the discount rate of 6.75%, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is one percentage point lower, or one percentage point higher than the current rate.

	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Net Pension Liability	\$ 126,103	\$ 82,502	\$ 44,977

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Notes to Basic Financial Statements

D. District Attorneys' Retirement System

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

The District Attorneys' Retirement System issues a stand-alone report on their financial statements. Access to the report can be found on the Louisiana Legislative Auditor's website, www.la.la.gov.

Eligibility Requirements: All persons who are district attorneys of the State of Louisiana, assistant district attorneys in any parish of the State of Louisiana, or employed by this retirement system and the Louisiana District Attorneys' Association except for elected or appointed officials who have retired from service under any publicly funded retirement system within the state and who are currently receiving benefits, shall become members as a condition of their employment; provided, however, that in the case of assistant district attorneys, they must be paid an amount not less than the minimum salary specified by the Louisiana District Attorneys' Board of Trustees. The projection of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the System in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

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

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

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

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

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

Deferred Retirement Option Plan: In lieu of receiving a service retirement allowance, any member who has more years of service than are required for a normal retirement may elect to receive a Back-Deferred Retirement Option Program (Back-DROP) benefit.

The Back-DROP benefit is based upon the Back-DROP period selected and the final average compensation prior to the period selected. The Back-DROP period is the lesser of thirty-six months or the service accrued between the time a member first becomes eligible for retirement and his actual date of retirement. At retirement, the member's maximum monthly retirement benefit is based upon his service, final average compensation, and plan provisions in effect on the last day of creditable service immediately prior to the commencement of the Back-DROP period. In addition to the monthly benefit at retirement, the member receives a lump-sum payment equal to the maximum monthly benefit as calculated above multiplied by the number of months in the Back-DROP period. In lieu of receiving the lump-sum payment, the member may leave the funds on deposit with the system in an interest bearing account.

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Notes to Basic Financial Statements

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

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

Employer Contributions: According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ending June 30, 2017, the actual employer contribution rate was 0%.

Non-Employer Contributions: 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. Non-employer contributions are recognized as revenue and excluded from pension expense for the year ended December 31, 2017.

Pension Liabilities, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At December 31, 2017, the Police Jury reported a liability of \$66,094 for its proportionate share of the net pension liability, which was reported in the governmental activities. 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 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 .166243% which was a decrease of .083333% from its proportion measured as of June 30, 2016.

For the year ended December 31, 2017, the Police Jury recognized pension expense of \$24,209 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions of \$505.

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Notes to Basic Financial Statements

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

	Governmental Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 17,376
Change of assumptions	29,633	7,800
Change in proportion and differences between the employer's contributions and the employer's proportionate share of contributions	9,676	4,874
Net differences between projected and actual earnings on plan investments	26,525	-
Contributions subsequent to the measurement date	-	-
Total	\$ 65,834	\$ 30,050

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

Year Ended December 30:	
2018	\$ 2,554
2019	15,610
2020	7,156
2021	2,786
2022	4,009
2023	3,669
	\$ 35,784

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Notes to Basic Financial Statements

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, 2017
Actuarial Cost Method	Entry Age Normal Cost
Actuarial Assumptions:	
Investment Rate of Return	6.75%, net of investment expense
Projected 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 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 9.06% for the year ended June 30, 2017.

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Notes to Basic Financial Statements

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

Asset Class	Long-term Target Asset Allocation	Rates of Return	
		Real	Nominal
Equities	61.72%	11.31%	
Fixed Income	28.95%	6.84%	
Alternatives	8.85%	10.50%	
Cash	0.48%	0.50%	
System Total	<u>100.00%</u>		6.56%
Inflation			<u>2.50%</u>
Expected Arithmetic Nominal Return			<u>9.06%</u>

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 to Changes in Discount Rate: The following table presents the net pension liability of the participating employers calculated using the discount rate of 6.75%, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is one percentage point lower, or one percentage point higher than the current rate.

	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Net Pension Liability	\$ 128,134	\$ 66,094	\$ (25,941)

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Notes to Basic Financial Statements

(12) Post Employment Benefits

From an accrual accounting perspective, the cost of postemployment healthcare benefits should be associated with the periods in which the cost occurs, rather than in the future year when it will be paid. The Vermilion Parish Police Jury recognizes the cost of postemployment healthcare in the year when employee services are received, reports the accumulated liability from prior years, and provides information useful in assessing potential demands on the Police Jury's future cash flows. Because the Police Jury has adopted these requirements prospectively, recognition of the liability accumulated from prior years will be phased in over 30 years, commencing with the 2008 liability.

Plan Description: The Vermilion Parish Police Jury's medical benefits are provided through a comprehensive medical plan and are made available to employees upon actual retirement.

Employees are covered by the Parochial Employees' Retirement System of Louisiana, whose retirement eligibility (D.R.O.P. entry) provisions are as follows: 30 years of service at any age; age 55 and 25 years of service; age 60 and 10 years of service; or, age 65 and 7 years of service. For employees hired on and after January 1, 2008 retirement eligibility (D.R.O.P. entry) provisions are as follows: age 55 and 30 years of service; age 62 and 10 years of service; or, age 67 and 7 years of service. Complete plan provisions are included in the official plan documents.

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

Funding Policy - Until 2010, the Vermilion Parish Police Jury recognized the cost of providing post-employment medical benefits (the Vermilion Parish Police Jury's portion of the retiree medical benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis. In 2017, the Police Jury's portion of health care funding cost for retired employees totaled \$11,664.

Annual Required Contribution – The Vermilion Parish Police Jury's Annual Required Contribution (ARC) is an amount actuarially determined. The ARC is the sum of the Normal Cost plus the contribution to amortize the Unfunded Actuarial Accrued Liability (UAAL). A level dollar, open amortization period of 30 years (the maximum amortization period allowed by standards) has been used for the post-employment benefits.

Net Post-employment Benefit Obligation (Asset) – The table below shows the Vermilion Parish Police Jury's Net Other Post-employment Benefit (OPEB) Obligation for fiscal year ending December 31, 2017:

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Notes to Basic Financial Statements

Annual required contribution	\$ 555,314
Interest on net OPEB obligation	95,944
Adjustment to annual required contribution	<u>(138,711)</u>
Annual OPEB cost (expense)	512,547
Contributions made	<u>(11,664)</u>
Increase in net OPEB obligation	500,883
Net OPEB obligation - beginning of year	<u>2,398,603</u>
Net OPEB obligation - end of year	<u>\$ 2,899,486</u>

The Police Jury's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation as of December 31, 2017, 2016, 2015 follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/17	\$ 512,547	2.28%	\$ 2,899,486
12/31/16	\$ 499,910	2.16%	\$ 2,398,603
12/31/15	\$ 539,925	24.00%	\$ 1,909,493

Funded Status and Funding Progress: In 2017, the Vermilion Parish Police Jury made no contributions to its post employment benefits plan. The plan is not funded, has no assets, and hence has a funded ratio of zero. Based on the January 1, 2016 actuarial valuation, the most recent valuation, the Actuarial Accrued Liability (AAL) at the end of the year December 31, 2017 was \$6,011,432 which is defined as that portion, as determined by a particular actuarial cost method (the Vermilion Parish Police Jury uses the Projected Unit Credit Cost Method), of the actuarial present value of post employment plan benefits and expenses which is not provided by normal cost.

Actuarial accrued liability (AAL)	\$ 6,011,432
Actuarial valuation of plan assets	<u>-</u>
Unfunded actuarial accrued liability (UAAL)	<u>\$ 6,011,432</u>
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active plan members)	\$ 5,393,200
UAAL as a percentage of covered payroll	111.5%

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

VERMILION PARISH POLICE JURY
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Notes to Basic Financial Statements

employees). Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

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

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

Actuarial Value of Plan Assets – There are no plan assets. It is anticipated that in future valuations, should funding take place, a smoothed market value consistent with Actuarial Standards.

Turnover Rate – An age-related turnover scale based on actual experience has been used. The rates, when applied to the active employee census, produce a composite average annual turnover of approximately 10%.

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

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

Health Care Cost Trend Rate – The expected rate of increase in medical cost is based on a graded schedule beginning with 8% annually, down to an ultimate annual rate of 5% for ten years out and later.

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

VERMILION PARISH POLICE JURY
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Notes to Basic Financial Statements

Method of Determining Value of Benefits – The "value of benefits" has been assumed to be the portion of the premium after retirement date expected to be paid by the employer for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid. The employer pays 90% of the cost of the medical insurance for the retirees and 50% for dependents. For employees hired on and after January 1, 2010, the employer pays 90% for those with 20 or more years of service at retirement, 75% for 15 to 20 years, 50% for 10 to 15 years and 25% for 10 years. The rates provided applicable before age 65 are "blended" rates. We have estimated the "unblended" rates for retirees before Medicare eligibility to be 130% of the blended rate. After Medicare eligibility, the employer pays a flat \$150 monthly for the retiree only, not dependents, for Medicare supplement coverage.

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

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

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

(13) Criminal Court Fund

Louisiana Revised Statute 15:571.11 requires that one-half of any balance remaining in the Criminal Court Fund at year-end is transferred to the parish General Fund. For the period January 1, 2017 through December 31, 2017, the Criminal Court Fund transferred \$40,675 to the General Fund.

(14) Litigation and Claims

As of December 31, 2017, the Vermilion Parish Police Jury was involved in various lawsuits. The Police Jury's legal counsel has reviewed the claims and lawsuits in order to evaluate the likelihood of an unfavorable outcome to the Police Jury and to arrive at an estimate, if any, of the amount of range of potential loss to the Police Jury not covered by insurance. As a result of the review, the various claims and lawsuits have been categorized as "remote," as defined by the Governmental Accounting Standards Board. It is the opinion of the Police Jury that the liability, if any, which might arise from these lawsuits would not have a material adverse effect on the Police Jury's financial position.

The Police Jury also owns and operates a parish landfill. As of December 31, 2017, the Jury was not aware of any environmental liabilities with respect to the landfill, not already recognized in the financial statements. Nor was the Police Jury aware of any environmental issues regarding any other properties or holdings of the parish.

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Notes to Basic Financial Statements

(15) Closure and Post Closure Care Costs

The Vermilion Parish Police Jury landfill began operations in 1978. State and federal laws and regulations require the Police Jury to place a final cover on its landfill when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. The estimated closure and post closure cost to be recognized is \$2,703,769. The Police Jury also owns adjacent property which has been approved for the relocation of their landfill operations after the present site is closed; that property is not yet permitted and therefore, an estimate of closure and post closure costs is not currently required.

Although closure and post closure costs will be paid only near or after the date that the landfill stops accepting waste, generally accepted accounting principles require the Police Jury to report a portion of these costs as a liability in its general long-term liabilities based on landfill capacity. At December 31, 2017, capacity used was estimated at 3,853,686 cubic yards, while total capacity was estimated at 4,241,220 cubic yards. The percentage of landfill capacity used to date is approximately 91%. The Police Jury expects to close the landfill in approximately fourteen years based on the existing permitted capacity. Actual costs may be higher due to inflation, changes in technology or changes in regulations.

(16) Federal Compliance Contingencies

The Police Jury receives grants for specific purposes that are subject to review and audit by governmental agencies. Such audits could result in a request for reimbursement by the grantor for expenditures disallowed under the terms and conditions of the appropriate agency. In the opinion of the Police Jury, such disallowances, if any, will not be significant.

(17) Risk Management

The Police Jury is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Police Jury carries commercial insurance. There have been no significant reductions in the insurance coverage during the year.

(18) Deficit fund balance

The Project Account Fund had a deficit fund balance at December 31, 2017 of \$325,857. The deficit will be financed through future revenues of the fund.

VERMILION PARISH POLICE JURY
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Notes to Basic Financial Statements

(19) Compensation, Benefits and Other Payments to Parish Administrator

A detail of compensation, benefits, and other payments paid to Linda Duhon, Parish Administrator, for the period of January 1, 2017 through June 2, 2017.

Purpose	Amount
Salary	\$ 33,499
Benefits - insurance	7,464
Benefits - retirement	4,187
Cell phone	384
Registration fees	500
Conference travel	723
	\$ 46,757

A detail of compensation, benefits, and other payments paid to Carolyn Bessard, Interim Parish Administrator, for the period of June 3, 2017 through December 31, 2017.

Purpose	Amount
Salary	\$ 38,100
Benefits - insurance	13,470
Benefits - retirement	10,231
	\$ 61,801

(20) Compensation of Police Jurors

A summary of compensation paid to police jurors for the year ended December 31, 2017, follows:

Dane Hebert	\$ 19,200
Jason Picard	19,200
Nathan Granger	1,600
Brent Landry	17,600
Paul Bourgeois	19,200
Errol Domingues	19,200
Kevin Sagrera	19,200
Ronald Darby	24,000
Wayne Touchet	19,200
Mark Poche'	19,200
Sandrus Stelly	19,200
Ronald Menard	19,200
Pervis Gaspard	19,200
Cloris Boudreaux	19,200
Leon Broussard	19,200
	\$ 273,600

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Notes to Basic Financial Statements

(21) Interfund Transactions

A. Receivables and Payables

A summary of interfund receivables and payables at December 31, 2017 follows:

	Interfund Receivables	Interfund Payables
General Fund	\$ 260,788	\$ 121,369
1976 Sales Tax	974	4,473
1978 Sales Tax	160,966	1,200
1994 Sales Tax	-	67,787
Royalty Road	84,830	-
Parishwide Public Improvement Maintenance	58,761	44,609
Project Account Fund	-	326,405
Total major governmental funds	566,319	565,843
Other governmental funds	1,044	1,520
Total	\$ 567,363	\$ 567,363

The above amounts are for reimbursements owed for expenditures paid for those funds, amounts owed to the general fund for workers compensation, and for short-term loans.

B. Transfers consisted of the following at December 31, 2017:

	Transfers In	Transfers Out
General Fund	\$ 1,301,917	\$ 165,848
1976 Sales Tax	-	1,200,000
1978 Sales Tax	1,200,000	2,200,000
1994 Sales Tax	1,200,000	800,000
Royalty Road	219,161	2,000,000
Parishwide Public Improvement Maintenance	4,142,392	5,325
Project Account	-	1,917
Total major funds	8,063,470	6,373,090
Other governmental funds	171,173	1,861,553
Total	\$ 8,234,643	\$ 8,234,643

Transfers are used to (a) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to (b) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Notes to Basic Financial Statements

(22) Transactions Between Primary Government and Discretely Presented Component Units

The following transactions between the primary government and its discretely presented component units during 2017 are classified as external transactions in the government-wide statement of activities:

General Fund

Transfer to Criminal Court to subsidize operations \$ 244,326

Criminal Court

Transfer to General Fund to reimburse for operating expenses \$ 242,773

(23) Wireless E911 Service Status

In accordance with LRS 33:9101 et seq, following is a summary of revenues derived from wireless services charges, how much were expended, and the progress of Phase I implementation as of December 31, 2017.

Total funds received from wireless service charges \$661,764

Expenditures made solely for wireless 911 \$ -

Expenditures made solely for wireline 911 \$ -

Amount of expenditures attributable to wireless 911
(total balance of expenditures multiplied by the percentage
of wireless calls received by the District to the total number of
calls received) \$658,903

VERMILION PARISH POLICE JURY
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Notes to Basic Financial Statements

Status of Phase I implementation:

AT&T Wireless – implemented
Sprint/Nextel – implemented
Pace – implemented
Centennial Wireless - implemented
T-Mobile – implemented
Verizon Wireless – implemented

Status of Phase II Implementation:

AT&T Wireless – implemented
Sprint/Nextel – implemented
Pace – implemented
Centennial Wireless – implemented
T-Mobile – implemented
Verizon Wireless – implemented

(24) Parish Government Building Lease

During 2001, the Police Jury purchased Hibernia Bank building in Abbeville to serve as new parish government office building. In order to facilitate the transaction, the Police Jury entered into an agreement with Hibernia Bank in which Hibernia would sell the building for a total sales price of \$900,000, with the Police Jury paying \$525,000 in cash and the remaining balance representing a prepayment from Hibernia for a lease of space within the building in which Hibernia would continue to maintain their branch. The total amount credited against the purchase price amounted to \$375,000, and represents payment for the 20-year permanent term of the lease. Rent for each permanent term of the lease is \$1,563 per month.

The lease has an initial term which commenced in December 2001, and shall continue for twelve months unless otherwise extended by the lessee. Lessee has the option to terminate the initial term on the last day of the calendar month in which lessee notifies the Police Jury that they are ready to occupy the leased premises as modified by lessee's initial alterations. During the initial term, gross rent of \$3,065 per month shall be paid to the Police Jury. The initial term was renewed (up to 4 additional months) in 2002 and therefore gross rent of \$3,832 per month is paid to the Police Jury.

After the initial term is complete, the permanent term of the lease shall commence and shall terminate twenty (20) years thereafter, unless extended by lessee. Rent during any extended permanent term shall be tied to the initial permanent term monthly rental adjusted for charges in the "Consumer Price Index."

As mentioned above, the lease payments were prepaid as an adjustment of the cash transferred for the purchase of the building. The balance of the unearned lease payments received is \$93,750 at December 31, 2017 and is presented as a deferred inflow of resources (See Note 1D) in the financial statements.

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Notes to Basic Financial Statements

The future minimum rental revenue from the above lease is as follows:

2018		\$ 18,750
2019		18,750
2020		18,750
2021		18,750
2022		<u>18,750</u>
		<u>\$ 93,750</u>

(25) On-behalf Payments

The Vermilion Parish Police Jury has recognized \$21,240 as a revenue and an expenditure for on-behalf salary payments regarding Justices of the Peace and Constables made by the State of Louisiana.

(26) New Accounting Pronouncement

In June 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The statement addresses accounting and financial reporting for OPEB that is provided to the employees of state and local governmental employers. The Statement replaces the requirements of Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. The provisions of GASB Statement No. 75 must be implemented by the Police Jury for the year ending December 31, 2018. The effect of implementation on the Police Jury's financial statements has not yet been determined.

(27) Beginning Net Position Adjustment

It has been determined that a certain transaction was recorded incorrectly in a prior year. In the Government-Wide statements, general obligation bonds payable was understated due to the incorrect recording of a transaction for payments made to escrow agent for refunded debt in the amount of \$255,675. The transaction incorrectly reduced the bond payable balance and had a corresponding effect on the change in net position. This resulted in a restatement of previously reported net position, as follows:

	<u>Governmental Activities</u>
January 1, 2017 net position, as reported	\$ 140,916,872
Prior period adjustment (correction of an error):	
Adjustment to bond payable balance	<u>(255,675)</u>
January 1, 2017 net position, as restated	<u>\$ 140,661,197</u>

**REQUIRED
SUPPLEMENTARY INFORMATION**

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VERMILION PARISH POLICE JURY
Abbeville, Louisiana

General Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2017

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		(Negative)
Revenues:				
Ad valorem taxes	\$ 1,174,163	\$ 1,174,163	\$ 1,120,244	\$ (53,919)
Licenses and permits	468,300	468,300	500,548	32,248
Intergovernmental revenues -				
Federal grants	848,991	265,991	262,188	(3,803)
State funds -				
State revenue sharing	109,366	109,366	120,182	10,816
Other	1,243,600	1,271,100	1,609,235	338,135
Fees, charges and commissions	407,030	407,030	358,175	(48,855)
Interest income	2,000	2,000	11,085	9,085
Miscellaneous	66,364	78,760	213,724	134,964
Total revenues	<u>4,319,814</u>	<u>3,776,710</u>	<u>4,195,381</u>	<u>418,671</u>
Expenditures:				
Current -				
General government:				
Legislative	332,213	332,213	331,481	732
Judicial	1,131,783	1,676,353	1,831,261	(154,908)
Elections	90,475	90,475	96,890	(6,415)
Finance and administration	670,951	670,951	710,277	(39,326)
Other	768,680	768,680	593,345	175,335
Public works	634,700	634,700	128,057	506,643
Public safety	1,204,150	1,404,150	1,331,093	73,057
Health and welfare	225,980	225,980	137,348	88,632
Economic development and assistance	165,476	165,476	140,036	25,440
Culture and recreation	2,350	2,350	321	2,029
Total expenditures	<u>5,226,758</u>	<u>5,971,328</u>	<u>5,300,109</u>	<u>671,219</u>
Deficiency of revenues over expenditures	<u>(906,944)</u>	<u>(2,194,618)</u>	<u>(1,104,728)</u>	<u>1,089,890</u>
Other financing sources (uses):				
Proceeds from sale of assets	-	-	500	500
Transfers in	1,620,000	1,200,000	1,301,917	101,917
Transfers out - component unit	(440,000)	(440,000)	-	440,000
Transfers out	(130,000)	(130,000)	(165,848)	(35,848)
Total other financing sources (uses)	<u>1,050,000</u>	<u>630,000</u>	<u>1,136,569</u>	<u>506,569</u>
Net change in fund balances	143,056	(1,564,618)	31,841	1,596,459
Fund balance, beginning	<u>2,062,594</u>	<u>2,062,594</u>	<u>2,062,594</u>	<u>-</u>
Fund balance, ending	<u>\$ 2,205,650</u>	<u>\$ 497,976</u>	<u>\$ 2,094,435</u>	<u>\$ 1,596,459</u>

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

1976 Sales Tax Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2017

	Budget		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues:				
Sales and use taxes	\$ 3,300,000	\$ 3,300,000	\$ 3,620,118	\$ 320,118
Investment income	55,000	55,000	110,722	55,722
Miscellaneous	-	-	13,835	13,835
Total revenues	<u>3,355,000</u>	<u>3,355,000</u>	<u>3,744,675</u>	<u>389,675</u>
Expenditures:				
Current -				
General government:				
Finance and administration	56,054	56,054	56,759	(705)
Public works	265,166	265,166	249,015	16,151
Public safety	459,302	590,991	484,750	106,241
Health and welfare	930,569	930,569	857,341	73,228
Capital outlay	<u>293,608</u>	<u>293,608</u>	<u>339,155</u>	<u>(45,547)</u>
Total expenditures	<u>2,004,699</u>	<u>2,136,388</u>	<u>1,987,020</u>	<u>149,368</u>
Excess of revenues over expenditures	<u>1,350,301</u>	<u>1,218,612</u>	<u>1,757,655</u>	<u>539,043</u>
Other financing sources (uses):				
Proceeds from sales of assets	-	-	20,618	20,618
Transfers out	<u>(2,500,000)</u>	<u>(2,500,000)</u>	<u>(1,200,000)</u>	<u>1,300,000</u>
Total other financing sources (uses)	<u>(2,500,000)</u>	<u>(2,500,000)</u>	<u>(1,179,382)</u>	<u>1,320,618</u>
Net change in fund balances	(1,149,699)	(1,281,388)	578,273	1,859,661
Fund balance, beginning	<u>9,739,420</u>	<u>9,739,420</u>	<u>9,739,420</u>	<u>-</u>
Fund balance, ending	<u>\$ 8,589,721</u>	<u>\$ 8,458,032</u>	<u>\$ 10,317,693</u>	<u>\$ 1,859,661</u>

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

1978 Sales Tax Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2017

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Sales and use taxes	\$ 3,300,000	\$ 3,300,000	\$ 3,620,118	\$ 320,118
Interest income	50,000	50,000	175,519	125,519
Miscellaneous	-	-	218	218
Total revenues	<u>3,350,000</u>	<u>3,350,000</u>	<u>3,795,855</u>	<u>445,855</u>
Expenditures:				
Current -				
General government:				
Finance and administration	56,054	56,054	56,820	(766)
Public safety	518,952	518,952	519,407	(455)
Culture and recreation	91,809	91,809	83,104	8,705
Capital outlay	<u>1,502,600</u>	<u>1,502,600</u>	<u>598,654</u>	<u>903,946</u>
Total expenditures	<u>2,169,415</u>	<u>2,169,415</u>	<u>1,257,985</u>	<u>911,430</u>
Excess of revenues over expenditures	<u>1,180,585</u>	<u>1,180,585</u>	<u>2,537,870</u>	<u>1,357,285</u>
Other financing sources (uses):				
Proceeds from sale of assets	-	-	18	18
Transfers in	1,200,000	1,200,000	1,200,000	-
Transfers out	<u>(4,220,000)</u>	<u>(4,220,000)</u>	<u>(2,200,000)</u>	<u>2,020,000</u>
Total other financing sources (uses)	<u>(3,020,000)</u>	<u>(3,020,000)</u>	<u>(999,982)</u>	<u>2,020,018</u>
Net change in fund balances	(1,839,415)	(1,839,415)	1,537,888	3,377,303
Fund balance, beginning	<u>12,469,624</u>	<u>12,469,624</u>	<u>12,469,624</u>	<u>-</u>
Fund balance, ending	<u>\$ 10,630,209</u>	<u>\$ 10,630,209</u>	<u>\$ 14,007,512</u>	<u>\$ 3,377,303</u>

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

1994 Sales Tax Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2017

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Sales and use taxes	\$ 3,300,000	\$ 3,300,000	\$ 3,620,118	\$ 320,118
Fees, charges, and commission	630,500	630,500	821,002	190,502
Licenses and permits	1,000	1,000	22,100	21,100
Intergovernmental funds -				
Federal grants	879,934	879,934	365,634	(514,300)
State funds				
Interest income	70,000	70,000	163,872	93,872
Miscellaneous	1,000	1,000	2,066	1,066
Total revenues	<u>4,882,434</u>	<u>4,882,434</u>	<u>4,994,792</u>	<u>112,358</u>
Expenditures:				
Current -				
General government:				
Finance and administration	56,054	56,054	56,227	(173)
Sanitation, sewerage, and waste disposal	6,606,499	6,606,499	6,101,197	505,302
Capital outlay	240,000	240,000	-	240,000
Total expenditures	<u>6,902,553</u>	<u>6,902,553</u>	<u>6,157,424</u>	<u>745,129</u>
Deficiency of revenues over expenditures	<u>(2,020,119)</u>	<u>(2,020,119)</u>	<u>(1,162,632)</u>	<u>857,487</u>
Other financing sources (uses):				
Proceeds from sale of assets	-	-	24,543	24,543
Transfers in	2,500,000	1,200,000	1,200,000	-
Transfers out	(600,000)	(800,000)	(800,000)	-
Total other financing sources (uses)	<u>1,900,000</u>	<u>400,000</u>	<u>424,543</u>	<u>24,543</u>
Net change in fund balances	(120,119)	(1,620,119)	(738,089)	882,030
Fund balance, beginning	<u>14,379,592</u>	<u>14,379,592</u>	<u>14,379,592</u>	<u>-</u>
Fund balance, ending	<u>\$ 14,259,473</u>	<u>\$ 12,759,473</u>	<u>\$ 13,641,503</u>	<u>\$ 882,030</u>

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Royalty Road Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2017

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental revenues -				
State funds -				
Other	\$ 400,000	\$ 400,000	\$ 364,797	\$ (35,203)
Interest income	40,000	40,000	109,598	69,598
Total revenues	<u>440,000</u>	<u>440,000</u>	<u>474,395</u>	<u>34,395</u>
Expenditures:				
Current -				
General government:				
Finance and administration	325,646	325,646	240,197	85,449
Public works	350,000	350,000	11,131	338,869
Capital outlay	-	-	144,470	(144,470)
Total expenditures	<u>675,646</u>	<u>675,646</u>	<u>395,798</u>	<u>279,848</u>
Deficiency of revenues over expenditures	<u>(235,646)</u>	<u>(235,646)</u>	<u>78,597</u>	<u>314,243</u>
Other financing sources (uses):				
Transfers in	219,161	219,161	219,161	-
Transfers out	<u>(3,300,000)</u>	<u>(3,300,000)</u>	<u>(2,000,000)</u>	<u>1,300,000</u>
Total other financing sources (uses)	<u>(3,080,839)</u>	<u>(3,080,839)</u>	<u>(1,780,839)</u>	<u>1,300,000</u>
Net change in fund balances	(3,316,485)	(3,316,485)	(1,702,242)	1,614,243
Fund balance, beginning	<u>9,758,520</u>	<u>9,758,520</u>	<u>9,758,520</u>	<u>-</u>
Fund balance, ending	<u>\$ 6,442,035</u>	<u>\$ 6,442,035</u>	<u>\$ 8,056,278</u>	<u>\$ 1,614,243</u>

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Parishwide Public Improvements Maintenance Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2017

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes - ad valorem	\$ 1,041,949	\$ 1,041,949	\$ 1,021,177	\$ (20,772)
Intergovernmental revenues -				
Federal funds-				
Federal grants	178,596	178,596	223,788	45,192
State funds-				
State revenue sharing	82,441	82,441	89,234	6,793
Other	500,000	500,000	557,205	57,205
Interest income	200	200	7,128	6,928
Miscellaneous	7,080	7,080	8,300	1,220
Total revenues	<u>1,810,266</u>	<u>1,810,266</u>	<u>1,906,832</u>	<u>96,566</u>
Expenditures:				
Current -				
General government:				
Finance and administration	100,796	100,796	89,851	10,945
Public works	4,660,287	4,660,287	4,184,737	475,550
Capital outlay	<u>3,900,000</u>	<u>3,900,000</u>	<u>2,992,981</u>	<u>907,019</u>
Total expenditures	<u>8,661,083</u>	<u>8,661,083</u>	<u>7,267,569</u>	<u>1,393,514</u>
Deficiency of revenues over expenditures	<u>(6,850,817)</u>	<u>(6,850,817)</u>	<u>(5,360,737)</u>	<u>1,490,080</u>
Other financing sources:				
Proceeds from sale of assets	-	-	10,933	10,933
Transfers in	6,938,322	4,138,322	4,142,392	4,070
Transfers out	<u>-</u>	<u>-</u>	<u>(5,325)</u>	<u>(5,325)</u>
Total other financing sources	<u>6,938,322</u>	<u>4,138,322</u>	<u>4,148,000</u>	<u>9,678</u>
Net change in fund balances	87,505	(2,712,495)	(1,212,737)	1,499,758
Fund balance, beginning	<u>1,775,516</u>	<u>1,775,516</u>	<u>1,775,516</u>	<u>-</u>
Fund balance, ending	<u>\$ 1,863,021</u>	<u>\$ (936,979)</u>	<u>\$ 562,779</u>	<u>\$ 1,499,758</u>

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Notes to Budgetary Comparison Schedules

(1) Budget and Budgetary Accounting

The Police Jury follows these procedures in establishing the budgetary data reflected in the financial statements:

- a. Prior to December 15, the Treasurer prepares a proposed operating budget which is submitted to the budget committee who in turn submits the proposed budget to the Members of the Police Jury no later than fifteen days prior to the beginning of each fiscal year.
- b. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
- c. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
- d. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of a resolution prior to the commencement of the fiscal year for which the budget is being adopted.
- e. Budgetary amendments involving the transfer of funds from one department, program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Members of the Police Jury.
- f. All budgetary appropriations lapse at the end of each fiscal year.
- g. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as amended by the Police Jury. Such amendments were not material in relation to the original appropriations.

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Schedule of Funding Progress
For the Year Ended December 31, 2017

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liabilities (AAL)	Unfunded Actuarial Accrued Liabilities (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
January 01, 2011	-	\$ 4,984,877	\$ 4,984,877	0.0%	\$ 6,036,052	82.6%
January 01, 2014	-	\$ 5,372,437	\$ 5,372,437	0.0%	\$ 5,387,671	99.7%
January 01, 2016	-	\$ 5,780,223	\$ 5,780,223	0.0%	\$ 5,671,990	101.9%

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Schedule of Employer's Share of Net Pension Liability - Primary Government
Parochial Employees' Retirement System - Plan A
For the Year Ended December 31, 2017

* Year Ended December 31	Employer Proportion of the Net Pension Liability (Asset)	Employer 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 Position as a Percentage of the Total Pension Liability
2015	0.833335%	\$ 227,841	\$4,798,351	4.7%	99.1%
2016	0.893013%	\$ 2,350,667	\$5,120,277	45.9%	92.2%
2017	0.819665%	\$ 1,688,111	\$4,831,504	34.9%	95.5%

* The amounts presented have a measurement date of the previous fiscal year end.

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

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Schedule of Employer Contributions - Primary Government
Parochial Employees' Retirement System - Plan A
For the Year Ended December 31, 2017

Year Ended December 31	Contractually Required Contribution	Contributions in Relation to Contractual Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
2015	\$ 742,426	\$ 742,426	\$ -	\$5,120,277	14.5%
2016	\$ 628,097	\$ 628,097	\$ -	\$4,831,504	13.0%
2017	\$ 573,722	\$ 573,722	\$ -	\$4,605,368	12.5%

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

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Schedule of Employer's Share of Net Pension Liability - Tourist Commission
Parochial Employees' Retirement System - Plan A
For the Year Ended December 31, 2017

* Year Ended December 31	Employer Proportion of the Net Pension Liability (Asset)	Employer 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 Position as a Percentage of the Total Pension Liability
2015	0.007498%	\$ 2,050	\$ 42,423	4.8%	99.1%
2016	0.006279%	\$ 16,528	\$ 42,000	39.4%	92.2%
2017	0.007082%	\$ 14,585	\$ 42,000	34.7%	95.5%

* The amounts presented have a measurement date of the previous fiscal year end.

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

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Schedule of Employer Contributions - Tourist Commission
Parochial Employees' Retirement System - Plan A
For the Year Ended December 31, 2017

Year Ended December 31	Contractually Required Contribution	Contributions in Relation to Contractual Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
2015	\$ 5,220	\$ 5,220	\$ -	\$ 36,000	14.5%
2016	\$ 5,460	\$ 5,460	\$ -	\$ 42,000	13.0%
2017	\$ 4,562	\$ 4,562	\$ -	\$ 36,500	12.5%

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

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Schedule of Employer's Share of Net Pension Liability
Louisiana State Employees' Retirement System
For the Year Ended December 31, 2017

* Year Ended December 31	Employer Proportion of the Net Pension Liability (Asset)	Employer 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 Position as a Percentage of the Total Pension Liability
2015	0.00081%	\$ 54,752	\$ 14,911	367.2%	62.7%
2016	0.00084%	\$ 66,118	\$ 14,911	443.4%	57.7%
2017	0.00085%	\$ 59,549	\$ 14,911	399.4%	62.5%

* The amounts presented have a measurement date of June 30.

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

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Schedule of Employer Contributions
Louisiana State Employees' Retirement System
For the Year Ended December 31, 2017

Year Ended December 31	Contractually Required Contribution	Contributions in Relation to Contractual Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
2015	\$ 5,935	\$ 5,935	\$ -	\$ 14,911	39.8%
2016	\$ 5,202	\$ 5,202	\$ -	\$ 13,669	38.1%
2017	\$ 5,823	\$ 5,823	\$ -	\$ 14,911	39.1%

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

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Schedule of Employer's Share of Net Pension Liability
Registrar of Voters Employees' Retirement System
For the Year Ended December 31, 2017

* Year Ended December 31	Employer Proportion of the Net Pension Liability (Asset)	Employer 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 Position as a Percentage of the Total Pension Liability
2015	0.373303%	\$ 91,423	\$ 50,788	180.0%	76.9%
2016	0.372413%	\$ 105,673	\$ 51,158	206.6%	74.0%
2017	0.375845%	\$ 82,502	\$ 49,825	165.6%	80.5%

* The amounts presented have a measurement date of June 30.

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

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Schedule of Employer Contributions
Registrar of Voters Employees' Retirement System
For the Year Ended December 31, 2017

Year Ended December 31	Contractually Required Contribution	Contributions in Relation to Contractual Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
2015	\$ 12,401	\$ 12,401	\$ -	\$ 53,125	23.3%
2016	\$ 10,822	\$ 10,822	\$ -	\$ 49,407	21.9%
2017	\$ 8,655	\$ 8,655	\$ -	\$ 46,789	18.5%

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

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Schedule of Employer's Share of Net Pension Liability
District Attorneys' Retirement System
For the Year Ended December 31, 2017

* Year Ended December 31	Employer Proportion of the Net Pension Liability (Asset)	Employer 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 Position as a Percentage of the Total Pension Liability
2015	0.204429%	\$ 11,012	\$ 126,345	8.7%	98.6%
2016	0.249576%	\$ 47,771	\$ 151,023	31.6%	95.1%
2017	0.166243%	\$ 66,094	\$ 162,221	40.7%	93.6%

* The amounts presented have a measurement date of June 30.

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

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Schedule of Employer Contributions
District Attorneys' Retirement System
For the Year Ended December 31, 2017

<u>Year Ended December 31</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractual Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Employee Payroll</u>	<u>Contributions as a % of Covered Employee Payroll</u>
2015	\$ 7,105	\$ 7,105	\$ -	\$ 137,103	5.2%
2016	\$ 2,794	\$ 2,794	\$ -	\$ 79,819	3.5%
2017	\$ -	\$ -	\$ -	\$ 160,138	0.0%

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

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Notes to Retirement System Schedules

(1) Retirement Systems

A. Parochial Employees' Retirement System

- 1) Changes of benefit terms – There were no changes of benefit terms for the year ended December 31, 2017.
- 2) Changes of assumptions – There were no changes of benefit assumptions for the year ended December 31, 2017

B. Louisiana State Employees' Retirement System

- 1) Changes of benefit terms – There were no changes of benefit terms for the year ended December 31, 2017.
- 2) Changes of assumptions – Changes of benefit assumptions for the year ended December 31, 2017 were as follows for valuation date June 30, 2017:
 - a) Investment rate of return used was 7.70% per annum, a decrease from 7.75% in 2016
 - b) Inflation rate used was 2.75% per annum, a decrease from 3.00% in 2016
 - c) Salary increases were based on 2009-2013 experience study, ranging from 2.8% to 14.3%, a decrease from a range of 3.0% to 14.5%

C. Registrar of Voters Employees' Retirement System

- 1) Changes of benefit terms – There were no changes of benefit terms for the year ended December 31, 2017.
- 2) Changes of assumptions – Changes of benefit assumptions for the year ended December 31, 2017 were as follows for valuation date June 30, 2017:
 - a) Investment rate of return used was 6.75%, a decrease from 7.00% in 2016

D. District Attorneys' Retirement System

- 1) Changes of benefit terms – There were no changes of benefit terms for the year ended December 31, 2016.
- 2) Changes of assumptions – Changes of benefit assumptions for the year ended December 31, 2017 were as follows for valuation date June 30, 2017:
 - a) Investment rate of return used was 6.75%, a decrease from 7.00% in 2016

OTHER SUPPLEMENTARY INFORMATION

OTHER FINANCIAL INFORMATION

VERMILION PARISH POLICE JURY
 Abbeville, Louisiana
 Nonmajor Governmental Funds

Combining Balance Sheet
 December 31, 2017

	Special Revenue	Debt Service	Capital Projects	Total
ASSETS				
Cash and interest bearing deposits	\$ 7,819,318	\$ 571,752	\$ -	\$ 8,391,070
Accounts receivable	113,031	-	-	113,031
Ad valorem taxes receivable, net	2,291,348	125,296	-	2,416,644
Accrued interest receivable	1,024	125	-	1,149
Due from other governmental units	105,506	-	68,940	174,446
Due from other funds	1,044	-	-	1,044
Prepaid expenses	502	-	-	502
Total assets	<u>\$ 10,331,773</u>	<u>\$ 697,173</u>	<u>\$ 68,940</u>	<u>\$ 11,097,886</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 334,875	\$ -	\$ 6,891	\$ 341,766
Contracts payable	-	-	43,226	43,226
Retainage payable	-	-	18,823	18,823
Accrued liabilities	38,467	-	-	38,467
Due to other funds	1,520	-	-	1,520
Total liabilities	<u>374,862</u>	<u>-</u>	<u>68,940</u>	<u>443,802</u>
Deferred inflows of resources:				
Deferred revenues	220,309	15,749	-	236,058
Fund balances:				
Nonspendable	502	-	-	502
Restricted	9,736,100	681,424	-	10,417,524
Total fund balances	<u>9,736,602</u>	<u>681,424</u>	<u>-</u>	<u>10,418,026</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 10,331,773</u>	<u>\$ 697,173</u>	<u>\$ 68,940</u>	<u>\$ 11,097,886</u>

VERMILION PARISH POLICE JURY
Abbeville, Louisiana
Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended December 31, 2017

	Special Revenue	Debt Service	Capital Projects	Total
Revenues:				
Taxes-				
Ad valorem	\$ 2,801,045	\$ 150,066	\$ -	\$ 2,951,111
Intergovernmental revenues -				
Federal grants	44,179	-	494,763	538,942
State funds:				
State revenue sharing	163,066	-	-	163,066
Fees, charges and commissions	914,892	-	-	914,892
Interest income	88,420	6,579	-	94,999
Miscellaneous	6,230	-	-	6,230
Total revenues	<u>4,017,832</u>	<u>156,645</u>	<u>494,763</u>	<u>4,669,240</u>
Expenditures:				
Current -				
General government:				
Finance and administrative	251,318	-	-	251,318
Public works	1,080,680	-	73,927	1,154,607
Public safety	907,622	-	-	907,622
Health and welfare	687,257	-	-	687,257
Capital outlay	8,028	-	420,897	428,925
Debt service:				
Principal retirement	-	405,000	-	405,000
Interest and fiscal charges	-	48,509	-	48,509
Total expenditures	<u>2,934,905</u>	<u>453,509</u>	<u>494,824</u>	<u>3,883,238</u>
Excess (deficiency) of revenues over expenditures	<u>1,082,927</u>	<u>(296,864)</u>	<u>(61)</u>	<u>786,002</u>
Other financing sources (uses):				
Transfers in	171,112	-	61	171,173
Transfers out	<u>(1,861,553)</u>	<u>-</u>	<u>-</u>	<u>(1,861,553)</u>
Total other financing sources (uses)	<u>(1,690,441)</u>	<u>-</u>	<u>61</u>	<u>(1,690,380)</u>
Net change in fund balances	(607,514)	(296,864)	-	(904,378)
Fund balances, beginning	<u>10,344,116</u>	<u>978,288</u>	<u>-</u>	<u>11,322,404</u>
Fund balances, ending	<u>\$ 9,736,602</u>	<u>\$ 681,424</u>	<u>\$ -</u>	<u>\$ 10,418,026</u>

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NONMAJOR SPECIAL REVENUE FUNDS

Health Unit

To account for the maintenance of a health unit which provides health and welfare services to the citizens of the parish. Major means of financing is provided by ad valorem taxes, state revenue sharing and interest earnings on investments.

Ward 8 Public Cemetery

To account for the maintenance of public cemeteries in Ward 8 of Vermilion Parish. Major means of financing is provided by ad valorem taxes and state revenue sharing.

Communications District

To account for the operations of a 911 emergency system in the Parish, which is funded primarily by fees added to customer's telephone bills.

Civil Defense Fund

To account for the civil defense operations in the parish. Means of financing is provided by a grant from the State of Louisiana Office of Emergency of Preparedness and transfers from other revenue sources of the Police Jury.

Road District No. 1 Maintenance Fund

To account for the maintenance and upkeep of parish roads within Road District No, 1. Major means of financing is provided by ad valorem taxes and state revenue sharing.

Maintenance of Road Districts Funds

To account for the maintenance and upkeep of parish roads within various road district other than Road District No. 1. Major means of financing is provided by ad valorem taxes and state revenue sharing.

VERMILION PARISH POLICE JURY
 Abbeville, Louisiana
 Nonmajor Special Revenue Funds

Combining Balance Sheet
 December 31, 2017

	Health Unit Fund	Ward 8 Public Cemetery Fund	Communications District Fund
ASSETS			
Cash and interest-bearing deposits	\$ 2,154,423	\$ 120,926	\$ 306,346
Accounts receivable	-	-	113,031
Ad valorem taxes receivable, net	641,513	27,739	-
Accrued interest receivable	633	105	-
Due from other governmental units	31,243	1,596	-
Due from other funds	1,044	-	-
Prepaid expenses	502	-	-
Total assets	\$ 2,829,358	\$ 150,366	\$ 419,377
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 32,939	\$ 100	\$ -
Accrued liabilities	5,276	-	31,630
Due to other funds	1,398	-	-
Total liabilities	39,613	100	31,630
Deferred inflows of resources:			
Deferred revenues	59,999	3,444	-
Fund balances:			
Nonspendable	502	-	-
Restricted	2,729,244	146,822	387,747
Total fund balances	2,729,746	146,822	387,747
Total liabilities, deferred inflows of resources, and fund balances	\$ 2,829,358	\$ 150,366	\$ 419,377

<u>Civil Defense Fund</u>	<u>Road District No.1 Fund</u>	<u>Maintenance of Road District Funds</u>	<u>Total</u>
\$ 59,849	\$ 115,556	\$ 5,062,218	\$ 7,819,318
-	-	-	113,031
-	133,335	1,488,761	2,291,348
-	70	216	1,024
-	5,259	67,408	105,506
-	-	-	1,044
-	-	-	502
<u>\$ 59,849</u>	<u>\$ 254,220</u>	<u>\$ 6,618,603</u>	<u>\$10,331,773</u>
\$ -	\$ 42,705	\$ 259,131	\$ 334,875
1,561	-	-	38,467
122	-	-	1,520
<u>1,683</u>	<u>42,705</u>	<u>259,131</u>	<u>374,862</u>
-	13,046	143,820	220,309
-	-	-	502
<u>58,166</u>	<u>198,469</u>	<u>6,215,652</u>	<u>9,736,100</u>
<u>58,166</u>	<u>198,469</u>	<u>6,215,652</u>	<u>9,736,602</u>
<u>\$ 59,849</u>	<u>\$ 254,220</u>	<u>\$ 6,618,603</u>	<u>\$10,331,773</u>

VERMILION PARISH POLICE JURY
 Abbeville, Louisiana
 Nonmajor Special Revenue Funds

Combining Balance Sheet
 Maintenance of Road District Funds
 December 31, 2017

	<u>Sub Road District #1 of Road District #2</u>	<u>Sub Road District #2 of Road and Road District #3</u>	<u>Sub Road District #3 of Road District #2</u>	<u>Sub Road District #4 of Road District #2</u>
ASSETS				
Cash and interest-bearing deposits	\$ 911,988	\$ 72,886	\$ 160,643	\$ 358,844
Ad valorem taxes, net	312,246	72,634	132,933	236,676
Accrued interest receivable	46	7	6	57
Due from other governmental units	<u>19,170</u>	<u>7,139</u>	<u>11,093</u>	<u>-</u>
Total assets	<u>\$ 1,243,450</u>	<u>\$ 152,666</u>	<u>\$ 304,675</u>	<u>\$ 595,577</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 40,518	\$ 16,712	\$ 48,322	\$ 75,817
Deferred inflows of resources:				
Deferred revenues	27,752	7,102	11,868	24,453
Fund balances:				
Restricted	<u>1,175,180</u>	<u>128,852</u>	<u>244,485</u>	<u>495,307</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,243,450</u>	<u>\$ 152,666</u>	<u>\$ 304,675</u>	<u>\$ 595,577</u>

<u>Sub Road District #5 of Road District #2</u>	<u>Road District #4-A</u>	<u>Road District #6</u>	<u>Road District #7</u>	<u>Total</u>
\$ 343,041	\$ 817,120	\$ 48,854	\$ 2,348,842	\$ 5,062,218
112,229	199,450	71,895	350,698	1,488,761
3	32	1	64	216
<u>16,688</u>	<u>3,152</u>	<u>4,684</u>	<u>5,482</u>	<u>67,408</u>
<u>\$ 471,961</u>	<u>\$ 1,019,754</u>	<u>\$ 125,434</u>	<u>\$ 2,705,086</u>	<u>\$ 6,618,603</u>
\$ 64,318	\$ 3,454	\$ 9,383	\$ 607	\$ 259,131
8,840	12,614	5,440	45,751	143,820
<u>398,803</u>	<u>1,003,686</u>	<u>110,611</u>	<u>2,658,728</u>	<u>6,215,652</u>
<u>\$ 471,961</u>	<u>\$ 1,019,754</u>	<u>\$ 125,434</u>	<u>\$ 2,705,086</u>	<u>\$ 6,618,603</u>

VERMILION PARISH POLICE JURY
Abbeville, Louisiana
Nonmajor Special Revenue Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Year Ended December 31, 2017

	Health Unit Fund	Ward 8 Public Cemetery Fund	Communications District Fund
Revenues:			
Taxes -			
Ad valorem	\$ 787,439	\$ 31,701	\$ -
Intergovernmental revenues -			
Federal grants	-	-	5,538
State funds:			
State revenue sharing	48,200	2,398	-
Fees, charges, and commissions	44,534	-	870,358
Interest income	30,921	230	445
Other revenues	3,349	-	-
Total revenues	<u>914,443</u>	<u>34,329</u>	<u>876,341</u>
Expenditures:			
Current -			
General government:			
Finance and administrative	70,992	2,836	-
Public works	-	29,309	-
Public safety	-	-	741,351
Health and welfare	687,257	-	-
Capital outlay	-	-	-
Total expenditures	<u>758,249</u>	<u>32,145</u>	<u>741,351</u>
Excess (deficiency) of revenues over expenditures	<u>156,194</u>	<u>2,184</u>	<u>134,990</u>
Other financing sources (uses):			
Transfers in	-	-	-
Transfers out	<u>(1,200,000)</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(1,200,000)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(1,043,806)	2,184	134,990
Fund balances, beginning	<u>3,773,552</u>	<u>144,638</u>	<u>252,757</u>
Fund balances, ending	<u>\$ 2,729,746</u>	<u>\$ 146,822</u>	<u>\$ 387,747</u>

Civil Defense Fund	Road District No.1 Fund	Maintenance of Road District Funds	Total
\$ -	\$154,239	\$ 1,827,666	\$ 2,801,045
20,087	-	18,554	44,179
-	7,900	104,568	163,066
-	-	-	914,892
491	235	56,098	88,420
<u>2,881</u>	<u>-</u>	<u>-</u>	<u>6,230</u>
<u>23,459</u>	<u>162,374</u>	<u>2,006,886</u>	<u>4,017,832</u>
-	13,621	163,869	251,318
-	131,549	919,822	1,080,680
166,271	-	-	907,622
-	-	-	687,257
<u>8,028</u>	<u>-</u>	<u>-</u>	<u>8,028</u>
<u>174,299</u>	<u>145,170</u>	<u>1,083,691</u>	<u>2,934,905</u>
<u>(150,840)</u>	<u>17,204</u>	<u>923,195</u>	<u>1,082,927</u>
130,000	41,112	-	171,112
<u>-</u>	<u>(48,379)</u>	<u>(613,174)</u>	<u>(1,861,553)</u>
<u>130,000</u>	<u>(7,267)</u>	<u>(613,174)</u>	<u>(1,690,441)</u>
(20,840)	9,937	310,021	(607,514)
<u>79,006</u>	<u>188,532</u>	<u>5,905,631</u>	<u>10,344,116</u>
<u>\$ 58,166</u>	<u>\$198,469</u>	<u>\$ 6,215,652</u>	<u>\$ 9,736,602</u>

VERMILION PARISH POLICE JURY
 Abbeville, Louisiana
 Nonmajor Special Revenue Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Maintenance of Road District Funds
 Year Ended December 31, 2017

	Sub Road District #1 of Road District #2	Sub Road District #2 of Road and Road District #3	Sub Road District #3 of Road District #2	Sub Road District #4 of Road District #2
Revenues:				
Taxes - Ad valorem	\$ 394,456	\$ 85,998	\$ 165,626	\$ 306,525
Intergovernmental revenues -				
Federal grants	-	-	6,067	963
State funds:				
State revenue sharing	29,216	11,406	17,200	-
Interest income	<u>10,232</u>	<u>898</u>	<u>1,869</u>	<u>5,145</u>
Total revenues	<u>433,904</u>	<u>98,302</u>	<u>190,762</u>	<u>312,633</u>
Expenditures:				
Current -				
General government:				
Finance and administrative	35,530	8,009	15,214	26,034
Public Works	<u>194,738</u>	<u>71,347</u>	<u>118,915</u>	<u>305,826</u>
Total expenditures	<u>230,268</u>	<u>79,356</u>	<u>134,129</u>	<u>331,860</u>
Excess (deficiency) of revenues over expenditures	203,636	18,946	56,633	(19,227)
Other financing uses:				
Transfers out	<u>(126,119)</u>	<u>(29,096)</u>	<u>(49,765)</u>	<u>(87,674)</u>
Net change in fund balances	77,517	(10,150)	6,868	(106,901)
Fund balances, beginning	<u>1,097,663</u>	<u>139,002</u>	<u>237,617</u>	<u>602,208</u>
Fund balances, ending	<u>\$ 1,175,180</u>	<u>\$ 128,852</u>	<u>\$ 244,485</u>	<u>\$ 495,307</u>

<u>Sub Road District #5 of Road District #2</u>	<u>Road District #4-A</u>	<u>Road District #6</u>	<u>Road District #7</u>	<u>Total</u>
\$ 165,264	\$ 211,548	\$ 87,255	\$ 410,994	\$ 1,827,666
-	7,566	3,958	-	18,554
26,085	4,880	7,279	8,502	104,568
<u>3,408</u>	<u>8,858</u>	<u>528</u>	<u>25,160</u>	<u>56,098</u>
<u>194,757</u>	<u>232,852</u>	<u>99,020</u>	<u>444,656</u>	<u>2,006,886</u>
14,819	19,163	7,364	37,736	163,869
<u>102,404</u>	<u>22,486</u>	<u>45,372</u>	<u>58,734</u>	<u>919,822</u>
<u>117,223</u>	<u>41,649</u>	<u>52,736</u>	<u>96,470</u>	<u>1,083,691</u>
77,534	191,203	46,284	348,186	923,195
<u>(53,574)</u>	<u>(96,722)</u>	<u>(26,950)</u>	<u>(143,274)</u>	<u>(613,174)</u>
23,960	94,481	19,334	204,912	310,021
<u>374,843</u>	<u>909,205</u>	<u>91,277</u>	<u>2,453,816</u>	<u>5,905,631</u>
<u>\$ 398,803</u>	<u>\$ 1,003,686</u>	<u>\$ 110,611</u>	<u>\$ 2,658,728</u>	<u>\$ 6,215,652</u>

NONMAJOR DEBT SERVICE FUND

1999 General Obligation Bonds

To accumulate monies for repayment of \$6,000,000 of bonds which were issued in 1999 for the purpose of constructing, acquiring, and improving public libraries buildings within the parish. Payments are due in various annual amounts through 2019, with interest accruing at various rates, ranging from 4.75% to 7.00%. These bonds are financed by a dedication of proceeds of a 3 mill property tax. These bonds were refunded April 1, 2005. The results of the refunding consisted of \$1,020,000 of bonds unrefunded, of which payments are due in various annual amounts through 2009, with interest accruing at various rates, ranging from 4.75% to 6.50%; and \$3,810,000 of bonds refunded, of which are due in various annual amounts through 2019, with interest accruing at various rates, ranging from 3.00% to 4.00%.

VERMILION PARISH POLICE JURY
Abbeville, Louisiana
Nonmajor Debt Service Fund
General Obligation Bonds, Series 1999

Balance Sheet
December 31, 2017

ASSETS

Cash and interest-bearing deposits	\$ 571,752
Ad valorem tax receivable, net	125,296
Accrued interest receivable	<u>125</u>
Total assets	<u>\$ 697,173</u>

LIABILITIES, DEFERRED INFLOWS OF
RESOURCES, AND FUND BALANCE

Liabilities	\$ -
Deferred inflows of resources:	
Deferred revenues	15,749
Fund balance:	
Restricted	<u>681,424</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 697,173</u>

VERMILION PARISH POLICE JURY
 Abbeville, Louisiana
 Nonmajor Debt Service Fund
 General Obligation Bonds, Series 1999

Statement of Revenues, Expenditures, and Changes in Fund Balance
 Year Ended December 31, 2017

Revenues:	
Taxes -	
Ad valorem	\$ 150,066
Interest income	<u>6,579</u>
Total revenues	<u>156,645</u>
Expenditures:	
Debt service -	
Principal retirement	405,000
Interest and fiscal charges	<u>48,509</u>
Total expenditures	<u>453,509</u>
Deficiency of revenues over expenditures	(296,864)
Fund balance, beginning	<u>978,288</u>
Fund balance, ending	<u><u>\$ 681,424</u></u>

NONMAJOR CAPITAL PROJECT FUNDS

LCDBG Contract I

To account for cost associated with assisting low to middle income parish residents with improvements to their homes for medical necessities. These costs are being paid through a Community Development Block Grant.

LCDBG Contract II

To account for cost associated with the purchase, construction and improvements made with respect to the Long-term Community Recovery Program. These costs are being paid through a Community Development Block Grant.

LCDBG Contract III

To account for cost associated with assisting parish residents with elevation of homes in response to new FEMA flood requirements. These costs are being paid through a Community Development Block Grant.

LCDBG Contract IV

To account for cost associated with the purchase, construction and improvements made with respect to waterline extensions within two of the parishes districts. These costs are being paid through a Community Development Block Grant.

VERMILION PARISH POLICE JURY
 Abbeville, Louisiana
 Nonmajor Capital Project Funds

Combining Balance Sheet
 December 31, 2017

	LCDBG Contract I	LCDBG Contract II	LCDBG Contract III	LCDBG Contract IV	Total
ASSETS					
Due from other governmental units	\$ -	\$ -	\$ 6,891	\$ 62,049	\$ 68,940
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ 6,891	\$ -	\$ 6,891
Contracts payable	-	-	-	43,226	43,226
Retainage payable	-	-	-	18,823	18,823
Total liabilities	-	-	6,891	62,049	68,940
Fund balances:					
Restricted	-	-	-	-	-
Total liabilities and fund balances	\$ -	\$ -	\$ 6,891	\$ 62,049	\$ 68,940

VERMILION PARISH POLICE JURY
 Abbeville, Louisiana
 Nonmajor Capital Project Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Year Ended December 31, 2017

	<u>LCDBG Contract I</u>	<u>LCDBG Contract II</u>	<u>LCDBG Contract III</u>	<u>LCDBG Contract IV</u>	<u>Total</u>
Revenues:					
Intergovernmental -					
Federal grant	<u>\$ 57,511</u>	<u>\$ -</u>	<u>\$ 16,355</u>	<u>\$ 420,897</u>	<u>\$ 494,763</u>
Expenditures:					
Public works	57,526	15	16,371	15	73,927
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>420,897</u>	<u>420,897</u>
Total expenditures	<u>57,526</u>	<u>15</u>	<u>16,371</u>	<u>420,912</u>	<u>494,824</u>
Excess of revenues over expenditures	(15)	(15)	(16)	(15)	(61)
Other financing uses:					
Transfer in	<u>15</u>	<u>15</u>	<u>16</u>	<u>15</u>	<u>61</u>
Net change in fund balance	-	-	-	-	-
Fund balance, beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

VERMILION PARISH POLICE JURY
Abbeville, Louisiana
Component Unit - Criminal Court

Governmental Fund
Balance Sheet
December 31, 2017

ASSETS

Cash and interest-bearing deposits	\$ 31,899
Due from other governmental units	<u>28,084</u>
Total assets	<u>\$ 59,983</u>

LIABILITIES AND FUND BALANCES

Liabilities:

Accounts payable	\$ 3,961
Due to primary government	<u>630</u>
Total liabilities	4,591

Fund balances:

Unassigned	<u>55,392</u>
Total liabilities and fund balances	<u>\$ 59,983</u>

VERMILION PARISH POLICE JURY
Abbeville, Louisiana
Component Unit - Criminal Court

Reconciliation of the Governmental Fund Balance Sheet
to the Statement of Net Position
December 31, 2017

Fund balance for the governmental fund	\$ 55,392
Long-term liabilities:	
Net pension liability	(5,656)
Deferred outflows of resources related to net pension liability	7,378
Deferred inflows of resources related to net pension liability	<u>(1,020)</u>
Net position	<u>\$ 56,094</u>

VERMILION PARISH POLICE JURY
Abbeville, Louisiana
Component Unit - Criminal Court

Statement of Revenues, Expenditures, and Changes in Fund Balance
For the Year Ended December 31, 2017

Revenues:	
Intergovernmental -	
State funds	\$ 2,500
Other	248,458
Fees, charges, and commission	329,621
Interest income	<u>1,558</u>
Total revenues	582,137
Expenditures:	
General government	<u>518,060</u>
Excess of revenues over expenditures	64,077
Fund balance, beginning	<u>(8,685)</u>
Fund balance, ending	<u>\$ 55,392</u>

VERMILION PARISH POLICE JURY
Abbeville, Louisiana
Component Unit - Criminal Court

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balance of the Governmental Fund
to the Statement of Activities
For the Year Ended December 31, 2017

Net changes in fund balances per Statement of Revenues, Expenditures and Changes in Fund Balances		\$ 64,077
Effect of the change in net pension liability, deferred outflows/inflows of resources:		
Change in pension expense	(48,223)	
Nonemployer pension contribution revenue recognized	<u>203</u>	<u>(48,020)</u>
Changes in net position per Statement of Activities		<u>\$ 16,057</u>

VERMILION PARISH POLICE JURY
Abbeville, Louisiana
Component Unit - Tourist Commission

Balance Sheet
Governmental Fund
December 31, 2017

ASSETS

Cash and interest-bearing deposits	\$ 345,827
Taxes receivable, net	9,168
Other receivables	<u>100</u>
Total assets	<u>\$ 355,095</u>

LIABILITIES AND FUND BALANCES

Liabilities:	
Accrued liabilities	\$ 3,637
Fund balances:	
Unassigned	<u>351,458</u>
Total liabilities and fund balances	<u>\$ 355,095</u>

VERMILION PARISH POLICE JURY
Abbeville, Louisiana
Component Unit - Tourist Commission

Reconciliation of the Governmental Fund Balance Sheet
to the Statement of Net Position
December 31, 2017

Fund balance for the governmental fund	\$ 351,458
Long-term liabilities:	
Net pension liability	(14,585)
Deferred outflows of resources related to net pension liability	18,788
Deferred inflows of resources related to net pension liability	<u>(2,552)</u>
Net position	<u>\$ 353,109</u>

VERMILION PARISH POLICE JURY
Abbeville, Louisiana
Component Unit - Tourist Commission

Statement of Revenues, Expenditures, and Changes in Fund Balance
For the Year Ended December 31, 2017

Revenues:	
Sales and use tax	\$ 51,938
Other grants	250,000
Interest income	293
Miscellaneous	<u>453</u>
Total revenues	302,684
Expenditures:	
Culture and recreation	<u>134,107</u>
Excess of revenues over expenditures	168,577
Fund balance, beginning	<u>182,881</u>
Fund balance, ending	<u>\$ 351,458</u>

VERMILION PARISH POLICE JURY
Abbeville, Louisiana
Component Unit - Tourist Commission

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balance of the Governmental Fund
to the Statement of Activities
For the Year Ended December 31, 2017

Net changes in fund balances per Statement of Revenues, Expenditures and Changes in Fund Balances		\$ 168,577
Effect of the change in net pension liability, deferred outflows/inflows of resources:		
Change in pension expense	(4,184)	
Nonemployer pension contribution revenue recognized	<u>523</u>	<u>(3,661)</u>
Changes in net position per Statement of Activities		<u>\$ 164,916</u>

INTERNAL CONTROL,
COMPLIANCE,
AND
OTHER MATTERS

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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 Members of the Police Jury
Vermilion Parish
Abbeville, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Vermilion Parish Police Jury (the Police Jury), as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Police Jury's, basic financial statements and have issued our report thereon dated June 5, 2018.

Internal Control Over Financial Reporting

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

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

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material

weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying schedule of current and prior year audit findings and management's corrective action plan as items 2017-001 that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Police Jury's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Vermilion Parish Police Jury's Response to Findings

The Police Jury's response to the finding identified in our audit is described in the accompanying schedule of current and prior year audit findings and management's corrective action plan. Police Jury's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

Kolder, Slaven & Company, LLC
Certified Public Accountants

Abbeville, Louisiana
June 5, 2018

KOLDER, SLAVEN & COMPANY, LLC

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

To the Members of the Police Jury
Vermilion Parish
Abbeville, Louisiana

Report on Compliance for Each Major Federal Program

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

Management's Responsibility

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

Auditor's Responsibility

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

Opinion on Each Major Federal Program

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

Report on Internal Control Over Compliance

Management of the Police Jury is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the 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 our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Police Jury's internal control over compliance.

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

Our consideration of the 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 the 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. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Abbeville, Louisiana
June 5, 2018

VERMILION PARISH POLICE JURY

Schedule of Expenditures of Federal Awards
Year Ended December 31, 2017

Federal Grantor/Pass-Through Grantor/Program Name	CFDA Number	Pass - Through Identifying No.	Passed Through to Subrecipients	Expenditures
United States Department of Community Planning and Development, Department of Housing and Urban Development - Passed through State of Louisiana Division of Administration, Office of Finance and Support Services Community Development Block Grants/State's Program	14.228	683851	\$ -	\$ 16,354
Community Development Block Grants/State's Program	14.228	726451	-	478,408
			-	494,762
United States Department of Interior Coastal Impact Assistance Program (CIAP)	15.668		-	82,583
United States Department of Transportation and Development - Passed through State of Louisiana, Office of Community Development Public Transportation for Non-urbanized Areas	20.509	LA-18-X033	34,524	34,524
Public Transportation for Non-urbanized Areas	20.509	LA-2017-013	26,122	26,122
			60,646	60,646
United States Department of Homeland Security - Passed through State of Louisiana Military Department of Homeland Security and Emergency Preparedness - Flood Mitigation Assistance	97.029	FMA-PJ-06-LA-2014-008	-	200,351
Public Assistance (Presidentially Declared Disasters)	97.036	PA-06-LA-4277	-	725,459
Hazard Mitigation Grant *	97.039	1603-113-0011	-	1,708,775
Hazard Mitigation Grant *	97.039	1786-113-0001	-	1,158,495
			-	2,867,270
Total Department of Homeland Security			-	3,793,080
			\$ 60,646	\$ 4,431,071

* Denotes major program.

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Notes to Schedule of Expenditures of Federal Awards
Year Ended December 31, 2017

(1) General

The accompanying Schedule of Expenditures of Federal Awards presents the federal grant activity of the Vermilion Parish Police Jury (the Police Jury). The Police Jury reporting entity is defined in Note 1 to the basic financial statements for the year ended December 31, 2017. All federal financial assistance received directly from federal agencies is included on the schedule as well as federal financial assistance passed through other government agencies.

(2) Basis of Accounting

The accompanying 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 for the year ending December 31, 2017.

(3) Indirect Cost Rate

The Vermilion Parish Police Jury has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Schedule of Findings and Questioned Costs
Year Ended December 31, 2017

Part I. Summary of Auditor's Results:

1. The auditor's report expresses an unmodified opinion on the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Vermilion Parish Police Jury. Additionally, the auditor's report expresses an adverse opinion on the financial statements of the discretely presented component units of the Vermilion Parish Police Jury because the Police Jury does not issue reporting entity financial statements to include all component units.
2. One significant deficiency in internal control was disclosed by the audit of the basic financial statements.
3. No instances of noncompliance material to the financial statements which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed by the audit of the financial statements.
4. No significant deficiencies in internal control over the major program were disclosed by the audit of the basic financial statements.
5. An unmodified opinion was issued on compliance for the major programs.
6. The audit disclosed no findings required to be reported in accordance with 2 CFR section 200.516(a) of the Uniform Guidance.
7. The major program was:

United States Department of Homeland Security, Louisiana Military Department of Homeland Security and Emergency Preparedness: Hazard Mitigation Grant, CFDA 97.039.
8. The dollar threshold used to distinguish between Type A and Type B programs was \$750,000.
9. The auditee did qualify as a low-risk auditee.

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Schedule of Findings and Questioned Costs (Continued)
Year Ended December 31, 2017

Part II. Findings which are required to be reported in accordance with generally accepted governmental auditing standards:

A. Internal Control Findings –

See internal control finding 2017-001 on the schedule of current and prior year audit findings and management's corrective action plan.

B. Compliance Findings –

There are no findings of compliance required to be reported under the above guidance.

Part III. Findings and questioned costs for Major Federal awards in accordance with 2 CFR section 200 of the Uniform Guidance:

There are no findings and questioned costs related to federal programs that are required to be reported under the above guidance.

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan
Year Ended December 31, 2017

Part I. Current Year Findings and Management's Corrective Action Plan:

A. Internal Control Over Financial Reporting

2017-001 Application of Generally Accepted Accounting Principles (GAAP)

Fiscal year finding initially occurred: Unknown

CONDITION: The Vermilion Parish Police Jury did not have adequate internal controls over recording the entity's financial transactions or preparing its financial statements, including related notes in accordance with generally accepted accounting principles (GAAP).

CRITERIA: AU-C§265.A37 identifies the following as a deficiency in the design of (internal) controls:

"... in an entity that prepares financial statements in accordance with generally accepted accounting principles, the person responsible for the accounting and reporting function lacks the skills and knowledge to apply generally accepted accounting principles in recording the entity's financial transactions or preparing its financial statements."

CAUSE: The cause of the condition is the result of a failure to design or implement policies and procedures necessary to achieve adequate internal control.

EFFECT: Financial statements and related supporting transactions may reflect a material departure from generally accepted accounting principles.

RECOMMENDATION: Management should evaluate the additional costs required to achieve the desired benefit and determine if it is economically feasible in relation to the benefit received.

MANAGEMENT'S CORRECTIVE ACTION PLAN: Mr. Keith Roy, Administrator, has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP, and determined that it is in the best interests of the Police Jury to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.

B. Compliance

There were no compliance findings.

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan (Continued)
Year Ended December 31, 2017

Part II: Prior Year Findings:

A. Internal Control Over Financial Reporting

2016-001 Application of Generally Accepted Accounting Principles (GAAP)

CONDITION: The Vermilion Parish Police Jury did not have adequate internal controls over recording the entity's financial transactions or preparing its financial statements, including related notes in accordance with generally accepted accounting principles (GAAP).

RECOMMENDATION: Management should evaluate the additional costs required to achieve the desired benefit and determine if it is economically feasible in relation to the benefit received.

CURRENT STATUS: Unresolved. See item 2017-001.

B. Compliance

There were no compliance findings.

VERMILION PARISH POLICE JURY
Abbeville, Louisiana

Agreed-Upon Procedures Report

Year Ended December 31, 2017

KOLDER, SLAVEN & COMPANY, LLC

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Members of the Police Jury,
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below, which were agreed to by the Vermilion 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. We obtained the entity's written policies and procedures and reported whether those written policies and procedures address each of the following financial/business functions (or reported that the entity does not have any written policies and procedures), as applicable:
 - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
 - b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.
 - c) **Disbursements**, including processing, reviewing, and approving.
 - d) **Receipts**, including receiving, recording, and preparing deposits.

- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, and (5) monitoring card usage.
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy. Note: Ethics requirements are not applicable to nonprofits.
- j) **Debt Service**, including (1) debt issuance approval, (2) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Board (or Finance Committee, if applicable)

- 2. We obtained and reviewed the board/committee minutes for the fiscal period, and:
 - a) Reported whether the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.
 - b) Reported whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and any additional funds identified as major funds in the entity's prior audit (GAAP-basis).
 - If the budget-to-actual comparisons show that management was deficit spending during the fiscal period, reported 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, reported whether the meeting minutes for at least one board meeting during the fiscal period reflect that the board is monitoring the plan.
 - c) Reported 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.

Bank Reconciliations

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

4. Using the listing provided by management, we selected all of the entity's bank accounts (if five accounts or less) or one-third of the bank accounts on a three year rotating basis (if more than 5 accounts). For each of the bank accounts selected, we obtained bank statements and reconciliations for all months in the fiscal period and reported whether:
 - a) Bank reconciliations have been prepared;
 - b) Bank reconciliations include evidence that a member of management or a board member (with no involvement in the transactions associated with the bank account) has reviewed each bank reconciliation; and
 - c) If applicable, management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months as of the end of the fiscal period.

Collections

5. We obtained a listing of cash/check/money order (cash) collection locations and management's representation that the listing is complete.
6. Using the listing provided by management, we selected all of the entity's cash collection locations (if five locations or less) or one-third of the collection locations on a three year rotating basis (if more than 5 locations). For each cash collection location selected:
 - a) We obtained existing written documentation (e.g. insurance policy, policy manual, job description) and reported whether each person responsible for collecting cash is (1) bonded, (2) not responsible for depositing the cash in the bank, recording the related transaction, or reconciling the related bank account (report if there are compensating controls performed by an outside party), and (3) not required to share the same cash register or drawer with another employee.
 - b) We obtained existing written documentation (e.g. sequentially numbered receipts, system report, reconciliation worksheets, policy manual) and reported whether the entity has a formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, by a person who is not responsible for cash collections in the cash collection location selected.
 - c) We selected the highest (dollar) week of cash collections from the general ledger or other accounting records during the fiscal period and:
 - Using entity collection documentation, deposit slips, and bank statements, we traced daily collections to the deposit date on the corresponding bank statement and reported whether the deposits were made within one day of collection. If deposits were not made within one day of collection, reported the number of days from receipt to deposit for each day at each collection location.
 - Using sequentially numbered receipts, system reports, or other related collection documentation, we verified that daily cash collections are completely supported by documentation and report any exceptions.

7. We obtained existing written documentation (e.g. policy manual, written procedure) and reported 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.

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

8. We obtained a listing of entity disbursements from management or, alternately, obtained the general ledger and sorted/filtered for entity disbursements. We obtained management’s representation that the listing or general ledger population is complete.
9. Using the disbursement population from #8 above, we randomly selected 25 disbursements (or randomly selected 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. We obtained supporting documentation (e.g. purchase requisitions, system screens/logs) for each transaction and reported whether the supporting documentation for each transaction demonstrated that:
 - a) Purchases were initiated using a requisition/purchase order system or an equivalent electronic system that separates initiation from approval functions in the same manner as a requisition/purchase order system.
 - b) Purchase orders, or an electronic equivalent, were approved by a person who did not initiate the purchase.
 - c) Payments for purchases were not processed without (1) an approved requisition and/or purchase order, or electronic equivalent; a receiving report showing receipt of goods purchased, or electronic equivalent; and an approved invoice.
10. Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), we reported whether the person responsible for processing payments is prohibited from adding vendors to the entity’s purchasing/disbursement system.
11. Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), we reported whether the persons with signatory authority or who make the final authorization for disbursements have no responsibility for initiating or recording purchases.
12. We inquired of management and observed 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 reported any exceptions. Alternately, if the checks are electronically printed on blank check stock, we reviewed entity documentation (electronic system control documentation) and reported whether the persons with signatory authority have system access to print checks.
13. If a signature stamp or signature machine is used, we inquired 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. We inquired of the signer whether signed checks are likewise maintained under the control of the signer or authorized user until mailed. We reported any exceptions.

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

14. We obtained 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. We obtained management's representation that the listing is complete.
15. Using the listing prepared by management, we randomly selected 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.

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

- a) We reported 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.
 - b) We reported whether finance charges and/or late fees were assessed on the selected statements.
16. Using the monthly statements or combined statements selected under #15 above, we obtained supporting documentation for all transactions for each of the 10 cards selected (i.e. each of the 10 cards should have one month of transactions subject to testing).
 - a) For each transaction, we reported whether the transaction is supported by:
 - An original itemized receipt (i.e., identifies precisely what was purchased)
 - Documentation of the business/public purpose. For meal charges, there should also be documentation of the individuals participating.
 - Other documentation that may be required by written policy (e.g., purchase order, written authorization.)
 - b) For each transaction, we compared 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 reported any exceptions.
 - c) For each transaction, we compared 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 reported any exceptions (e.g. cash advances or non-business purchases, regardless whether they are reimbursed).

Travel and Expense Reimbursement

17. We obtained from management a listing of all travel and related expense reimbursements, by person, during the fiscal period or, alternately, we obtained the general ledger and sorted/filtered for travel reimbursements. We obtained management's representation that the listing or general ledger is complete.
18. We obtained the entity's written policies related to travel and expense reimbursements. We compared the amounts in the policies to the per diem and mileage rates established by the U.S. General Services Administration (www.gsa.gov) and reported any amounts that exceed GSA rates.
19. Using the listing or general ledger from #17 above, we selected the three persons who incurred the most travel costs during the fiscal period. We obtained the expense reimbursement reports or prepaid expense documentation of each selected person, including the supporting documentation, and choose the largest travel expense for each person to review in detail. For each of the three travel expenses selected:
 - a) We compared expense documentation to written policies and reported 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, we compared to the GSA rates (#18 above) and reported each reimbursement that exceeded those rates.
 - b) We reported whether each expense is supported by:
 - An original itemized receipt that identifies precisely what was purchased. [Note: An expense that is reimbursed based on an established per diem amount (e.g., meals) does not require a receipt.]
 - Documentation of the business/public purpose (Note: For meal charges, there should also be documentation of the individuals participating).
 - Other documentation as may be required by written policy (e.g., authorization for travel, conference brochure, certificate of attendance).
 - c) We compared 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).
 - d) We reported whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Contracts

20. We obtained a listing of all contracts in effect during the fiscal period or, alternately, we obtained the general ledger and sorted/filtered for contract payments. We obtained management's representation that the listing or general ledger is complete.

21. Using the listing above, we selected 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). We obtained the related contracts and paid invoices and:
- a) We reported whether there is a formal/written contract that supports the services arrangement and the amount paid.
 - b) We compared 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, we obtained/compared supporting contract documentation to legal requirements and reported whether the entity complied with all legal requirements (e.g., solicited quotes or bids, advertisement, selected lowest bidder).
 - If no, we obtained supporting contract documentation and reported whether the entity solicited quotes as a best practice.
 - c) We reported whether the contract was amended. If so, we reported the scope and dollar amount of the amendment and whether the original contract terms contemplated or provided for such an amendment.
 - d) We selected the largest payment from each of the five contracts, obtained the supporting invoice, compared the invoice to the contract terms, and reported whether the invoice and related payment complied with the terms and conditions of the contract.
 - e) We obtained/reviewed contract documentation and board minutes and reported whether there is documentation of board approval, if required by policy or law (e.g. Lawrason Act or Home Rule Charter).

Payroll and Personnel

22. We obtained a listing of employees (and elected officials, if applicable) with their related salaries, and obtained management’s representation that the listing is complete. Randomly select five employees/officials, obtained their personnel files, and:
- a) Reviewed compensation paid to each employee during the fiscal period and reported whether payments were made in strict accordance with the terms and conditions of the employment contract or pay rate structure.
 - b) Reviewed changes made to hourly pay rates/salaries during the fiscal period and reported whether those changes were approved in writing and in accordance with written policy.
23. We obtained 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, we randomly selected 25 employees/officials (or randomly selected one-third of employees/officials if the entity had less than 25 employees during the fiscal period), and:

- a) Reported whether all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).
 - b) Reported whether there is written documentation that supervisors approved, electronically or in writing, the attendance and leave of the selected employees/officials.
 - c) Reported whether there is written documentation that the entity maintained written leave records (e.g., hours earned, hours used, and balance available) on those selected employees/officials that earn leave.
24. We obtained 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, we selected the two largest termination payments (e.g., vacation, sick, compensatory time) made during the fiscal period and obtained the personnel files for the two employees/officials. We reported whether the termination payments were made in strict accordance with policy and/or contract and approved by management.
25. We obtained supporting documentation (e.g. cancelled checks, EFT documentation) relating to payroll taxes and retirement contributions during the fiscal period. We reported 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.

Ethics (excluding nonprofits)

26. Using the five randomly selected employees/officials from procedure #22 under "Payroll and Personnel" above, we obtained ethics compliance documentation from management and reported whether the entity maintained documentation to demonstrate that required ethics training was completed.
27. We inquired of management whether any alleged ethics violations were reported to the entity during the fiscal period. If applicable, we reviewed 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. We reported whether management received allegations, whether management investigated allegations received, and whether the allegations were addressed in accordance with policy.

Debt Service (excluding nonprofits)

28. If debt was issued during the fiscal period, we obtained supporting documentation from the entity, and reported whether State Bond Commission approval was obtained.
29. If the entity had outstanding debt during the fiscal period, we obtained supporting documentation from the entity and reported whether the entity made scheduled debt service payments and maintained debt reserves, as required by debt covenants.

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

Other

31. We inquired of management whether the entity had any misappropriations of public funds or assets. If so, we obtained/reviewed supporting documentation and reported whether the entity reported the misappropriation to the legislative auditor and the district attorney of the parish in which the entity is domiciled.
32. We observed and reported whether the entity has posted on its premises and website, the notice required by R.S. 24:523.1. This notice (available for download or print at www.la.gov/hotline) concerns the reporting of misappropriation, fraud, waste, or abuse of public funds.
33. If we observed or otherwise identified any exceptions regarding management's representations in the procedures above, we reported the nature of each exception.

Findings:

No exceptions were found as a result of applying the procedures listed above except:

Written Policies:

Vermilion Parish Police Jury does not have written policies and procedures addressing budgeting.

Vermilion Parish Police Jury does not have written policies and procedures addressing how vendors are added to the vendor list.

Vermilion Parish Police Jury does not have written policies and procedures addressing contracting.

Vermilion Parish Police Jury does not have written policies and procedures addressing allowable expenses and dollar thresholds by category of expense for travel and expense reimbursement.

Vermilion Parish Police Jury does not have written policies and procedures addressing ethics.

Vermilion Parish Police Jury does not have written policies and procedures addressing debt service.

Board:

The minutes did not make reference to monthly budget-to-actual comparisons for the General Fund and any additional funds identified as major funds in the entity's prior audit.

Disbursements:

Vermilion Parish Police Jury does not have written policies and procedures addressing whether the persons with signatory authority or who make the final authorization for disbursements have no responsibility for initiating or recording purchases.

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

Vermilion Parish Police Jury was assessed late fees on one of the selected credit cards tested.

Contracts:

4 contracts were amended in accordance with original contract terms. The first was amended 6 separate times. The second was amended 1 time. The third was amended 4 separate times. The fourth was amended 1 time.

Contract one, amendment one was to decrease the cost of the project by \$6,017 for materials not used.

Contract one, amendment two was to increase the cost of the project by \$24,351 for additional work needed due to the flood.

Contract one, amendment three was to increase the cost of the project by \$9,764 for additional work needed due to the flood.

Contract one, amendment four was to decrease the cost of the project by \$12,099 to reflect field changes.

Contract one, amendment five was to decrease the cost of the project by \$22,420 for adjustments made to contract quantities and to increase the project by 30 days due to inclement weather.

Contract one, amendment six was to decrease the cost of the project by \$6,074.75 for additional materials and supplies not used and to increase the project by 14 days due to inclement weather.

Contract two, amendment one was to increase the cost of the project by \$56,297 for additional work to be performed.

Contract three, amendment one was to decrease the cost of the project by \$150 for work that will not need to be performed.

Contract three, amendment two was to decrease the cost of the project by \$251 for work that will not need to be performed.

Contract three, amendment three was to increase the cost of the project by \$165,040 for additional work to be performed.

Contract three, amendment four was to increase the cost of the project by \$52,630 for adjusting of materials and supplies to actual.

Contract four, amendment one was to decrease the cost of the project by \$34,698 for adjusting of materials and supplies to actual.

Payroll/Personnel:

Vermilion Parish Police Jury did not submit payroll taxes timely on two separate occasions.

Vermilion Parish Police Jury did not submit the retirement payments timely on four separate occasions.

Management's Response:

Management of Vermilion Parish Police Jury concurs with the exceptions and are working to address the deficiencies identified.

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.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Abbeville, Louisiana
June 5, 2018