

POINTE COUPEE PARISH POLICE JURY

New Roads, Louisiana

FINANCIAL REPORT

December 31, 2017

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INDEPENDENT AUDITOR'S REPORT

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Honorable President and Police Jurors
of Pointe Coupee Parish Police Jury
New Roads, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Pointe Coupee 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 Aggregate Discretely Presented Component Units

The financial statements referred to above do not include financial data for most 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 Aggregate Discretely Presented Component Units

In our opinion, because of the significance of the matter described in the "Basis for Adverse Opinion on Aggregate Discretely Presented Component Units" paragraph, the financial statements referred to above do not present fairly the financial position of the aggregate discretely presented component units of the 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, the business-type 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 and, where applicable, cash flows 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 1 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 4 through 15 and 77 through 85, 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Police Jury's basic financial statements. The other supplementary information on pages 86 through 92 and 97 through 98, 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 financial statements.

The schedule of Compensation, Benefits and Other Payments to Agency Heads, and 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 19, 2018 on our consideration of the 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 Police Jury's internal control over financial reporting and compliance.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Baton Rouge, Louisiana
June 19, 2018

POINTE COUPEE PARISH POLICE JURY

New Roads, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our analysis of Pointe Coupee Parish Police Jury's (the Police Jury) financial performance provides an overview of the Police Jury's financial activities for the year ended December 31, 2017. Please read it in conjunction with the Police Jury's financial statements, which begin on page 16. The Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes, and currently known facts. This MD&A should be read in conjunction with the financial statements which begin on Exhibit A.

FINANCIAL HIGHLIGHTS

In 2017, the Police Jury experienced an improved year financially. The Police Jury recognized increases in charges for services. Additionally, a decrease in expenses was recognized when comparing 2016 to 2017 total expense incurred. The Police Jury maintained a logical and thoughtful alignment of Police Jury resources to community needs as a result of these changes in revenue.

The major financial highlights for 2017 are as follows:

- Assets of the Police Jury's primary government exceeded its liabilities at the close of the year by \$18.7 million (net position).
- The primary government's total net position increased by \$2.9 million during 2017.

Governmental activities' net position increased by \$2.4 million, primarily as a result of increases in various charges for services of \$120,000. Additionally, the Police Jury experienced decreases drainage expenses of \$128,000 while experiencing increases in general government and public safety of \$216,000 and \$120,000, respectively.

Business-type activities total net position of the Police Jury increased by approximately \$532,000 during 2017. The increase was the result of an increase in charges for services of \$540,000, decrease in solid-waste expenses of \$92,000, and a decrease in transfers to governmental activities of \$125,000.

- As of the end of the year, the primary government's governmental funds reported combined fund balances of approximately \$4.6 million, a decrease of \$525,000 from prior year.
- The Police Jury's restricted governmental fund balance was \$3.3 million. The restricted fund balances are located in Road Construction Fund (\$716,000), and Debt Service Road Improvement Fund (\$2.6 million).

Significant aspects of the Police Jury's financial well being, as of and for the year ended December 31, 2017, are detailed throughout this analysis.

USING THIS ANNUAL REPORT

With the implementation of Governmental Accounting Standards Board Statement 34, a government's presentation of financial statements focuses on the government as a whole and on major individual funds. Both perspectives allow the reader to address relevant questions, broaden a basis for comparison from year to year and enhance the Police Jury's accountability.

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 16 and 17) provide information about the activities of the Police Jury as a whole and present a longer-term view of the Police Jury's finances. Fund financial statements start on page 18. For governmental funds, these statements depict how services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Police Jury's operations in more detail than the government-wide statements by providing information about the Police Jury's most significant funds.

Our auditor has provided assurance in their independent auditors' report, located immediately preceding this MD&A, that the financial statements are fairly stated. Varying degrees of assurance are being provided by the auditor regarding the required supplemental information and the supplemental information. A user of this report should read the independent auditors' report carefully to ascertain the level of assurance being provided for each part of this report.

Reporting the Police Jury as a Whole

The analysis of the Police Jury as a whole begins on page 16. The Statement of Net Position and the Statement of Activities report information about the Police Jury as a whole and about its activities in a manner to determine if the Police Jury is in better condition as a result of the year's financial results. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to accounting methods used by most private-sector companies.

All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. Thus, revenues and expenses are reported in these statements for some items that will only result in cash flows in future fiscal periods.

You can think of the Police Jury's net position—the difference between assets, deferred outflows, deferred inflows, and liabilities—as one way to measure the Police Jury's financial health, or financial position. Over time, increases or decreases in the Police Jury's net position are one indicator of whether its financial health is improving or deteriorating. Other non-financial factors, however, such as changes in the Police Jury's property and sales tax base and the condition of the Police Jury's roads and buildings, need to be considered to assess the overall well-being of the Police Jury.

In the Statement of Net Position and the Statement of Activities, two kinds of activities are presented, as follows:

Governmental activities - Most of the Police Jury's basic services are reported here, including, public safety, transportation and development, health and welfare, culture and recreation, drainage, economic development, and general administration. Property, sales taxes, franchise taxes, charges for services and state and federal grants finance most of these activities.

Business-type activities – the Police Jury charges a fee to customers to cover all or most of the cost of certain services it provides. The Police Jury charges for various services including operations of the multi-use center, gas distribution and solid waste disposal services are reported here.

At December 31, 2017, the Police Jury's net position was \$18.7 million for both governmental and business-type activities. Restricted net position is reported separately to show legal constraints from debt covenants and enabling legislation that limits the Police Jury's ability to use that net position for day-to-day operations.

The analysis of the primary government focuses on the net position and change in net position of the Police Jury's governmental activities and is as follows:

Pointe Coupee Parish Police Jury
Statement of Net Position
December 31, 2017 and 2016
(in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2017	2016 (1)	2017	2016 (1)	2017	2016 (1)
Current and other assets	\$ 5,636	\$ 8,275	\$ 1,590	\$ 943	\$ 7,226	\$ 9,218
Capital assets	24,095	21,357	1,972	2,150	26,067	23,507
Total assets	<u>29,731</u>	<u>29,632</u>	<u>3,562</u>	<u>3,093</u>	<u>33,293</u>	<u>32,725</u>
Deferred outflows of resources	755	1,159	126	221	881	1,380
Current and other liabilities	1,106	3,338	1,123	1,126	2,229	4,464
Long-term liabilities	12,666	13,262	347	508	13,013	13,770
Total liabilities	<u>13,772</u>	<u>16,600</u>	<u>1,470</u>	<u>1,634</u>	<u>15,242</u>	<u>18,234</u>
Deferred inflows of resources	179	144	31	25	210	169
Net position:						
Net investment in capital assets	15,060	13,541	1,716	1,792	16,776	15,333
Restricted	3,330	7,698	155	35	3,485	7,733
Unrestricted	<u>(1,855)</u>	<u>(7,088)</u>	<u>316</u>	<u>(172)</u>	<u>(1,539)</u>	<u>(7,260)</u>
Total net position	<u>\$ 16,535</u>	<u>\$ 14,151</u>	<u>\$ 2,187</u>	<u>\$ 1,655</u>	<u>\$ 18,722</u>	<u>\$ 15,806</u>

(1) Restated, See note 1.

Net position of the Police Jury's governmental activities increased by 17% or \$2.4 million during 2017. The increase in governmental net position was attributable to increase in ad valorem taxes and decreases in operational expenses.

Additionally, unrestricted net position in governmental activities increased by \$5.3 million. Unrestricted net position represents the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements. The \$1.8 million deficit in unrestricted net position of governmental activities represents the accumulated results of operations. It means that if the Police Jury had to pay off all of the debt, there would be \$1.8 million in debt after exhausting unrestricted assets. The changes in net position are discussed later in this analysis.

The net position of the Police Jury's business-type activities increased by \$532,000 during 2017. The Police Jury has multiple utility oriented operations including natural gas and solid waste along with operating a multi-use center. The primary focus of these funds is to operate on a profitable basis with no governmental funds used to subsidize these operations.

(continued)

The results of this year's operations for the primary government as a whole as reported in the Statement of Activities, are as follows:

Pointe Coupee Parish Police Jury Changes in Net Position For the years ended December 31, 2017 and 2016 (in thousands)						
	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Revenues:						
Program revenues:						
Charges for services	\$ 1,210	\$ 1,090	\$ 3,651	\$ 3,111	\$ 4,861	\$ 4,201
Operating grants and contributions	1,873	1,962	-	-	1,873	1,962
Capital grants and contributions	1,618	2,572	-	-	1,618	2,572
General revenues:						
Ad valorem taxes	1,535	1,581	-	-	1,535	1,581
Sales taxes	3,143	3,016	662	635	3,805	3,651
Other	280	159	-	4	280	163
Total revenues	<u>9,659</u>	<u>10,380</u>	<u>4,313</u>	<u>3,750</u>	<u>13,972</u>	<u>14,130</u>
Functional/Program expenses:						
General government	3,155	2,540	-	-	3,155	2,540
Public safety	1,254	1,533	-	-	1,254	1,533
Transportation and development	1,395	1,513	-	-	1,395	1,513
Health and welfare	141	284	-	-	141	284
Culture and recreation	483	565	-	-	483	565
Drainage	934	1,062	-	-	934	1,062
Economic development	97	155	-	-	97	155
Business-type expenses	-	-	3,333	3,351	3,333	3,351
Interest on long-term debt	264	359	-	-	264	359
Total expenses	<u>7,723</u>	<u>8,011</u>	<u>3,333</u>	<u>3,351</u>	<u>11,056</u>	<u>11,362</u>
Increase (decrease) in net position before transfers	1,936	2,369	980	399	2,916	2,768
Transfers	448	573	(448)	(573)	-	-
Increase (decrease) in net position	2,384	2,942	532	(174)	2,916	2,768
Beginning net position, as restated	<u>14,151</u>	<u>11,209</u>	<u>1,655</u>	<u>1,829</u>	<u>15,806</u>	<u>13,038</u>
Ending net position	<u>\$ 16,535</u>	<u>\$ 14,151</u>	<u>\$ 2,187</u>	<u>\$ 1,655</u>	<u>\$ 18,722</u>	<u>\$ 15,806</u>

Revenues decreased by \$721,000 for governmental activities primarily due to decreases in ad valorem taxes and capital grants and contributions. Additionally, expenses decreased by \$288,000 for governmental activities, which is primarily due to a decrease in drainage and health, welfare, and transportation and development expenses of \$128,000, \$143,000, and \$118,000 respectively. Revenues for business type activities increased by \$563,000, primarily related to an increase in charges for services in the natural gas system. Expenses related to the natural gas system increased by \$72,000, due to an increase in cost of natural gas purchased.

Component units - The government-wide financial statements include not only the Police Jury, but also legally separate entities for which the Police Jury is financially accountable. Financial information for these component units is reported separately from the financial information presented for the Police Jury. These separate legal entities are listed below:

Component Units

Port of Pointe Coupee	Sewer District No. 1
Mosquito Abatement	Sewer District No. 3A
Mandela Sewer District	Sewer District No. 4
Legonnie Sewer District	

Fund Financial Statement

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Traditional users of governmental financial statements will find the fund financial statements presentation more familiar. The focus is on major funds, rather than generic fund types.

Reporting the Police Jury's Most Significant Funds

An analysis of the Police Jury's major funds begins on page 18 with the fund financial statements that provide detailed information about the most significant funds—not the Police Jury as a whole. Some funds are required to be established by State law or by bond covenants. However, the Police Jury establishes other funds to control and manage money for particular purposes or meeting legal responsibilities for using certain taxes, grants, and other money. The Police Jury's two kinds of funds—governmental and proprietary—use different accounting approaches.

Governmental funds—Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Most of the Police Jury's basic services are reported in governmental funds. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Police Jury's general government operations and the basic services it provides. The governmental fund provides information to determine whether there are more or fewer financial resources that can be spent in the near future to finance the Police Jury's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliation to the financial statements. The governmental major funds (Exhibits A-2 and A-4) presentation is presented using modified accrual basis and focuses on the major funds of the Police Jury.

Proprietary funds—When the Police Jury charges customers for the services it provides—whether to outside customers or to other units of the Police Jury—these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the Police Jury’s enterprise funds (a component of proprietary funds) are the same as the business-type activities reported in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds.

Fiduciary funds—Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the Police Jury’s own programs. The accounting used for the fiduciary funds is much like that used for proprietary funds.

Notes to the financial statements—The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are a required part of the basic financial statements and can be found in Exhibit A-12.

Other information—In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning original and final budgetary comparisons to actual results for the year for the Police Jury’s major funds and information regarding the Police Jury’s proportionate share in public pension plans. The required supplementary information can be found on Exhibits B through B-9.

Certain supplementary financial information can be found in Exhibits C through C-3. These schedules are included for additional information and analysis and do not constitute a part of the basic financial statements.

(continued)

Financial Analysis of the Government's Funds

The general government operations of the Police Jury are accounted for in the General Fund, Special Revenue Funds, Debt Service Fund and Capital Project Fund. The focus of these funds, as noted earlier, is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Police Jury's financing requirements.

The following is a summary of major funds for 2017 by fund type with a comparative total for 2016:

	(in thousands)					2016
	2017				Totals	
	General Fund	Special Revenue Funds	Debt Service Fund	Capital Project Funds		
Revenues and other proceeds	\$ 3,848	\$ 2,040	\$ 1,654	\$ 1,163	\$ 8,705	\$ 13,910
Expenditures	3,463	2,394	1,059	2,962	9,878	12,044
Transfers	25	825	(350)	-	500	568
Surplus (deficit)	410	471	245	(1,799)	(673)	2,434
Beginning Fund Balance	261	(490)	2,370	2,516	4,657	1,751
Ending Fund Balance	<u>\$ 671</u>	<u>\$ (19)</u>	<u>\$ 2,615</u>	<u>\$ 717</u>	<u>\$ 3,984</u>	<u>\$ 4,185</u>

The Police Jury's major governmental funds showed a decrease in fund balances of \$673,000 during 2017. The main reason is related to a decrease in grant funding of \$1.1 million and a decrease in tax revenues for \$1.9 million when compared to 2016.

At year end, total governmental fund balances were \$4.6 million, with \$3.3 million as restricted and \$1 million as committed to be used by internally designated purposes by the Police Jury.

The General Fund is the chief operating fund of the Police Jury. At the end of the fiscal year, fund balance of the General Fund ended at approximately \$671,000, which was an increase of \$410,000 from the prior year fund balance of \$261,000.

The Police Jury's other major governmental funds are the Parishwide Drainage Fund, Roads and Bridges Fund, Detention Center Fund special revenue funds, the Road Construction Fund capital project fund, Debt Service Road Improvement Fund and Grants and Capital Outlay Fund capital project fund. The Parishwide Drainage Fund increased by \$272,000 whereas the Road Construction Fund decreased by \$1.8 million, as a result of capital outlay expenditures. The Debt Service Road Improvement Fund's fund balance increased by \$245,000 ending at \$2.6 million as a result of ad valorem taxes collected. The Detention Center Fund's fund balance ended at a deficit of \$412,000, a decrease from the prior deficit of \$539,000, as a result of an operating surplus of approximately \$126,000.

Sources of governmental fund revenues, excluding transfers, are summarized below.

<u>Source of Revenue</u>	(in thousands)			
	2017		2016	
	Revenue	Percent	Revenue	Percent
Taxes	\$ 4,738	49	\$ 4,462	45
Intergovernmental	3,517	36	4,532	44
Charges for services	780	8	662	6
Miscellaneous	613	7	483	5
Total	\$ 9,648	100	\$ 10,139	100

Revenues of the governmental funds decreased due to decreases in taxes and intergovernmental revenues.

Revenues of \$8.2 million out of the \$9.6 million recognized in 2017 were dedicated for special purposes. The remaining \$1.4 million in the General Fund was available to fund a number of Police Jury services. These unrestricted revenues supported public safety, health and welfare, all Police Jury administrative functions, and mandated costs for certain parish agencies, such as the Parish Court, and District Attorney. As noted above, the Police Jury's ongoing activities are largely supported by tax revenues, which represent 49% of total governmental resources.

Expenditures of the primary governmental funds decreased \$2.2 million in 2017. Expenditures for general governmental functions for each major function are summarized in the following table.

<u>Function</u>	(in thousands)			
	2017		2016	
	Expenditure	Percent	Expenditure	Percent
General government	\$ 2,450	23	\$ 2,317	18
Health and welfare	141	1	283	2
Culture and recreation	434	4	538	4
Public safety	1,225	11	1,680	13
Drainage	934	9	1,077	8
Highways and streets	639	6	737	6
Economic development	97	1	155	1
Debt service	1,142	10	818	6
Capital outlay	3,738	35	5,369	41
Total	\$ 10,802	100	\$ 12,974	100

The largest increase in spending occurred in debt service of \$324,000 or 40% increase over the prior year. The largest decrease in spending occurred in capital outlay in which spending decreased by \$1.6 million or 30%.

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year the Police Jury’s General Fund’s budget was amended on several occasions. The amendment of the operating and capital budgets is a customary practice of the Parish and is reflective of the change that occurs with financial related matters throughout the fiscal year. The most significant changes during 2017 were as follows:

- To decrease intergovernmental revenues and related expenditure budgets by \$607,000 for capital outlay spending postponed.
- To increase public safety expenditures by \$100,000.
- To decrease operating transfers out by \$245,000

The actual charges to appropriations (expenditures) was \$47,000 less than the related final budget appropriations of \$3.4 million.

Revenues and other resources available for appropriation were \$4.4 million, which includes expenditures (\$3.5 million) and transfers to other funds (\$535,000). The operating surplus in the General Fund for 2017 was \$410,000 and the related fund balance was \$671,000 at December 31, 2017.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2017, the primary government had \$26.1 million invested in a broad range of capital assets, including heavy equipment for road and drainage maintenance, vehicles, computer equipment, office furniture, land, buildings, park facilities, infrastructure, and natural gas systems.

Capital Assets at year-end (in thousands)

	Governmental		Business-type		Totals	
	Activities		Activities			
	2017	2016	2017	2016	2017	2016
Land	\$ 743	\$ 743	\$ 45	\$ 45	\$ 788	\$ 788
Construction in progress	11,344	7,831	29	-	11,373	7,831
Buildings and improvements	2,305	2,451	1,898	2,105	4,203	4,556
Machinery and equipment	499	377	-	-	499	377
Infrastructure	9,204	9,955	-	-	9,204	9,955
Total assets, net of depreciation	<u>\$ 24,095</u>	<u>\$ 21,357</u>	<u>\$ 1,972</u>	<u>\$ 2,150</u>	<u>\$ 26,067</u>	<u>\$ 23,507</u>

During 2017, capital assets of the Police Jury increased a net of \$2.6 million. This increase is attributed to capital outlay expenditures in 2017, offset by depreciation expenses.

Roads maintained by the Police Jury include certain bridges, which are supported by both wood and concrete surfaces. The Police Jury has elected to record infrastructure on a prospective basis in accordance with GASB 34 provisions. As a result, only certain infrastructure improvements made from 2002 through 2017 have been recorded and depreciated

The Police Jury maintains various natural waterways throughout Pointe Coupee Parish, including False River. Manmade structures, such as bulkheads, are capitalized and depreciated in the government-wide financial statements, while maintenance items, such as dredging, are expensed. There were various construction projects such as road maintenance, drainage, rehabilitation project and the Ecosystem Restoration projects that were in progress at December 31, 2017. More detailed information about the Police Jury's capital assets is presented in Note 7 to the financial statements.

Debt

At year-end, the Police Jury had approximately \$13 million in bonds, notes, other post-employment benefits, net pension liability and capital leases outstanding versus approximately \$14 million last year. Long-term debt transactions for the year were as follows:

	<u>Beginning of Year</u>	<u>Additions</u>	<u>Deletions</u>	<u>End of Year</u>
Governmental activities	\$ 13,261,555	\$ 667,630	\$ 1,262,820	\$ 12,666,365
Business-type activities	<u>508,059</u>	<u>-</u>	<u>161,540</u>	<u>346,519</u>
	<u>\$ 13,769,614</u>	<u>\$ 667,630</u>	<u>\$ 1,424,360</u>	<u>\$ 13,012,884</u>

The Police Jury retired \$1.4 million in debt in 2017. The State of Louisiana limits the amount of general obligation debt that municipalities can issue to 35 percent of the assessed value of all taxable property within the Police Jury's corporate limits. The Police Jury's outstanding general obligation debt is significantly below this \$163 million state-imposed limit. A more detailed information about the Police Jury's long-term liabilities is presented in Note 9 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The Police Jury's elected and appointed officials considered many factors when setting the fiscal-year 2018 budget and tax rates. One of those factors is the economy. The Police Jury's major economic industries are agriculture, manufacturing, electrical generating and distribution, and tourism to False River. These activities have a major impact on the local economy and Pointe Coupee's labor force. Other important industries include government, construction, banking and financial services, medical, utility, and wholesale and retail trade.

An important factor affecting the budget is the ad valorem, sales and other tax collections that approximate 42% of budgeted revenue. The Police Jury budgeted a 46% decrease in intergovernmental revenue for 2018 when compared to the final 2017 adopted budget. Additionally, the 2018 operating budget expenditures provide for increases in debt service, public safety, and general government.

Appropriations of the General Fund budget are \$2.9 million, an increase of 51% from 2017 actual expenditures of \$6 million. Sales and property taxes, licensing fees, grant revenue and funding from the Police Jury's oil severance are expected to fund the budgeted expenditures.

Contacting the Police Jury's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Police Jury's finances and to show accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Police Jury's Finance Office at (225) 638-9556 or 160 East Main Street, New Roads, Louisiana, 70760.

POINTE COUPEE PARISH POLICE JURY

STATEMENT OF NET POSITION

December 31, 2017

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	Business-Type Activities
ASSETS				
Cash and cash equivalents	\$ 3,039,053	\$ 130,461	\$ 3,169,514	\$ 364,684
Investments	-	-	-	181,286
Accounts receivable, net	2,422,388	1,100,928	3,523,316	161,774
Due from other governments	256,575	58,060	314,635	5,167
Due from fiduciary funds	105,969	-	105,969	-
Internal balances	(300,000)	300,000	-	-
Prepaid items	95,619	-	95,619	10,143
Other assets	16,193	-	16,193	-
Capital assets:				
Non-depreciable	12,086,578	73,932	12,160,510	81,400
Depreciable, net	12,008,543	1,898,243	13,906,786	3,999,414
Total assets	<u>29,730,918</u>	<u>3,561,624</u>	<u>33,292,542</u>	<u>4,803,868</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension liability	<u>754,737</u>	<u>126,554</u>	<u>881,291</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 30,485,655</u>	<u>\$ 3,688,178</u>	<u>\$ 34,173,833</u>	<u>\$ 4,803,868</u>
LIABILITIES				
Accounts payable and accrued liabilities	\$ 721,032	\$ 268,383	\$ 989,415	\$ 39,124
Due to other governments	384,325	-	384,325	190,000
Customer meter deposits	-	854,687	854,687	-
Long-term payables:				
Due within one year	920,825	43,284	964,109	68,505
Due in more than one year	8,376,693	212,434	8,589,127	1,274,312
Other post-employment benefits	2,730,046	-	2,730,046	-
Net pension liability	638,801	90,800	729,601	-
Total liabilities	<u>13,771,722</u>	<u>1,469,588</u>	<u>15,241,310</u>	<u>1,571,941</u>
DEFERRED INFLOWS OF RESOURCES				
Pension liability	<u>178,998</u>	<u>31,408</u>	<u>210,406</u>	<u>-</u>
Total liabilities and deferred inflows of resources	13,950,720	1,500,996	15,451,716	1,571,941
NET POSITION				
Net investment in capital assets	15,060,050	1,716,457	16,776,507	2,737,997
Restricted for:				
Road construction and maintenance	715,761	-	715,761	-
Debt service	2,614,616	154,416	2,769,032	140,535
Unrestricted	<u>(1,855,492)</u>	<u>316,309</u>	<u>(1,539,183)</u>	<u>353,395</u>
Total net position	<u>16,534,935</u>	<u>2,187,182</u>	<u>18,722,117</u>	<u>3,231,927</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 30,485,655</u>	<u>\$ 3,688,178</u>	<u>\$ 34,173,833</u>	<u>\$ 4,803,868</u>

Notes on Exhibit A-12 are an integral part of this statement.

POINTE COUPEE PARISH POLICE JURY
STATEMENT OF ACTIVITIES

For the year ended December 31, 2017

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenue and Changes in Net Position			Component Units Business-type Activities
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Primary Government Business-type Activities	Total	
Primary government:								
Governmental activities:								
General government	\$ 3,155,129	\$ 581,535	\$ 1,174,820	\$ -	\$ (1,398,774)	\$ -	\$ (1,398,774)	\$ -
Public safety	1,253,476	70,580	96,160	23,530	(1,063,206)	-	(1,063,206)	-
Transportation and development	1,395,109	2,432	360,794	-	(1,031,883)	-	(1,031,883)	-
Health and welfare	140,907	-	203,000	-	62,093	-	62,093	-
Culture and recreation	482,990	74,786	37,885	-	(370,319)	-	(370,319)	-
Drainage	934,197	480,914	-	1,594,851	1,141,568	-	1,141,568	-
Economic development	97,427	-	-	-	(97,427)	-	(97,427)	-
Interest on long-term debt	263,873	-	-	-	(263,873)	-	(263,873)	-
Total governmental activities	<u>7,723,108</u>	<u>1,210,247</u>	<u>1,872,659</u>	<u>1,618,381</u>	<u>(3,021,821)</u>	<u>-</u>	<u>(3,021,821)</u>	<u>-</u>
Business-type activities:								
Gas	1,318,647	1,719,770	-	-	-	401,123	401,123	-
Solid waste	1,821,196	1,864,894	-	-	-	43,698	43,698	-
Multi-use center	192,787	65,855	-	-	-	(126,932)	(126,932)	-
Total business-type activities	<u>3,332,630</u>	<u>3,650,519</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>317,889</u>	<u>317,889</u>	<u>-</u>
Total primary government	<u>\$ 11,055,738</u>	<u>\$ 4,860,766</u>	<u>\$ 1,872,659</u>	<u>\$ 1,618,381</u>	<u>(3,021,821)</u>	<u>317,889</u>	<u>(2,703,932)</u>	<u>-</u>
Component Units:								
Business-type activities	<u>\$ 723,626</u>	<u>\$ 674,100</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (49,526)</u>
General revenues:								
Taxes:								
Property					1,535,060	-	1,535,060	93,411
Sales					3,142,868	661,656	3,804,524	-
Franchise					34,418	-	34,418	-
Other					33,353	-	33,353	1,212
Grants and contributions not restricted to specific programs					208,772	-	208,772	1,262
Investment earnings					3,929	-	3,929	29
Transfers (to) from other funds					447,800	(447,800)	-	-
Total general revenues and transfers					<u>5,406,200</u>	<u>213,856</u>	<u>5,620,056</u>	<u>95,914</u>
Change in net position					2,384,379	531,745	2,916,124	46,388
Net position - beginning of year, as restated					14,150,556	1,655,437	15,805,993	3,185,539
Net position- end of year					<u>\$ 16,534,935</u>	<u>\$ 2,187,182</u>	<u>\$ 18,722,117</u>	<u>\$ 3,231,927</u>

Notes on Exhibit A-12 are an integral part of this statement.

**POINTE COUPEE PARISH POLICE JURY
BALANCE SHEETS**

GOVERNMENTAL FUNDS

December 31, 2017

	General	Parishwide Drainage	Roads and Bridges	Detention Center	Road Construction	Debt Service Road Improvement	Grants and Capital Outlay	Other Governmental Funds	Total Governmental Funds
ASSETS									
Cash and cash equivalents	\$ 176,176	\$ 9,733	\$ 110,520	\$ 17,859	\$ 903,924	\$ 1,315,179	\$ 557	\$ 505,105	\$ 3,039,053
Accounts receivable, net	1,681,143	480,806	-	20,835	-	173,626	-	65,978	2,422,388
Due from other governments	208,934	-	20,424	-	-	1,411	-	25,806	256,575
Due from other funds	655,969	-	-	-	-	1,125,000	-	-	1,780,969
Prepaid items	95,619	-	-	-	-	-	-	-	95,619
Other assets	16,193	-	-	-	-	-	-	-	16,193
Total assets	\$ 2,834,034	\$ 490,539	\$ 130,944	\$ 38,694	\$ 903,924	\$ 2,615,216	\$ 557	\$ 596,889	\$ 7,610,797
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE									
LIABILITIES									
Accounts payable and accrued expenses	\$ 316,205	\$ 58,672	\$ 19,529	\$ 51,108	\$ 188,163	\$ 600	\$ -	\$ 7,138	\$ 641,415
Due to other governments	384,325	-	-	-	-	-	-	-	384,325
Due to other funds	1,425,000	150,000	-	400,000	-	-	-	-	1,975,000
Total liabilities	2,125,530	208,672	19,529	451,108	188,163	600	-	7,138	3,000,740
DEFERRED INFLOWS OF RESOURCES									
Unavailable revenues	37,447	-	-	-	-	-	-	-	37,447
FUND BALANCE									
Nonspendable	95,619	-	-	-	-	-	-	-	95,619
Restricted	-	-	-	-	715,761	2,614,616	-	-	3,330,377
Committed	71,375	281,867	111,415	-	-	-	557	589,751	1,054,965
Unassigned	504,063	-	-	(412,414)	-	-	-	-	91,649
Fund balance	671,057	281,867	111,415	(412,414)	715,761	2,614,616	557	589,751	4,572,610
Total liabilities, deferred inflows of resources, and fund balance	\$ 2,834,034	\$ 490,539	\$ 130,944	\$ 38,694	\$ 903,924	\$ 2,615,216	\$ 557	\$ 596,889	\$ 7,610,797

Notes on Exhibit A-12 are an integral part of this statement.

POINTE COUPEE PARISH POLICE JURY

RECONCILIATION OF THE GOVERNMENTAL FUNDS

BALANCE SHEET TO THE STATEMENT OF NET POSITION

December 31, 2017

Total net position reported for governmental activities in the statement of net position are different because:

Total fund balances - governmental funds (Exhibit A-2)	\$	4,572,610
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds, net of accumulated depreciation.		24,095,121
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Some revenues were collected more than sixty days after year-end and, therefore, are not available soon enough to pay for current period expenditures		37,447
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Long-term liabilities (e.g. bonds, leases), are not due and payable in the current period and, therefore, are not reported in the governmental funds.

Deferred outflows related to pension liability	754,737	
Bonds and capital lease payable	(9,105,355)	
Net other post employment benefit obligation	(2,730,046)	
Compensated absences payable	(192,163)	
Net pension liability	(638,801)	
Accrued interest payable	(79,617)	
Deferred inflows related to pension liability	(178,998)	(12,170,243)

Net position of governmental activities (Exhibit A)	\$	<u>16,534,935</u>
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POINTE COUPEE PARISH POLICE JURY
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the year ended December 31, 2017

	General	Parishwide Drainage	Roads and Bridges	Detention Center	Road Construction	Debt Service Road Improvement	Grants and Capital Outlay	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES									
Taxes	\$ 1,595,060	\$ 661,656	\$ -	\$ 198,497	\$ -	\$ 1,654,142	\$ -	\$ 628,573	\$ 4,737,928
Intergovernmental									
Grants	1,561,254	431,933	249,779	-	-	-	1,162,918	-	3,405,884
Video poker	-	-	-	-	-	-	-	111,015	111,015
Charges for services	140,601	480,914	-	14,832	-	-	-	143,222	779,569
Fines and forfeitures	-	-	-	-	-	-	-	55,748	55,748
Licenses and permits	372,798	-	2,432	-	-	-	-	-	375,230
Investment income	-	-	-	-	-	-	-	3,929	3,929
Miscellaneous	177,825	-	-	-	-	-	-	450	178,275
Total revenues	3,847,538	1,574,503	252,211	213,329	-	1,654,142	1,162,918	942,937	9,647,578
EXPENDITURES									
Current function:									
General government	2,449,542	-	-	-	-	-	-	-	2,449,542
Health and welfare	140,907	-	-	-	-	-	-	-	140,907
Culture and recreation	93,548	-	-	-	-	-	-	340,471	434,019
Public safety	477,151	-	-	509,019	-	-	-	239,393	1,225,563
Drainage	-	806,400	-	-	-	-	-	127,797	934,197
Highways and streets	-	-	605,648	-	22,958	10,668	-	-	639,274
Economic development	97,427	-	-	-	-	-	-	-	97,427
Debt service:									
Principal	42,000	-	-	8,508	-	800,000	-	23,680	874,188
Interest	10,609	-	-	57	-	248,659	-	9,318	268,643
Capital outlay	151,350	445,663	-	18,989	1,776,979	-	1,162,361	183,035	3,738,377
Total expenditures	3,462,534	1,252,063	605,648	536,573	1,799,937	1,059,327	1,162,361	923,694	10,802,137
Excess (deficiency) of revenues over expenditures	385,004	322,440	(353,437)	(323,244)	(1,799,937)	594,815	557	19,243	(1,154,559)
OTHER FINANCING SOURCES (USES)									
Transfer in	560,301	-	425,000	450,000	-	-	-	185,000	1,620,301
Proceeds from lease purchase of capital assets	-	-	-	-	-	-	-	182,035	182,035
Transfer out	(535,000)	(50,000)	-	-	-	(350,000)	-	(237,501)	(1,172,501)
Total other financing sources (uses)	25,301	(50,000)	425,000	450,000	-	(350,000)	-	129,534	629,835
Net change in fund balance	410,305	272,440	71,563	126,756	(1,799,937)	244,815	557	148,777	(524,724)
FUND BALANCE									
Beginning of year, as restated	260,752	9,427	39,852	(539,170)	2,515,698	2,369,801	-	440,974	5,097,334
End of year	\$ 671,057	\$ 281,867	\$ 111,415	\$ (412,414)	\$ 715,761	\$ 2,614,616	\$ 557	\$ 589,751	\$ 4,572,610

Notes on Exhibit A-12 are an integral part of this statement.

POINTE COUPEE PARISH POLICE JURY

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the year ended December 31, 2017

The change in net position reported for governmental activities in the statement of activities is different because:

Net change in fund balances - total governmental funds (Exhibit A-4)	\$	(524,724)
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Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeds capital outlay.

Capital outlay	3,738,377	
Depreciation expense	<u>(999,725)</u>	2,738,652

The liability and expense for compensated absences are not reported in governmental funds. Payments for compensated absences are reported as salaries when they occur. The payment consumes current financial resources, and it would take a catastrophic event for this liability to become a current liability.

25,714

Because some revenues will not be collected for sixty days after year end, they are not considered "available" revenues in the governmental funds.

Ad valorem		(6,825)
Grants		18,934

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, payment of principal is an expenditure in the governmental funds but reduces the liability in the statement of activities.

Proceeds from lease purchase of capital assets	(182,035)	
Principal payments on debt	<u>874,188</u>	692,153

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

Increase in net other post employment benefit obligation	(372,943)	
Change in accrued interest payable	<u>4,770</u>	(368,173)

Changes in net pension obligations are only reported in the Statement of Activities		<u>(191,352)</u>
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Change in net position of governmental activities (Exhibit A-1)	\$	<u>2,384,379</u>
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Notes on Exhibit A-12 are an integral part of this statement.

POINTE COUPEE PARISH POLICE JURY
STATEMENT OF NET POSITION
PROPRIETARY FUNDS

December 31, 2017

	<u>Natural Gas System</u>	<u>Solid Waste</u>	<u>Multi-Use Center</u>	<u>Total Enterprise Funds</u>
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 36,185	\$ 5,326	\$ 88,950	\$ 130,461
Accounts receivable, net	682,013	418,915	-	1,100,928
Due from other governments	-	58,060	-	58,060
Due from other funds	<u>275,000</u>	<u>300,000</u>	<u>-</u>	<u>575,000</u>
Total current assets	993,198	782,301	88,950	1,864,449
Noncurrent assets:				
Capital:				
Non-depreciable	73,932	-	-	73,932
Depreciable, net	<u>847,255</u>	<u>15,987</u>	<u>1,035,001</u>	<u>1,898,243</u>
Total assets	<u>1,914,385</u>	<u>798,288</u>	<u>1,123,951</u>	<u>3,836,624</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension liability	<u>102,249</u>	<u>17,435</u>	<u>6,870</u>	<u>126,554</u>
Total assets and deferred outflows of resources	<u>\$ 2,016,634</u>	<u>\$ 815,723</u>	<u>\$ 1,130,821</u>	<u>\$ 3,963,178</u>
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	\$ 15,332	\$ 241,960	\$ 11,091	\$ 268,383
Customer meter deposits payable	819,817	34,870	-	854,687
Due to other funds	-	-	275,000	275,000
Current portion of long-term debt	<u>-</u>	<u>-</u>	<u>43,284</u>	<u>43,284</u>
Total current liabilities	835,149	276,830	329,375	1,441,354
Noncurrent liabilities:				
Net pension liability	76,479	8,162	6,159	90,800
Long-term debt	<u>-</u>	<u>-</u>	<u>212,434</u>	<u>212,434</u>
Total liabilities	<u>911,628</u>	<u>284,992</u>	<u>547,968</u>	<u>1,744,588</u>
DEFERRED INFLOWS OF RESOURCES				
Pension liability	<u>25,768</u>	<u>3,328</u>	<u>2,312</u>	<u>31,408</u>
Total liabilities and deferred inflows of resources	<u>937,396</u>	<u>288,320</u>	<u>550,280</u>	<u>1,775,996</u>
NET POSITION				
Net investment in capital assets	921,187	15,987	779,283	1,716,457
Restricted for debt service	-	-	154,416	154,416
Unrestricted	<u>158,051</u>	<u>511,416</u>	<u>(353,158)</u>	<u>316,309</u>
Total net position	<u>1,079,238</u>	<u>527,403</u>	<u>580,541</u>	<u>2,187,182</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 2,016,634</u>	<u>\$ 815,723</u>	<u>\$ 1,130,821</u>	<u>\$ 3,963,178</u>

Notes on Exhibit A-12 are an integral part of this statement.

POINTE COUPEE PARISH POLICE JURY
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
PROPRIETARY FUNDS

For the year ended December 31, 2017

	<u>Natural Gas System</u>	<u>Solid Waste</u>	<u>Multi-Use Center</u>	<u>Total Enterprise Funds</u>
OPERATING REVENUES				
Charges for services	\$ 1,685,697	1,841,574	\$ 65,855	\$ 3,593,126
Penalties and other	34,073	23,320	-	57,393
Total operating revenues	<u>1,719,770</u>	<u>1,864,894</u>	<u>65,855</u>	<u>3,650,519</u>
OPERATING EXPENSES				
Solid waste disposal fee	-	1,717,729	-	1,717,729
Salaries and benefits	467,445	28,192	68,620	564,257
Natural gas purchases	490,549	-	-	490,549
Depreciation	146,673	1,208	75,039	222,920
Professional and technical services	61,747	33,954	-	95,701
Repairs, maintenance and supplies	73,335	-	11,324	84,659
Administrative costs	31,608	37,610	600	69,818
Utilities	22,209	-	20,478	42,687
Insurance	8,533	2,503	632	11,668
Miscellaneous	16,548	-	1,543	18,091
Total operating expenses	<u>1,318,647</u>	<u>1,821,196</u>	<u>178,236</u>	<u>3,318,079</u>
Operating income (loss)	<u>401,123</u>	<u>43,698</u>	<u>(112,381)</u>	<u>332,440</u>
NONOPERATING REVENUES (EXPENSES)				
Sales taxes, net	-	661,656	-	661,656
Interest income	-	-	-	-
Gain on sale of assets	-	-	-	-
Interest on long-term debt and other charges	-	-	(14,551)	(14,551)
Total nonoperating revenues (expenses)	<u>-</u>	<u>661,656</u>	<u>(14,551)</u>	<u>647,105</u>
Income (loss) before transfers	401,123	705,354	(126,932)	979,545
Transfers in	-	-	200,000	200,000
Transfers out	<u>(247,800)</u>	<u>(400,000)</u>	<u>-</u>	<u>(647,800)</u>
Net income	153,323	305,354	73,068	531,745
NET POSITION				
Beginning of year	<u>925,915</u>	<u>222,049</u>	<u>507,473</u>	<u>1,655,437</u>
End of year	<u>\$ 1,079,238</u>	<u>\$ 527,403</u>	<u>\$ 580,541</u>	<u>\$ 2,187,182</u>

Notes on Exhibit A-12 are an integral part of this statement.

POINTE COUPEE PARISH POLICE JURY

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS

For the year ended December 31, 2017

	Natural Gas System	Solid Waste	Multi-Use Center	Total Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 1,420,981	\$ 1,673,503	\$ 65,855	\$ 3,160,339
Payments to suppliers	(683,928)	(1,804,408)	(34,401)	(2,522,737)
Payments to employees	(433,267)	(24,376)	(65,010)	(522,653)
Net cash provided by (used for) operating activities	303,786	(155,281)	(33,556)	114,949
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital asset additions	(44,174)	-	-	(44,174)
Principal paid on capital debt	(62,078)	-	(41,084)	(103,162)
Interest paid on capital debt	-	-	(15,856)	(15,856)
Net cash used for capital and related financing activities	(106,252)	-	(56,940)	(163,192)
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES				
Sales taxes revenues	-	661,656	-	661,656
Transfers in from other funds	-	-	200,000	200,000
Transfers out to other funds	(247,800)	(400,000)	-	(647,800)
Change in due from other funds	25,000	(300,000)	(25,000)	(300,000)
Net cash provided by (used for) noncapital and related financing activities	(222,800)	(38,344)	175,000	(86,144)
Net increase (decrease) in cash	(25,266)	(193,625)	84,504	(134,387)
CASH				
Beginning of period	61,451	198,951	4,446	264,848
End of period	\$ 36,185	\$ 5,326	\$ 88,950	\$ 130,461
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES:				
Operating income (loss)	\$ 401,123	\$ 43,698	\$ (112,381)	\$ 332,440
Adjustments of operating income (loss):				
Depreciation	146,673	1,208	75,039	222,920
Allowance for doubtful accounts	(49,711)	(204,799)	-	(254,510)
Change in deferred outflows, deferred inflows, and net pension liability	34,178	3,816	3,610	41,604
Change in operating assets and liabilities:				
Accounts receivable and due from other governments	(265,461)	9,388	-	(256,073)
Other assets	21,582	8,672	25	30,279
Accounts payable and accrued liabilities	(981)	(21,284)	151	(22,114)
Payables from restricted assets	16,383	4,020	-	20,403
Net cash provided by (used for) operating activities	\$ 303,786	\$ (155,281)	\$ (33,556)	\$ 114,949

Notes on Exhibit A-12 are an integral part of this statement.

POINTE COUPEE PARISH POLICE JURY
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS

December 31, 2017

	Sales Tax Fund
ASSETS	
Cash and cash equivalents	\$ 320,206
Other assets	2,870
Total assets	\$ 323,076
LIABILITIES	
Accounts and refunds payable	\$ 14,326
Amounts held under protest	43,192
Due to other governmental units -	
Pointe Coupee Parish School Board	87,243
City of New Roads	22,140
Town of Livonia	2,560
Town of Fordoche	228
Village of Morganza	281
Held for contingencies	47,137
Due to other funds -	
General Fund	105,969
Total liabilities	323,076
NET POSITION	\$ -

Notes on Exhibit A-12 are an integral part of this statement.

POINTE COUPEE PARISH POLICE JURY
COMBINING STATEMENT OF NET POSITION
ALL DISCRETELY PRESENTED BUSINESS - TYPE COMPONENT UNITS

December 31, 2017

	Mosquito Abatement District	Port of Pointe Coupee Parish	Mandela Sewer System	Legonier Sewer System	Sewerage District No. 1	Sewerage District No. 3A	Sewerage District No. 4	Total
ASSETS								
Cash and cash equivalents	\$ 91,878	\$ 128,346	\$ 7,337	\$ 6,686	\$ 27,943	\$ 12,152	\$ 90,342	\$ 364,684
Investments	-	-	-	-	181,286	-	-	181,286
Accounts receivable, net	40,091	-	2,511	6,076	85,075	9,676	18,345	161,774
Due from other governments	5,167	-	-	-	-	-	-	5,167
Other assets	-	10,143	-	-	-	-	-	10,143
Capital assets:								
Nondepreciable	-	-	-	10,000	34,650	10,000	26,750	81,400
Depreciable, net	37,407	-	769,075	661,793	725,727	112,687	1,692,725	3,999,414
Total assets	\$ 174,543	\$ 138,489	\$ 778,923	\$ 684,555	\$ 1,054,681	\$ 144,515	\$ 1,828,162	\$ 4,803,868
LIABILITIES								
Accounts payable and accrued liabilities	\$ 1,413	\$ 316	\$ -	\$ 2,275	\$ 22,837	\$ 2,623	\$ 9,660	\$ 39,124
Due to other governments	-	-	-	120,000	40,000	30,000	-	190,000
Long-term payables								
Due within one year	-	-	-	-	47,276	2,183	19,046	68,505
Due in more than one year	-	-	-	-	116,519	31,809	1,125,984	1,274,312
Total liabilities	1,413	316	-	122,275	226,632	66,615	1,154,690	1,571,941
NET POSITION								
Net investment in capital assets	37,407	-	769,075	671,793	596,582	88,695	574,445	2,737,997
Restricted for:								
Debt service	-	-	-	-	80,745	-	60,912	141,657
Unrestricted	135,723	138,173	9,848	(109,513)	150,722	(10,795)	38,115	352,273
Total net position	173,130	138,173	778,923	562,280	828,049	77,900	673,472	3,231,927
Total liabilities and net position	\$ 174,543	\$ 138,489	\$ 778,923	\$ 684,555	\$ 1,054,681	\$ 144,515	\$ 1,828,162	\$ 4,803,868

Notes on Exhibit A-12 are an integral part of this statement.

POINTE COUPEE PARISH POLICE JURY
COMBINING STATEMENT OF ACTIVITIES
ALL DISCRETELY PRESENTED BUSINESS - TYPE COMPONENT UNITS

For the year ended December 31, 2017

	Mosquito Abatement District	Port of Pointe Coupee Parish	Mandela Sewer System	Legonmier Sewer System	Sewerage District No. 1	Sewerage District No. 3A	Sewerage District No. 4	Total
OPERATING REVENUES:								
Charges for services	\$ 275,107	\$ 74,687	\$ 21,933	\$ 15,304	\$ 117,626	\$ 30,648	\$ 138,795	\$ 674,100
OPERATING EXPENSES:								
Depreciation	24,983	-	21,117	30,602	55,510	8,942	61,949	203,103
General and administrative	56,608	9,989	8,960	333	103,021	9,142	10,423	198,476
Supplies and chemicals	71,716	-	974	-	3,835	2,591	190	79,306
Contract labor	952	-	5,150	28,163	19,317	7,805	14,319	75,706
Maintenance	1,005	6,500	8,178	-	10,736	4,355	20,133	50,907
Insurance	12,246	5,625	-	-	13,649	100	2,900	34,520
Professional services	7,989	4,463	4,255	804	4,900	1,682	1,704	25,797
Total operating expenses	<u>175,499</u>	<u>26,577</u>	<u>48,634</u>	<u>59,902</u>	<u>210,968</u>	<u>34,617</u>	<u>111,618</u>	<u>667,815</u>
Net operating revenues (expenses)	<u>99,608</u>	<u>48,110</u>	<u>(26,701)</u>	<u>(44,598)</u>	<u>(93,342)</u>	<u>(3,969)</u>	<u>27,177</u>	<u>6,285</u>
NONOPERATING REVENUES AND EXPENSES:								
Taxes:								
Ad valorem	-	-	-	-	87,805	5,606	-	93,411
Other	-	-	-	-	1,212	-	-	1,212
Other income	1,262	-	-	-	-	-	29	1,291
Interest expense	-	-	-	-	(3,766)	(2,521)	(49,524)	(55,811)
Total nonoperating revenues	<u>1,262</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>85,251</u>	<u>3,085</u>	<u>(49,495)</u>	<u>40,103</u>
Changes in net position	100,870	48,110	(26,701)	(44,598)	(8,091)	(884)	(22,318)	46,388
Net position - beginning of year, as restated	<u>72,260</u>	<u>90,063</u>	<u>805,624</u>	<u>606,878</u>	<u>836,140</u>	<u>78,784</u>	<u>695,790</u>	<u>3,185,539</u>
Net position - end of year	<u>\$ 173,130</u>	<u>\$ 138,173</u>	<u>\$ 778,923</u>	<u>\$ 562,280</u>	<u>\$ 828,049</u>	<u>\$ 77,900</u>	<u>\$ 673,472</u>	<u>\$ 3,231,927</u>

Notes on Exhibit A-12 are an integral part of this statement.

POINTE COUPEE PARISH POLICE JURY

New Roads, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

STATEMENT PRESENTATION

The Pointe Coupee Parish Police Jury (Police Jury) is the governing authority for Pointe Coupee Parish, Louisiana, and is a political subdivision of the State of Louisiana. The Police Jury is governed by twelve jurors representing the various districts within the parish.

The Police Jury, under the provisions of Louisiana Revised Statutes 33:1271-1285, enacts ordinances, sets policy and establishes programs in such fields as social welfare, transportation, drainage, industrial inducement, and health services.

Louisiana Revised Statute 33:1236 gives the Police Jury various powers in regulating and directing the affairs of the parish and its citizens. 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; 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 taxes, beer and alcoholic beverage permits, state revenue sharing and various state and federal grants.

In accomplishing its objectives, the Police Jury also has the authority to create special districts (component units) within the parish. The districts perform specialized functions, such as fire protection, library facilities, health care facilities, and utility operation.

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

The financial statements comply with GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – For State and Local Governments* (GASB 34) and include the following:

- A Management Discussion and Analysis (MD&A) section providing an analysis of the Police Jury's overall financial position and results of operations;
- Financial statements prepared using full accrual accounting for all of the Police Jury's activities, including certain infrastructure (roads, bridges, etc.) improvements; and a change in the fund financial statements to focus on the major funds.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

REPORTING ENTITY

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

GASB Statement No. 14, as amended by GASB Statement No. 61, establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. For financial reporting purposes, the Pointe Coupee Parish Police Jury includes all funds that are within the oversight responsibility of the Pointe Coupee Parish Police Jury. Section 2100 of the 2011 GASB *Codification of Governmental Accounting and Financial Reporting Standards*, establishes criteria for determining which component units should be considered part of the Police Jury for financial reporting purposes. The basic criteria are as follows:

1. Legal status of the potential component unit
2. Financial benefit/burden relationship between the Police Jury and the potential component unit.
 - a) The primary government appoints a voting majority of the potential component unit's governing body (and) the primary government is able to impose its will on the potential component unit (or)
 - b) When a potential component unit is fiscally dependent on the primary government regardless of whether the organization has separately elected officials or boards.
3. Misleading to exclude: Paragraph 111 of Section 2100 covers other potential component units 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.

Blended Component Units

Pointe Coupee Parish Natural Gas System

The Pointe Coupee Parish Natural Gas System provides natural gas services to the constituents of the Parish. The governing board of the Pointe Coupee Parish Natural Gas System has the same members as the governing board of the Parish.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

REPORTING ENTITY (continued)

Based on the previous criteria, the Police Jury has included the following component units in the financial reporting entity:

Discrete Component Units – Business-Type Activities

The following entities were established pursuant to state statutes for various public purposes within the Police Jury. The Police Jury appoints and removes the Board members of each respective agency. Each agency is fiscally independent from the Police Jury, issues its debt, approves its budgets, and sets its rates and charges. The primary government has no authority to designate management, or approve or modify rates. The Parish is not obligated for debt issues of these agencies. The component units included in the financial data are listed below along with their fiscal year end.

Mosquito Abatement District	December 31, 2017
Port of Pointe Coupee Parish	December 31, 2017
Legonier Sewer System	December 31, 2017
Mandela Sewer System	December 31, 2017
Pointe Coupee Parish Sewerage District No. 1	December 31, 2017
Pointe Coupee Parish Sewerage District No. 3A	December 31, 2017
Pointe Coupee Parish Sewerage District No. 4	December 31, 2017

The Police Jury has chosen to exclude the financial data of the related organizations that are listed below along with their fiscal year end:

Fire Protection Districts No. 1, 2, 3, 4 and 5	December 31, 2017
Pointe Coupee Tourist Commission	December 31, 2017
Bonne Sante Chemical and Wellness Center	June 30, 2017
Pointe Coupee Parish Sheriff	June 30, 2017
Pointe Coupee Parish Clerk of Court	June 30, 2017
Pointe Coupee Parish Coroner's Office	December 31, 2017
Pointe Coupee Parish Assessor	December 31, 2017
Pointe Coupee Parish Health Service District No. 1	October 31, 2017
False River Air Park Commission	December 31, 2017
Pointe Coupee Parish Waterworks District No. 1	December 31, 2017
Pointe Coupee Parish Waterworks District No. 2	December 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

BASIS OF PRESENTATION

Government-wide Financial Statements

The Police Jury's basic financial statements consist of the government-wide statements on all the non-fiduciary activities of the primary government and its component units and the fund financial statements (individual major funds and combined non-major funds). The financial statements are prepared in accordance with accounting principles generally accepted in the United States of America as applied to governmental units and promulgated by GASB *Codification of Governmental Accounting and Financial Reporting Standards*.

Both the entity-wide financial statements and the proprietary fund financial statements follow the guidance included in GASB Statement No. 62 – *Codification of Accounting and Financial Reporting Guidance Contained In Pre-November 30, 1989 FASB and AICPA Pronouncements*.

The government-wide financial statements include the statement of net position and the statement of activities for all non-fiduciary activities of the primary government only. The government-wide presentation focuses primarily on the sustainability of the government as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. These statements distinguish between the governmental and business-type activities of the primary government.

Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues.

Business type activities are financed in whole or part by fees charged to external parties for goods or services.

The government-wide statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or business-type activity, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not applicable to specific program revenues are reported as general revenues. Such amounts include internally dedicated resources such as a restricted property tax.

Fund Financial Statements

The fund financial statements are very similar to the traditional government fund statements as prepared by governments prior to the issuance of GASB 34. Emphasis is now on the major funds in either the governmental or business-type categories. Non-major funds (by category) or fund type are summarized into a single column.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

BASIS OF PRESENTATION (CONTINUED)

The daily operations of the Police Jury continue to be organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues and expenditures or expenses, as appropriate. Funds are organized into three major categories: governmental, proprietary and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories.

A fund is considered major if it is the primary operating fund of the Police Jury (the General Fund) or meets the following criteria:

- Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expense of that individual governmental fund or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expense of that individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.
- Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be expended and the means by which spending activities are controlled. The various funds of the primary government presented in the financial statements are described below.

Governmental Fund Types

Governmental funds are those through which most governmental functions of the Police Jury are financed. The acquisition, use, and balances of expendable financial resources and related liabilities of the Police Jury are accounted for through governmental funds. Measurement is focused upon determining changes in financial position, rather than net income. The following are the governmental fund types of the Police Jury:

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. The General Fund is always a major fund.

Special Revenue Funds - Special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes. Special revenue funds that are considered major funds are the Parishwide Drainage Fund, Roads and Bridges Fund, and the Detention Center Fund.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

BASIS OF PRESENTATION (CONTINUED)

Debt Service Funds - Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs. The Debt Service Road Improvement Fund is a major fund.

Capital Projects Funds - Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds). The Road Construction Fund and the Grants and Capital Outlay Fund are major funds.

Proprietary Fund Types

Enterprise Funds - Enterprise funds are used to account for operations (1) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs and expenses, including depreciation, of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (2) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. Enterprise funds are presented in the business-type activities column in the government-wide financial statements. The major enterprise funds are the Natural Gas System Fund, the Solid Waste Fund and the Multi-Use Center Fund.

Fiduciary Funds -The Police Jury administers a Sale Tax Escrow, whose purpose is to account for funds from prior sales tax ordinance dedicated for contingencies.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Government-wide financial statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized in the year for which they are levied.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

BASIS OF PRESENTATION (CONTINUED)

Fund financial statements

All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included in the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other uses) in net current assets. Governmental funds are maintained on the modified accrual basis of accounting.

Governmental fund revenues are recognized in the fiscal year in which the exchange takes place and meets the government's availability criteria (susceptible to accrual). "Available" means collectible within the current period or within 60 days after year-end. Charges for services, fines and forfeitures, and most governmental miscellaneous revenues, including investment earnings, are recorded as earned since they are measurable and available.

Non-exchange transactions, in which the Police Jury receives value without directly giving value in return, includes sales tax, ad valorem tax, federal and state aid and grants.

Ad valorem taxes are recorded in the year the taxes are assessed. Ad valorem taxes are assessed on a calendar year basis, become due on November 15th of each year, and become delinquent after December 31st. The taxes are generally collected in December of the current year and January and February of the following year. Sales taxes are recorded when in the possession of the intermediary collecting agent and are recognized as revenue at that time. Federal and state aid and grants are recorded as revenue when the Police Jury is entitled to the funds, generally corresponding to when grant related costs are incurred by the Police Jury.

Expenditures are recognized in the accounting period in which the related fund liability is incurred, if measurable, except for (1) unmatured interest on long-term debt which is recognized when due, and (2) claims and judgments, and compensated absences are recorded as expenditures in the governmental fund type when paid with expendable financial resources. Allocations of costs such as depreciation and amortization are not recognized in the governmental funds.

All proprietary funds are accounted for on a flow of economic resources measurement focus. Proprietary funds are maintained on the accrual basis of accounting wherein revenues are recognized in the accounting period in which they are earned and become measurable, and expenses are recognized in the period incurred, if measurable.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

BASIS OF PRESENTATION (CONTINUED)

Budget Policy and Budgetary Accounting

A proposed budget is prepared and submitted to the Police Jury prior to the beginning of each fiscal year. A budget summary and notice of a public hearing is published with the public hearing being conducted prior to the commencement of the budget year.

The budgets can be prepared consistent with the accounting method used for the applicable fund and can be amended periodically for changes in projected activity. At the end of each fiscal year, unexpended appropriations automatically lapse. In no event shall the total appropriations exceed total anticipated revenues taking into account the estimated surplus or deficit at the end of the current fiscal year.

Budgets for the capital project funds do not necessarily follow the time schedule for other funds, since capital projects may be started and completed at any time during the year. However, the capital project budget must be submitted to the Police Jury for adequate public hearing and adoption on a project-length basis. Annual operating budgets are adopted for all governmental and proprietary funds.

The portion of unassigned fund balance of individual funds designated for subsequent year's expenditures represents the extent to which the fund balance is used to balance the subsequent year's operating budget of that fund, as reflected in the legally adopted budget.

CASH, CASH EQUIVALENTS, AND INVESTMENTS

Cash and cash equivalents for the primary government includes cash accounts.

A consolidated bank account has been established for the primary government into which substantially all monies are deposited and from which most disbursements are made. In addition, investment purchases are charged and maturities are deposited to the consolidated bank account. The purpose of the consolidation of bank accounts was to provide administrative efficiency and to maximize investment earnings. The accounts entitled "Cash and Cash Equivalents" and "Investments" are therefore composed of a fund's pro rata share of the cash balance in the consolidated cash account plus its pro rata share of investments made through the investment of excess cash. Each fund shares in the investment earnings according to its average cash, cash equivalent, and investments balance, prorated among funds.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)

Credit risk is defined as the risk that an issuer or other counter party to an investment will not fulfill its obligations. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Police Jury will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The investment policies of the Police Jury are governed by state statutes which authorizes Police Jury funds to be invested in accordance with L.R.S. 39:1211-1245 and 33:2955 which allow, but are not limited to the following investment vehicles: United States Treasury Bonds, Treasury Notes, Treasury Bills, and fully collateralized interest bearing checking accounts and certificates of deposit. Other investment provisions require depositories to insure or collateralize all deposits in accordance with state law and require securities collateralizing deposits to be held by an independent third party with whom the Police Jury has a custodial agreement.

For purposes of the Statement of Cash Flows, cash equivalents for each fund include demand deposit account balances, and certificates of deposit and U.S. government securities with original maturities of three months or less.

Investments, which include U.S. government securities, are stated at fair market value. Time certificates of deposits are stated at cost. Unrealized gains and losses on investments recorded at fair value are included in investment income, if applicable.

INTERFUND RECEIVABLES/PAYABLES

During the course of operations, numerous transactions occur between individual funds. Those related to goods and services, and short-term interfund loans are classified as “due from other funds” or “due to other funds” on the balance sheet and result primarily from participation in the consolidated cash account. Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Position. See Note 14 for details of interfund transactions, including receivables and payables at year-end. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.” The balances disclosed in Note 14 result from loans made to cover operating cash deficits. The balance due to the General Fund from the Detention Center Fund is not expected to be repaid within one year.

INVENTORIES

In the primary government's governmental fund types, inventories of supplies are recorded as expenditures at the time of purchase.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

RECEIVABLES AND BAD DEBTS

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Uncollectible amounts due for ad valorem taxes and other receivables are recognized as bad debts through the use of an allowance account or charged off at the time information becomes available which would indicate that the particular receivable is not collectible. In governmental and proprietary fund types, the uncollectible amount is charged directly to the revenue reported.

CAPITAL ASSETS AND DEPRECIATION

The accounting treatment of property, plant and equipment (capital assets) 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.

Government-wide Statements

In the government-wide financial statements, capital assets include land and land improvements, buildings, equipment, furniture and infrastructure assets (streets, roads, bridges, sewer, and drainage systems). All governmental capital assets are valued at historical cost or estimated historical cost if actual is unavailable. Donated capital assets are recorded at estimated fair market value at the date of donation. Major outlays for capital assets and improvements are capitalized at completion of construction projects.

Prior to the implementation of GASB 34, governmental funds' infrastructure assets were not capitalized. In accordance with GASB 34, the Police Jury is a Phase 3 government and retroactive infrastructure reporting is optional. As such, the Police Jury has capitalized infrastructure improvements on a prospective basis. Infrastructure assets purchased or constructed after 2002 by the primary government are depreciated accordingly on the straight-line method.

Depreciation on all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statements of Net Position. Depreciation is provided over the assets useful lives using the straight-line method.

Estimated useful lives, in years, for depreciable assets are as follows:

Buildings and improvements	5 - 50 years
Infrastructure	15 - 40 years
Equipment	3 - 10 years
Vehicles	5 years
Furniture	5 years

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

CAPITAL ASSETS AND DEPRECIATION (CONTINUED)

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

In the fund financial statement, capital assets used in governmental fund operations are recorded as capital outlay expenditures of the governmental fund types when purchased or constructed. Capital assets used in proprietary fund operations are accounted for the same manner as in the government-wide statements.

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.

In the government-wide statement of net position and in the proprietary fund types' financial statements, long term debt is reported as liabilities. The long-term debt consists primarily of public improvement and special assessment bonds, certificates of indebtedness and compensated absences payable.

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 are reported as expenditures. The accounting for proprietary fund debt is the same in the fund statements as it is in the government-wide statements.

DEFERRED OUTFLOW/INFLOWS OF RESOURCES

In addition to assets, the statement of financial position or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate 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.

In addition to liabilities, the statement of financial position or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate element, deferred inflows of resources, represents 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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

NET POSITION/ FUND BALANCES

Net position represents the difference between assets plus deferred outflows and liabilities plus deferred inflows. Net position invested in capital assets, net of related debt consist of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any debt proceeds used for the acquisition, construction, or improvements of those assets. Net position are reported as restricted when there are limitations imposed on their use by external parties such as creditors, grantors, laws or regulations of other governments.

Government-wide net position is divided into three components:

- Net investment in capital assets—consist of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets.
- Restricted net position—consist of net position that are restricted by the Board’s creditors, by state enabling legislation, by grantors (both federal and state), and by other contributors.
- Unrestricted—all other net position is reported in this category.

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.

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

- Nonspendable—Amounts that cannot be spent either because they are in a 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 state or federal laws, or externally imposed conditions by grantors or creditors.
- Committed—Amounts that can be used only for specific purposes determined by a formal action by Police Jury ordinance or resolution.
- Assigned—Amounts where informal constraints have been established by the Policy Jury but are not restricted nor committed.
- Unassigned—All amounts not included in other spendable classifications.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

NET POSITION/ FUND BALANCES (CONTINUED)

RESTRICTED RESOURCES

When expenditures are incurred in governmental funds, the Parish's policy is to apply the expenditures in the following priority:

1. Restricted fund balance
2. Committed fund balance,
3. Assigned fund balance, and
4. Unassigned fund balance.

INTERFUND TRANSFERS

Advances between funds which are not expected to be repaid are accounted for as transfers. For the purposes of the Statement of Activities, all interfund transfers between individual governmental funds have been eliminated. In those cases where repayment is expected, the advances are accounted for through the various interfund accounts. See Note 14 for details of interfund transfers.

COMPENSATED ABSENCES

All Police Jury primary government regular employees earn vacation leave in varying amounts according to the employee's number of years of continuous service with no maximum carry-over. Vacation is payable upon resignation or retirement at the employee's current rate of pay.

All Police Jury primary government employees earn varying days of sick leave per year. Sick leave is forfeited upon termination, resignation, retirement or death.

GASB Statement No. 16, *Accounting for Compensated Absences*, requires governments to accrue compensated absences only to the extent it is probable that the employer will compensate employees for benefits through cash payments conditioned on the employees' termination or retirement.

The Police Jury has recorded the following liabilities as of December 31, 2017, for certain salary-related benefits associated with the payment of compensated absences:

1. Compensated absences payable for each employee is valued at the employee's current rate of pay.
2. No sick leave is recorded in the financial statements for active employees since the amount applicable under GASB Statement No. 16 is immaterial.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

COMPENSATED ABSENCES (CONTINUED)

The liability for these compensated absences is recorded as long-term debt in the government-wide statements. In the fund financial statements, governmental funds report only the compensated absence liability payable from expendable available financial resources, while the proprietary funds report the liability as it is incurred.

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 disclosures of contingent assets and liabilities at the date of the financial statements. They may also affect the reported amounts of revenues and expenses of proprietary funds and the government-wide financial statements during the reporting period. Actual results could differ from those estimates. Estimates are used primarily when accounting for depreciation, allowance for doubtful accounts, prepaid insurance, and deferred revenue.

RESTATEMENT OF PRIOR YEAR FUND BALANCE AND NET POSITION

Fund Basis Statements

The fund balances for the General Fund and Detention Center were restated to property report accounts payable as of December 31, 2016. Additionally, costs associated with the demolition of a grain elevator at the Pointe Coupee Parish Port were inappropriately capitalized as of December 31, 2016. The effects of the restatements on the fund basis are as follows:

	General Fund	Detention Center	Point Coupee Parish Port
Fund balance/net position, December 31, 2016, as previously stated:	\$ 189,600	\$ (938,173)	\$ 379,308
To restate accounts payable	71,152	399,003	-
To remove items previously classified as construction in progress	-	-	(289,245)
Fund balance/net position, December 31, 2016, restated:	\$ 260,752	\$ (539,170)	\$ 90,063

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**RESTATEMENT OF PRIOR YEAR FUND BALANCE AND NET POSITION
(CONTINUED)**

Government-wide Statements

As of 2017, the Point Coupee Parish Library will no longer be presented in the financial statements as the library is no longer considered a blended component unit of the Police Jury. Also, the fund balances for the General Fund and Detention Center were restated to property report accounts payable as of December 31, 2016. Finally, accumulated depreciation on capital assets was overstated as of December 31, 2016, and a restatement to the government-wide net position was required.

Additionally, costs associated with the demolition of a grain elevator at the Pointe Coupee Parish Port were inappropriately capitalized as of December 31, 2016.

The total effects of all restatements to the government-wide net position are as follows:

	Primary Government	Component Units
	Governmental	Business-type
	Activities	Activities
Net position, December 31, 2016, as previously stated:	\$ 21,633,650	\$ 3,474,784
To restate accounts payable	470,155	-
To restate accumulated depreciation	30,016	-
To restate net pension liability	1,980	-
To remove the Point Coupee Parish Library as a component unit	(7,985,245)	-
To remove items previously classified as construction in progress	-	(289,245)
	\$ 14,150,556	\$ 3,185,539
Net position, December 31, 2016, restated:		

SUBSEQUENT EVENTS

In preparing the financial statements, the Police Jury has evaluated events and transactions for potential recognition or disclosure through June 19, 2018, the date which the financial statements were available to be issued.

NOTE 2 - CASH, CASH EQUIVALENTS AND INVESTMENTS

The Police Jury maintains a consolidated bank account that is used by most funds except certain funds with cash restrictions. Each fund type's portion of the consolidated bank account and the account balance of each fund type with a separate bank account are displayed on the combined balance sheet as "Cash and Cash Equivalents" or "Investments."

Deposits

At December 31, 2017, the carrying amount of demand deposits was \$3,489,720. The bank balance of \$4,381,373 is secured by federal depository insurance and collateral held by the Police Jury's agent in the Police Jury's name.

At December 31, 2017, the discretely presented component units have a carrying amount of \$364,684 in deposits and the bank balance was \$383,844.

These deposits are secured by federal deposit insurance of \$436,786 and pledged securities held by the custodial bank in the name of the fiscal agent bank of \$181,286.

Custodial credit risk is the risk that, in the event of a bank failure, the Police Jury's deposits may not be returned to it. The Police Jury's cash and investment policy, as well as state law, require that deposits be fully secured. At year end, the Police Jury's deposits were not exposed to any custodial risk.

Investments

At December 31, 2017, the discretely presented component units have \$181,286 in investments that consist of certificates of deposits.

Cash, Cash Equivalents and Investments Summary

The following is a reconciliation of the carrying amount of deposits and investments to "Cash and Cash Equivalents" and "Investments" for the Primary Government on the combined balance sheet.

Cash and cash equivalents:	<u>Amount</u>
Deposits	\$ 3,166,036
Cash on hand	<u>3,478</u>
Total cash and cash equivalents	<u>\$ 3,169,514</u>

NOTE 2 - CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

The above stated book balances are collateralized as follows:

	Amount
Federal deposit insurance (FDIC)	\$ 436,786
Pledged securities in the Police Jury's name	3,944,587
Total bank balances	4,381,373
 Investments:	
Certificates of deposit	181,286
Total bank balances	\$ 4,562,659

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

NOTE 3 - ACCOUNTS RECEIVABLE AND DUE FROM OTHER GOVERNMENTS

Accounts receivable at December 31, 2017 for the primary government and discretely presented component units, were as follows:

	Amount
Primary Government	
Ad valorem taxes	\$ 1,430,112
User fees	2,365,937
Sales and use taxes	399,339
Other	557,041
Subtotal	4,752,429
Less allowance for uncollectible receivables	(1,229,113)
Total primary government	3,523,316
 Component Units	
Fees, charges and commissions	333,159
Ad valorem taxes	75,010
Subtotal	408,169
Less allowance for uncollectible receivables	(246,395)
Total component units	161,774
Total	\$ 3,685,090

**NOTE 3 - ACCOUNTS RECEIVABLE AND DUE FROM OTHER GOVERNMENTS
(CONTINUED)**

Due from other governments at December 31, 2017, consists of the following:

Primary Government	<u>Amount</u>
Due from component units (See Note 14)	\$ 190,000
State of Louisiana	66,575
Due from municipalities - user fees	<u>58,060</u>
Total primary government	<u>314,635</u>
Component Units	
Due from municipalities - user fees	<u>5,167</u>
Total	<u><u>\$ 319,802</u></u>

NOTE 4 - AD VALOREM TAXES

The 1974 Louisiana Constitution (Article 7, Section 18) provided that land and improvements for residential purposes be assessed at 10% of fair market value; other property and electric cooperative properties, excluding land, are to be assessed at 15%; and public service properties, excluding land, are to be assessed at 25% of fair market value. Fair market value is determined by the elected assessor of the Police Jury on all property subject to taxation except public service properties, which are valued by the Louisiana Tax Commission (LRS 47:1957). The correctness of assessments by the Assessor is subject to review and certification by the Louisiana Tax Commission. The Assessor is required to reappraise all property subject to taxation at intervals of not more than four years. Taxes paid under protest are remitted by the Sheriff directly to the Police Jury. No amounts were held in protest at December 31, 2017. The Sheriff, as provided by State Law (LRS 33:1435), is the official tax collector of general property taxes levied by the Police Jury and Police Jury Special Districts. Ad valorem taxes as presented in these financial statements are as follows:

<u>Fund</u>	<u>Expiration Date</u>	<u>Mills</u>	<u>Property Assessed Valuations</u>	<u>Taxes Assessed For</u>	
				<u>General Purpose</u>	<u>Special Purposes</u>
General Fund:					
Parish Tax	Statutory	3.42	\$451,268,632	\$ 1,436,111	-
Parish Tax in New Roads	Statutory	1.71	55,046,572	81,647	-
Parish Tax in Livonia	Statutory	3.42	9,234,905	22,257	-
Component Units:					
Sewer District No. 1	2018	23.30	5,318,615	-	85,190
Sewer District No. 3A	2029	24.24	665,090	-	<u>5,915</u>
				<u>\$ 1,540,015</u>	<u>\$ 91,105</u>

NOTE 4 - AD VALOREM TAXES (CONTINUED)

The taxes levied in the enterprise funds are dedicated for debt service. The 2017 property tax calendar is as follows:

Millage Rates adopted	September 20, 2017
Levy Date	September 20, 2017
Due Date	November 15, 2017
Lien Date	January 1, 2018
Collection Dates	December 1, 2017 to February 28, 2018

Property taxes become delinquent January 1 of the following year. If taxes are not paid by the due date, taxes bear interest at the rate of one and one-fourth percent per month until the taxes are paid (LRS47:2101). After notice is given to the delinquent taxpayers, the Sheriff is required by the Constitution of the State of Louisiana to sell the least quantity of property necessary to settle the taxes and interest owed (LRS 47:2181). All property taxes are recorded in governmental funds, as explained in Note 1. Revenues in government funds are recognized in the accounting period in which they become available and measurable. Property taxes are considered measurable in the calendar year of the tax levy. Accordingly, the entire tax roll, less management’s estimate for uncollectible taxes, is recorded as revenue in the current calendar year. However, no allowance for uncollectible taxes was recorded at December 31, 2017.

All of the taxes receivable at the end of the year are considered available. Available means due, or past due and receivable within the current period or expected to be collected soon enough thereafter to pay liabilities of the current period. In the fund financial statements, property taxes are considered available because they are substantially collected by the tax collector within 60 days subsequent to year-end and therefore available to liquidate liabilities of the current period. Virtually all collections are made within this time frame.

NOTE 5 - RESTRICTED ASSETS

Restricted assets, which consist of cash held in reserve as required in debt service agreements, are classified within cash and cash equivalents on the Statement of Net Position. Restricted assets at December 31, 2017, were as follows:

	Amount
Primary government	
Road construction and maintenance	\$ 715,761
Debt service	2,769,032
	\$ 3,484,793
Component Units	
Debt service	\$ 140,535

NOTE 6 - NET POSITION RESTRICTED BY ENABLING LEGISLATION

Net position is restricted by enabling taxes consisting of \$3,484,793 for the Road Construction and Debt Service Road Improvement funds.

NOTE 7 - CAPITAL ASSETS

A summary of changes in capital assets for the primary government for the year ended December 31, 2017, is as follows:

	Beginning Balance (Restated)	Additions	Deletions	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 743,009	\$ -	\$ -	\$ 743,009
Construction in progress	7,830,714	3,512,855	-	11,343,569
Total capital assets, not being depreciated	<u>8,573,723</u>	<u>3,512,855</u>	<u>-</u>	<u>12,086,578</u>
Capital assets, being depreciated:				
Buildings and improvements	6,346,135	23,500	-	6,369,635
Equipment, furnishings, and vehicles	6,945,167	201,022	-	7,146,189
Infrastructure	14,739,090	1,000	-	14,740,090
Total capital assets being depreciated	<u>28,030,392</u>	<u>225,522</u>	<u>-</u>	<u>28,255,914</u>
Less accumulated depreciation for:				
Buildings and improvements	3,895,070	167,990	-	4,063,060
Equipment, furnishings, and vehicles	6,568,276	78,983	-	6,647,259
Infrastructure	4,784,300	752,752	-	5,537,052
Total accumulated depreciation	<u>15,247,646</u>	<u>999,725</u>	<u>-</u>	<u>16,247,371</u>
Total capital assets, being depreciated, net	<u>12,782,746</u>	<u>(774,203)</u>	<u>-</u>	<u>12,008,543</u>
Governmental activities, capital assets, net	<u>\$ 21,356,469</u>	<u>\$ 2,738,652</u>	<u>\$ -</u>	<u>\$ 24,095,121</u>
Business-Type Activities				
Capital assets, not being depreciated:				
Construction in progress	\$ -	\$ 28,699	\$ -	\$ 28,699
Land	45,233	-	-	45,233
Total capital assets, not being depreciated	<u>45,233</u>	<u>28,699</u>	<u>-</u>	<u>73,932</u>
Capital assets being depreciated				
Utility systems and related equipment	8,429,934	15,475	-	8,445,409
Less accumulated depreciation	(6,324,246)	(222,920)	-	(6,547,166)
Total capital assets, being depreciated, net	<u>2,105,688</u>	<u>(207,445)</u>	<u>-</u>	<u>1,898,243</u>
Business-type activities capital assets, net	<u>\$ 2,150,921</u>	<u>\$ (178,746)</u>	<u>\$ -</u>	<u>\$ 1,972,175</u>

NOTE 7 - CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to functions/programs of the primary government's governmental activities as follows:

	Amount
Highways and streets	\$ 755,835
Culture and recreation	48,971
General government	167,006
Public safety	27,913
Total depreciation expense - governmental activities	\$ 999,725

A summary of changes in capital assets for component units:

	Beginning Balance (Restated)	Additions	Deletions	Ending Balance
Mosquito Abatement District				
Machinery and equipment	\$ 120,711	\$ -	\$ -	\$ 120,711
Vehicles	103,980	-	-	103,980
Total	224,691	-	-	224,691
Less: accumulated depreciation	(162,301)	(24,983)	-	(187,284)
Total	62,390	(24,983)	-	37,407
Port of Pointe Coupee Parish				
Buildings and improvements	478,465	-	-	478,465
Furniture and fixtures	11,366	-	-	11,366
Machinery and equipment	28,178	-	-	28,178
Total	518,009	-	-	518,009
Less: accumulated depreciation	(518,009)	-	-	(518,009)
Total	-	-	-	-
Mandela Sewer System				
Sewer System	988,727	4,400	-	993,127
Less: accumulated depreciation	(202,935)	(21,117)	-	(224,052)
Total	785,792	(16,717)	-	769,075
Legonniere Sewer System				
Land	10,000	-	-	10,000
Sewer System	1,093,250	5,876	-	1,099,126
Total	1,103,250	5,876	-	1,109,126
Less: accumulated depreciation	(406,731)	(30,602)	-	(437,333)
Total	696,519	(24,726)	-	671,793

NOTE 7 - CAPITAL ASSETS (CONTINUED)

A summary of changes in capital assets for component units (continued):

	Beginning Balance (Restated)	Additions	Deletions	Ending Balance
Pointe Coupee Sewage District No. 1				
Land	34,650	-	-	34,650
Land improvements	76,831	-	-	76,831
Buildings and improvements	26,928	-	-	26,928
Machinery and equipment	108,058	8,800	-	116,858
Sewer System	1,777,572	2,100	-	1,779,672
Vehicles	31,000	-	-	31,000
Total	2,055,039	10,900	-	2,065,939
Less: accumulated depreciation	(1,250,052)	(55,510)	-	(1,305,562)
Total	<u>804,987</u>	<u>(44,610)</u>	<u>-</u>	<u>760,377</u>
Pointe Coupee Sewage District No. 3A				
Land	10,000	-	-	10,000
Sewer System	357,638	-	-	357,638
Total	367,638	-	-	367,638
Less: accumulated depreciation	(236,009)	(8,942)	-	(244,951)
Total	<u>131,629</u>	<u>(8,942)</u>	<u>-</u>	<u>122,687</u>
Pointe Coupee Sewage District No. 4				
Land	26,750	-	-	26,750
Equipment	58,968	-	-	58,968
Sewer System	2,209,719	10,766	-	2,220,485
Total	2,295,437	10,766	-	2,306,203
Less: accumulated depreciation	(524,779)	(61,949)	-	(586,728)
Total	<u>1,770,658</u>	<u>(51,183)</u>	<u>-</u>	<u>1,719,475</u>
Total component units capital assets	7,552,791	31,942	-	7,360,681
Less: total accumulated depreciation	(3,300,816)	(203,103)	-	(3,503,919)
Total component units capital assets, net	<u>\$ 4,251,975</u>	<u>\$ (171,161)</u>	<u>\$ -</u>	<u>\$ 4,080,814</u>

Capital Leases

The Police Jury has acquired various equipment under capital lease obligations. The lease payments relating to the equipment have been capitalized and included in equipment on the accompanying government-wide financial statements. The leased equipment has a cost of \$182,034, which has been recorded in the governmental. Accumulated depreciation recognized on the leases as of December 31, 2017, was \$6,068 in the governmental activities.

NOTE 8 - LONG-TERM DEBT

Long-term debt is segregated between governmental activities and business-type activities. At December 31, 2017, governmental long-term debt consisted of the following:

Sales Tax Bonds:

\$6,500,000 Sales Tax Road Improvement Bond, dated November 2011, due in semi-annual installments at various amounts, including interest, through September 1, 2026; interest at various rates	\$ 4,620,000
\$4,500,000 Sales Tax Road Improvement Bond, dated May 2016, due in annual installments at various amounts, including interest, through September 1, 2026 interest at various rates	3,990,000
\$480,000 Recreation Certificates of Indebtedness, dated May 2004, due in annual installments at various amounts, including interest, through May 1, 2024 interest at various rates	140,000
\$265,000 limited Tax Certificates of Indebtedness, dated May 2015, due in annual installments at various amounts, including interest, through May 1, 2021; interest at various rates	182,000

Capital Lease Obligations:

Lease payable in monthly installments of \$3,591, including interest, maturing September 2022	<u>173,355</u>
Total bonds and leases	9,105,355

Accrued compensated absences: 192,163

Net pension liability 638,801

Net other post employment benefits obligation: 2,730,046

Total indebtedness - governmental activities \$ 12,666,365

At December 31, 2017, long-term debt from proprietary funds consisted of the following:

Sales Tax Bonds:

\$780,000 U.S. Department of Agriculture- RUS. Multi-Use Center, issued May 1, 1995, due in annual installments of \$51,768 (including interest) through May 1, 2026, interest at 5.25%	\$ 232,794
\$79,000 U.S. Department of Agriculture - RUS Multi-Use Center, issued May 1, 1995, due in annual installments of \$5,172 (including interest) through May 1, 2026, interest at 5.125%	22,924

Net pension liability 90,800

Total indebtedness - business-type activities \$ 346,518

NOTE 8 - LONG-TERM DEBT (CONTINUED)

At December 31, 2017, long-term debt from component units consisted of the following:

Sales Tax Bonds:

\$700,000 U.S. Department of Agriculture - RUS. Sewer Dist. No.1 issued August 18, 1978, due in annual installments of \$41,136 (including interest) through August 18, 2019, interest at 5.00%	39,092
\$157,000 U.S. Department of Agriculture - RUS. Sewer Dist. No.1 issued June 1, 2000, due in monthly installments of \$713 (including interest) through May 1, 2040, interest at 4.50%	119,713
\$96,000 U.S. Department of Agriculture - RUS. Sewer Dist. No.1 issued August 18, 1978, due in annual installments of \$5,642 (including interest) through August 18, 2018, interest at 5.00%	4,990
\$45,200 U.S. Department of Agriculture - RUS. Sewer Dist. No.3A issued March 3, 1988, due in annual installments of \$3,186 (including interest) through March 3, 2018, interest at 6.375%	24,855
\$16,500 U.S. Department of Agriculture - RUS. Sewer Dist. No.3A issued March 3, 1988, due in annual installments of \$1,163 (including interest) through March 3, 2018, interest at 6.375%	9,137
\$358,000 U.S. Department of Agriculture - RUS. Sewer Dist. No.4 issued March 13, 2008, due in monthly installments of \$1,165 (including interest) through March 13, 2048, interest at 4.375%	323,823
\$443,000 U.S. Department of Agriculture - RUS. Sewer Dist. No.4 issued March 13, 2008, due in monthly installments of \$1,927 (including interest) through March 13, 2048, interest at 4.125%	398,791
\$467,000 U.S. Department of Agriculture - RUS. Sewer Dist. No.4 issued March 13, 2008, due in monthly installments of \$2,106 (including interest) through March 13, 2048, interest at 4.375%	422,416
Total indebtedness - component units	<u>\$ 1,342,817</u>

(continued)

NOTE 8 - LONG-TERM DEBT (CONTINUED)

Long-term debt transactions for the year ended December 31, 2017, were as follows:

	12/31/2016 (Restated)	Additions	Reductions	12/31/2017	Due Within One Year
Governmental Activities:					
Sales tax bonds	\$ 9,789,000	\$ -	\$ 857,000	\$ 8,932,000	\$ 889,000
Capital lease obligations	8,508	182,035	17,188	173,355	31,825
Accrued compensated absences	217,877	112,652	138,366	192,163	-
Net pension liability	889,067	-	250,266	638,801	-
Net other post employment benefit obligation	2,357,103	372,943	-	2,730,046	-
	<u>\$ 13,261,555</u>	<u>\$ 667,630</u>	<u>\$ 1,262,820</u>	<u>\$ 12,666,365</u>	<u>\$ 920,825</u>
Business-type Activities:					
Sales tax bonds	\$ 296,802	\$ -	\$ 41,084	\$ 255,718	\$ 43,284
Capital lease obligations	62,078	-	62,078	-	-
Net pension liability	182,630	-	91,830	90,800	-
	<u>\$ 541,510</u>	<u>\$ -</u>	<u>\$ 194,992</u>	<u>\$ 346,518</u>	<u>\$ 43,284</u>
Component Units:					
Sales tax bonds	<u>\$ 1,408,609</u>	<u>-</u>	<u>65,792</u>	<u>1,342,817</u>	<u>68,505</u>

A summary of long-term debt obligations by component unit is as follows:

United States Department of Agriculture:

Sewerage District No. 1	\$ 163,795
Sewerage District No. 3	33,992

Revenue bonds:

Sewerage District No. 4	<u>1,145,030</u>
Total component unit debt	<u>\$ 1,342,817</u>

(continued)

NOTE 8 - LONG-TERM DEBT (CONTINUED)

Debt Service Requirements to Maturity

The annual debt service requirements to amortize outstanding long-term debt excluding accrued absences and net other post-employment benefit obligations, of the primary government at December 31, 2017 are as follows:

Year ending December 31,	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2018	\$ 920,825	\$ 254,095	\$ 43,969	\$ 13,656
2019	954,155	230,084	45,601	11,339
2020	987,655	204,009	48,041	8,899
2021	1,026,338	175,618	50,617	6,323
2022	1,006,382	146,738	53,327	3,613
2023-2026	4,210,000	307,291	14,163	757
	<u>\$ 9,105,355</u>	<u>\$ 1,317,835</u>	<u>\$ 255,718</u>	<u>\$ 44,587</u>

	Component Units	
	Principal	Interest
2018	\$ 68,505	\$ 58,472
2019	25,543	55,137
2020	26,707	53,974
2021	27,937	52,743
2022	29,217	51,461
2023-2027	164,534	235,881
2028-2032	192,127	195,126
2033-2037	231,819	149,828
2038-2042	264,036	95,356
2043-2047	303,007	35,859
2048	9,385	22
	<u>\$ 1,342,817</u>	<u>\$ 983,859</u>

NOTE 8 - LONG-TERM DEBT (CONTINUED)

Bond Restrictions

Sales Tax Bonds

Under the terms of the indenture authorizing the issuance of Sales Tax Bonds – Series 2012, general revenues of the Police Jury are pledged and dedicated for the establishment and maintenance of the following bond funds:

Sales Tax Bonds – Road Improvement Refunding Bonds - Series 2011 - Sinking Fund to be used for the payment of principal and interest on outstanding bonds as they become due and payable. Monthly payments are to be equal to the sum of one-sixth of interest falling due on the next interest payment date and one-twelfth of principal falling due on the next principal payment date.

Sales Tax Bonds – Road Improvement Refunding Bonds - Series 2011 - Reserve Fund to be used solely for the purpose of paying principal and interest on bonds payable from the Bond Sinking Fund, as to which there would otherwise be default. No funds have been accumulated.

Sales Tax Bonds – Road Improvement Refunding Bonds - Series 2016 - Sinking Fund to be used for the payment of principal and interest on outstanding bonds as they become due and payable. Monthly payments are to be equal to the sum of one-sixth of interest falling due on the next interest payment date and one-twelfth of principal falling due on the next principal payment date.

Sales Tax Bonds – Road Improvement Refunding Bonds - Series 2016 - Reserve Fund to be used solely for the purpose of paying principal and interest on bonds payable from the Bond Sinking Fund, as to which there would otherwise be default. No funds have been accumulated.

Certificate of Indebtedness

In accordance with the terms of the indenture authorizing the issuance of the certificates of indebtedness, excess revenues are used for the establishment of the 2004 Certificates of Indebtedness Sinking Fund. The sinking fund is used for the payment of principal and interest on outstanding debt as it becomes due and payable. Monthly payments are equal to the sum of one-sixth of interest becoming due on the next interest payment date and one-twelfth of principal becoming due on the next principal payment date.

Multi-Use Center Revenue Bonds

In accordance with the indentures governing Multi-Use Center Revenue Bonds, Series 1995, cash is periodically deposited into accounts administered by a trustee bank. These bonds are a direct liability of the Multi-Use Center Enterprise Fund to be serviced by the earnings from the Fund. Deposits are made to these trust accounts in accordance with the requirements of each.

NOTE 8 - LONG-TERM DEBT (CONTINUED)

Multi-Use Center Revenue Bonds (Continued)

1. The Multi-Use Center Revenue Funds requires all revenue derived from its operations to be deposited in a bank that is a member of the Federal Deposit Insurance Corporation as long as any of the bonds are outstanding. Required transfers are made on a monthly basis to designated trust accounts.
2. The Multi-Use Center Revenue Bond Fund requires monthly fund transfers from the Multi-Use Center Revenue Fund to provide payment of the next maturing interest and principal of the revenue bonds.
3. The Multi-Use Center Revenue Bond Reserve Fund requires monthly transfers ranging from \$22 to \$216 until \$56,940 has been accumulated. This fund is restricted to payment of principal and interest in case of default. The current balance of the fund is \$56,940.
4. The Multi-Use Center Depreciation and Contingency Fund requires monthly transfers ranging from \$22 to \$216. The Fund is restricted to payments for unusual or extraordinary maintenance, repairs, replacement, extensions or improvements that will either enhance its revenue producing capacity or provide improved service. It will also be used to pay principal and interest if there are not sufficient funds in the Multi-Use Center Revenue Bond Fund, or Multi-Use Center Revenue Bond Reserve Fund. The current balance of the fund is \$61,448.

Legal Debt Margin

Computation of legal debt margin for general obligation bonds is as follows:

Ad Valorem taxes - Assessed valuation, 2017 tax rolls	\$ 451,268,632
Debt limit: 10% of assessed valuation (for any one purpose)	45,126,863
Debt limit: 15% of assessed valuation (for sewerage purposes)	67,690,295
Debt limit: 35% of assessed valuation (aggregate, all purposes)	157,944,021

NOTE 9 - SHORT TERM DEBT

The Police Jury issued a revenue anticipation loan in October of 2016 for \$600,000 at a rate of 1.96%. The debt was issued for the purpose of paying current expenditures for the 2016 fiscal year. The revenue anticipation loan was secured by ad valorem taxes. In February 2017, the Policy Jury repaid the loan obligation plus \$3,920 in interest.

(continued)

NOTE 10 -DEDICATED REVENUE

Sales and Use Tax

The Police Jury has a one per cent sales and use tax approved for an indefinite term by the voters on September 19, 1984. The tax, after all necessary costs for collection and administration, is to be used for purposes in the percentages assigned, as follows:

- Not less than 35% is dedicated and used for capital improvements, maintenance, and operation of Pointe Coupee Police Jury Hospital District No. 1, including, but not limited to, the Pointe Coupee General Hospital and other medical complexes adjacent thereto and throughout the Parish;
- Not less than 20% is dedicated and used for the construction, maintenance, and operations of a comprehensive parish-wide solid waste and non-hazardous waste disposal program;
- Not less than 20% is dedicated and used for the construction and maintenance of public roads, highways, bridges and drainage facilities throughout the unincorporated areas of the Police Jury;
- Not less than 14% is dedicated and used for capital improvements, maintenance and operations of a parish-wide recreational program, including, but not limited to, a senior citizens and youth services program;
- The remaining 11% shall be appropriated by the Police Jury for lawful Police Jury purposes, by ordinance or resolution of the Police Jury.

An additional ½ cent sales and use tax was approved by the voters on May 3, 1997, for 15 years for the purpose of constructing, improving and resurfacing the public roads and bridges in the Police Jury. This sales and use tax was renewed on November 2, 2010 for an additional 15 years.

NOTE 11 - PENSION PLAN

The Parish is a participating employer in several cost-sharing designed benefit pension plans. These plans are administered by three public employee retirement systems, the Parochial Employees' Retirement System of Louisiana (PERS), the Registrar of Voters Employees' Retirement System (ROVERS), and the District Attorneys' Retirement System (DARS). Article X, Section 29(F) of the Louisiana Constitution of 1974 assigns the authority to establish and amend benefit provisions of these plans to the State Legislature. Each system is administered by a separate board of trustees.

NOTE 11 - PENSION PLAN (CONTINUED)

Each of the Systems issues an annually publicly available financial report that includes financial statements and require supplementary information for the system. These reports may be obtained by writing, calling, or downloading the reports as follows:

PERS:

7905 Wrenwood Blvd.
Baton Rouge, LA 70809
(225) 928-1361
www.persla.org

ROVERS:

P.O. Box 57
Jennings, LA 70546
(800) 510-8515
www.larovers.com

DARS:

1645 Nicholson Drive
Baton Rouge, LA 70802
(225) 383-2227
www.ladars.org

Plan Descriptions:

Parochial Employees' Retirement System of Louisiana (PERS)

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

Registrar of Voters Employees' Retirement System (ROVERS)

The Registrar of Voters Employees' Retirement System of Louisiana is a cost-sharing, multiple-employer defined benefit 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.

District Attorneys' Retirement System (DARS)

The District Attorneys' Retirement System is a cost sharing multiple employer defined benefit pension plan that 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 retirement, and death benefit, are provided as specified in the plan.

NOTE 11 - PENSION PLAN (CONTINUED)

Funding Policy

Article X, Section 29(E)(2)(a) of the Louisiana Constitution of 1974 assigns the Legislature the authority to determine employee contributions. Employer contributions are actuarially determined using statutorily established methods on an annual basis and are constitutionally required to cover the employer's portion of the normal cost and provide for the amortization of the unfunded accrued liability. Employer contributions are adopted by the Legislature annually upon recommendation of the Public Retirement Systems' Actuarial Committee (PRSAC).

Employer contribution rates to the plans are required and actuarially determined for PERS, ROVERS, and DARS. The contribution rates in effect for the year ended December 31, 2017, for the Parish and covered employees were as follows:

<u>Plan</u>	<u>Parish</u>	<u>Employees</u>
PERS (Plan A)	12.50%	9.50%
ROVERS	20.00%	7.00%
DARS	0.00%	8.00%

The contributions made to the Plans for the past three fiscal years were as followed:

<u>Plan</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
PERS (Plan A)	\$ 206,750	\$ 242,200	\$ 319,541
ROVERS	5,952	6,003	6,435
DARS	-	498	385
	<u>\$ 212,702</u>	<u>\$ 248,701</u>	<u>\$ 326,361</u>

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

The following schedule lists the Parish's proportionate share of the Net Pension Liability allocated by each of the pension plans for based on the measurement dates. The Parish uses this measurement to record its net pension liability and associated amounts as of December 31, 2017 in accordance with GASB Statement 68. The schedule also includes the proportionate share allocation rate used at the measurement date of each plan, along with the change compared prior year rates. The Parish's proportion of the net pension liability was based on a projection of the Agency's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

NOTE 11 - PENSION PLAN (CONTINUED)

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

	Net Pension Liability at December 31, 2017	Current Measurement Rate	Previous Measurement Rate	Increase (Decrease)
PERS (Plan A) (1)	\$ 680,878	0.3306%	0.3843%	-0.0537%
ROVERS (2)	45,278	0.2063%	0.2026%	0.0037%
DARS (2)	<u>3,445</u>	0.0128%	0.0128%	0.0000%
Total	<u>\$ 729,601</u>			

(1) December 31, 2016 Measurement Date

(2) June 30, 2017 Measurement Date

The following schedule lists each pension plan's recognized pension expense of the Parish for the year ended December 31, 2017:

	<u>Total</u>
Parochial Employees' Retirement System of Louisiana (Plan A)	\$ 260,204
Registrar of Voters Employees' Retirement System	3,364
District Attorneys' Retirement System	<u>692</u>
	<u>\$ 264,261</u>

NOTE 11 - PENSION PLAN (CONTINUED)

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

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
PERS:		
Differences between expected and actual experience	\$ -	\$ (119,147)
Changes of assumptions	129,268	-
Net difference between projected and actual earnings on pension plan investments	528,546	-
Changes in proportion and differences between Employer contributions and proportionate share of contributions	459	(2,515)
Differences between allocated and actual contributions	-	(76,740)
Employer contributions subsequent to the measurement date	206,750	-
PERS Total	865,023	(198,402)
 ROVERS:		
Differences between expected and actual experience	\$ -	\$ (8,418)
Changes of assumptions	4,350	(1,463)
Net difference between projected and actual earnings on pension plan investments	5,093	-
Changes in proportion and differences between Employer contributions and proportionate share of contributions	1,175	(596)
Differences between allocated and actual contributions	38	-
Employer contributions subsequent to the measurement date	2,400	-
ROVERS Total	13,056	(10,477)

(Continued)

NOTE 11 - PENSION PLAN (CONTINUED)

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

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

DARS:

Differences between expected and actual experience	\$	-	\$	(906)
Changes of assumptions		1,545		(407)
Net difference between projected and actual earnings on pension plan investments		1,383		-
Changes in proportion and differences between Employer contributions and proportionate share of contributions		122		(214)
Differences between allocated and actual contributions		162		-
Employer contributions subsequent to the measurement date		-		-
		<u>3,212</u>		<u>(1,527)</u>
DARS Total		<u>3,212</u>		<u>(1,527)</u>
	Total Plans	<u>\$ 881,291</u>	\$	<u>(210,406)</u>

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	PERS	ROVERS	DARS	Total
2017	199,331	-	-	199,331
2018	180,788	38	73	180,899
2019	106,178	1,963	753	108,894
2020	(26,585)	163	436	(25,986)
2021	-	(1,984)	95	(1,888)
2022	-	-	159	159
2023	-	-	168	168
	<u>\$ 459,712</u>	<u>\$ 180</u>	<u>\$ 1,684</u>	<u>\$ 461,576</u>

NOTE 11 - PENSION PLAN (CONTINUED)

Actuarial Assumptions

	<u>Valuation Date</u>	<u>Expected Remaining Service Lives</u>	<u>Investment Rate of Return</u>
PERS (Plan A)	December 31, 2016	4 years	7.00% net of investment expenses, including inflation
ROVERS	June 30, 2017	5 years	6.75% net of investment expenses
DARS	June 30, 2017	7 years	6.75% net of investment expenses

Mortality:

PERS

RP-2000 Employee Mortality Table was selected for active members. RP-2000 Healthy Annuitant Mortality Table was selected for healthy annuitants and beneficiaries. RP-2000 Disabled Lives Mortality Table was selected for disabled annuitants.

ROVERS

RP-2000 Combined Healthy Mortality Table for active members, healthy annuitants and beneficiaries. RP-2000 Disabled Lives Mortality Table for disabled annuitants.

DARS

The RP 2000 Combined Healthy with White Collar Adjustment Sex Distinct Tables (setback 1 year for females) projected to 2032 using Scale AA were selected for employee, annuitant, and beneficiary mortality. The RP 2000 Disabled Lives Mortality Table set back 5 years for males and set back 3 years for females was selected for disabled annuitants. Setbacks in these tables were used to approximate mortality improvement.

Salary Increases:

PERS

Plan A – 5.25% (2.75% Merit; 2.50% Inflation).

NOTE 11 - PENSION PLAN (CONTINUED)

Actuarial Assumptions (Continued)

ROVERS

6.0% (2.5% Inflation; 3.5% Merit).

DARS

5.50% (2.50% Inflation; 3.00% Merit).

Cost of Living Adjustments:

PERS

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.

ROVERS

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.

DARS

Only those previously granted.

NOTE 11 - PENSION PLAN (CONTINUED)

The following table provides a summary of the best estimates of arithmetic/ geometric real rates of return for each major asset class included in each of the Retirement Systems' target asset allocations as of December 31, 2017:

Asset Class	Target Allocation		
	PERS	ROVERS	DARS
Equity	52.00%	55.00%	61.72%
Fixed Income	35.00%	30.00%	28.95%
Alternative	11.00%	5.00%	8.85%
Other	2.00%	10.00%	0.48%
Totals	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

Asset Class	Expected Portfolio Real Rate of Return		
	PERS	ROVERS	DARS
Equity	3.63%	4.28%	3.78%
Fixed Income	1.24%	0.85%	2.26%
Alternative	0.67%	0.31%	0.50%
Other	0.12%	0.45%	0.02%
Totals	<u>5.66%</u>	<u>5.89%</u>	<u>6.56%</u>
Inflation	<u>2.00%</u>	<u>2.50%</u>	<u>2.50%</u>
Expected Nominal Return	<u>7.66%</u>	<u>8.39%</u>	<u>9.06%</u>

Discount Rate

The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, each of the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rates used for each respective plan is displayed in the Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate table.

NOTE 11 - PENSION PLAN (CONTINUED)

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

The following table presents the Parish's proportionate share of the Net Pension Liability (NPL) using the discount rate of each Retirement System as well as what the Parish's proportionate share of the NPL 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 used by each of the Retirement Systems:

	<u>1% Decrease</u>	<u>Current Rate</u>	<u>1% Increase</u>
PERS			
Discount Rates	6.00%	7.00%	8.00%
Share of Net Pension Liability	\$ 2,036,777	\$ 680,878	\$ (465,577)
ROVERS			
Discount Rates	5.75%	6.75%	7.75%
Share of Net Pension Liability	\$ 69,207	\$ 45,278	\$ 24,684
DARS			
Discount Rates	5.75%	6.75%	7.75%
Share of Net Pension Liability	\$ 9,846	\$ 3,445	\$ (1,993)

NOTE 12 - DEFERRED COMPENSATION PLAN

The Parish offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The Plan is administered by Nationwide Retirement Solutions, Inc. (Nationwide). The Plan, available to all Parish employees, permits them to defer a portion of their salary until future years. Participation in the Plan is optional. The deferred compensation is not available to employees until termination, retirement, death, or an unforeseeable emergency. In accordance with the amended provisions of Internal Revenue Code, all amounts deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are solely the property and rights of the participants and their beneficiaries. As required, the Parish established a custodial account with a third party administrator who will hold the assets and income of the plan. Assets totaling \$280,918 are held by Nationwide under agreement with the Parish.

The Parish has implemented GASB Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. Under this statement, governments who have no responsibility for the plan and are not formally considered the plan's trustee are not required to report the plan in its financial statements. Since the Parish plan is held in a custodial account with a third party administrator, the assets and liabilities are not presented in the Parish's financial statements.

NOTE 13 - OTHER POST-EMPLOYMENT BENEFITS

The Police Jury provides certain continuing health care and life insurance benefits for its retired employees. Substantially all of the Police Jury's employees become eligible for those benefits if they reach normal retirement age while working for the Police Jury. Those benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid jointly by the retirees and by the Police Jury.

Plan Description. The Pointe Coupe 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 a retirement system whose retirement eligibility (D.R.O.P. entry) provisions are as follows: 30 years of service at any age; or, age 60 and 10 years of service. Complete plan provisions are included in the official plan documents.

Life insurance coverage of \$10,000 is provided to retirees upon retirement. The employer pays 100% of the "cost" of the retiree life insurance, but it is based on the blended rate. Since GASB 45 requires the use of "unblended" rates, the actuary used the 94GAR mortality table described above to "unblend" the rates so as to reproduce the composite blended rate overall as the rate structure to calculate the actuarial valuation results for life insurance. All of the assumptions used for the valuation of the medical benefits have been used except for the trend assumption; zero trend was used for life insurance. Some retirees have additional small amounts of insurance which reduces after age 65. This additional insurance has not been taken into account in this valuation.

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

Fund Policy. Until 2009, the Police Jury recognized the cost of providing post-employment medical and life benefits (Police Jury's portion of the retiree medical and life benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis. In 2017 and 2016, the Pointe Coupee Parish Police Jury's portion of health care and life insurance funding cost for retired employees totaled \$102,133 and \$94,567 respectively.

Effective January 1, 2009, the Pointe Coupee Parish Police Jury implemented Government Accounting Standards Board Statement Number 45, *Accounting and Financial Reporting by Employers for Post employment Benefits Other than Pensions* (GASB 45). This amount was applied toward the Net OPEB Benefit Obligation as shown in the following table.

NOTE 13 - OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Annual Required Contribution – The Pointe Coupee Parish Police Jury’s Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45. The ARC is the sum of the Normal Cost plus the contribution to amortize the Unfunded Actuarial Accrued Liability (UAAL). A level dollar, open amortization period of 30 years (the maximum amortization period allowed by GASB Codification Section P50) has been used for the post-employment benefits. The actuarially computed ARC is as follows:

	2017	2016
Normal Cost	\$ 214,591	\$ 206,337
30-year UAL amortization amount	302,790	291,144
Annual required contribution (ARC)	\$ 517,381	\$ 497,481

Net Post-employment Benefit Obligation. The table below shows Pointe Coupee Parish Police Jury’s Net Other Post-employment Benefit (OPEB) Obligation for fiscal year ending December 31:

	2017	2016
Beginning Net OPEB Obligation	\$ 2,357,103	\$ 1,989,665
Annual required contribution	517,380	497,481
Interest on Net OPEB Obligation	94,906	79,587
ARC Adjustment	(137,210)	(115,063)
OPEB Cost	475,076	462,005
Current year retiree premium	(102,133)	(94,567)
Change in Net OPEB Obligation	372,943	367,438
Net OPEB Obligation	\$ 2,730,046	\$ 2,357,103

The following table shows Pointe Coupee Parish Police Jury’s annual other post-employment benefits (OPEB) cost, actual contribution made, percentage of the annual cost contributed, and the net other post-employment benefits (OPEB) obligation:

Fiscal Year Ending	Annual OPEB Cost	Actual Contribution Made	Percentage of Annual Cost Contributed	Net OPEB Obligation
2017	\$ 475,076	\$ 102,133	21.50%	\$ 2,730,046
2016	462,005	94,567	20.47%	2,357,103
2015	449,321	87,562	19.49%	1,989,665

NOTE 13 - OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Funded Status and Funding Progress – In 2017 and 2016, the Pointe Coupee 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, 2015 actuarial valuation, the most recent valuation, the Actuarial Accrued Liability (AAL) at the end of the year December 31, 2017 was \$5,445,319 which is defined as that portion, as determined by a particular actuarial cost method (the Pointe Coupee 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.

	2017	2016
Actuarial Accrued Liability (AAL)	\$ 5,445,319	\$ 5,235,884
Actuarial value of plan assets	-	-
Unfunded Act. Accrued Liability (UAAL)	\$ 5,445,319	\$ 5,235,884
Funded Ratio (Act. Val. Assets/AAL)	0%	0%
Covered payroll	\$ 1,886,591	\$ 2,044,261
UAAL as a percentage of covered payroll	288.63%	256.13%

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

The actuarial calculations are based on the types of benefits provided under the terms of the substantive plan (the plan as understood by the Pointe Coupee Parish Police Jury and its employee plan members) at the time of the valuation and on the pattern of sharing costs between the Pointe Coupee 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 Pointe Coupee 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.

NOTE 13 - OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

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 – Since the OPEB obligation has not as yet been funded, there are not any plan assets. It is anticipated that in future valuations, should funding take place, a smoothed market value consistent with Actuarial Standards Board ASOP 6, as provided in paragraph number 125 of GASB Codification Section P50.

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

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

Investment Return Assumption (Discount Rate) – GASB Codification Section 50 states that the investment return assumption should be the estimated long-term investment yield on the investments that are expected to be used to finance the payment of benefits (that is, for a plan which is funded). Based on the assumption that the ARC is not expected to be funded in the near future, a 4% annual investment return has been used in this valuation.

Health Care Cost Trend Rate – The expected rate of increase in medical cost is based on a graded schedule beginning with 8% annually, down to an ultimate annual rate of 5.0% for ten 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 rates and 50% of the unloaded female mortality rates, is 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.

NOTE 13 - OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

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 81% of the cost of the medical insurance for the retirees and dependents before age 65 and 88% after Medicare eligibility. The rates provided applicable before age 65 are "blended" rates. Since GASB 45 mandates that "unblended" rates be used, we have estimated the "unblended" rates for retired before Medicare eligibility to be 130% of the blended rate. After Medicare eligibility, we have used the unblended rates provided. We have further assumed that 25% of retirees decline coverage after age 65.

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

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

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

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

	<u>2015</u>	<u>2016</u>	<u>2017</u>
OPEB Cost	\$ 449,321	\$ 462,005	\$ 475,076
Contribution	-	-	-
Retiree premium	<u>87,562</u>	<u>94,567</u>	<u>102,133</u>
Total contribution and premium	87,562	94,567	102,133
Change in net OPEB obligation	<u>\$ 361,759</u>	<u>\$ 367,438</u>	<u>\$ 372,943</u>
% of contribution to cost	0.00%	0.00%	0.00%
% of contribution plus premium to cost	19.49%	20.47%	21.50%

(continued)

NOTE 14 - INTERFUND TRANSACTIONS

Interfund receivable and payable balances

Interfund receivable and payable balances represent short-term borrowing between funds. The interfund balances of the primary government at December 31, 2017 were as follows:

Individual Fund	Receivable	Payable
Primary Government:		
General Fund:		
Drainage and Road Equipment	\$ 150,000	\$ -
Detention Center	400,000	-
Sales Tax	105,969	-
Debt Service Road Improvement	-	1,125,000
Solid Waste	-	300,000
Total General Fund	655,969	1,425,000
Drainage		
General	-	150,000
Detention Center		
General	-	400,000
Debt Service Road Improvement		
General	1,125,000	-
Total governmental funds	1,780,969	1,975,000
Enterprise Funds:		
Natural Gas System		
Multi-Use Center	275,000	-
Solid Waste		
General	300,000	-
Multi-Use Center		
Natural Gas System	-	275,000
Total enterprise funds	575,000	275,000
Agency fund:		
Sales Tax		
General	-	105,969
Total interfund balances	\$ 2,355,969	\$ 2,355,969

NOTE 14 - INTERFUND TRANSACTIONS (CONTINUED)

Interfund Transfers

The interfund transfers of the primary government during the year ended December 31, 2017 were as follows:

Individual Fund	Transfer In	Transfer Out
Primary Government:		
Governmental-type activities:		
General Fund:		
Detention Center	\$ -	\$ 250,000
Multi Use Center	-	100,000
Roads and Bridges	-	-
Solid Waste	300,000	-
Natural Gas System	247,800	-
Nonmajor Governmental Funds	12,501	185,000
Total General Fund	560,301	535,000
Drainage:		
Roads and Bridges	-	50,000
Roads and Bridges:		
Drainage	50,000	-
Debt Service Road Improvement	350,000	-
Nonmajor Governmental Funds	25,000	-
Total Roads and Bridges	425,000	-
Detention Center:		
General Fund	250,000	-
Solid Waste	100,000	-
Nonmajor Governmental Funds	100,000	-
Total Detention Center	450,000	-
Debt Service Road Improvement:		
Roads and Bridges	-	350,000
Nonmajor Governmental Funds:		
General Fund	185,000	12,501
Detention Center	-	100,000
Roads and Bridges	-	25,000
Nonmajor Governmental Funds	-	100,000
Total Nonmajor Governmental Fund	185,000	237,501
Total Governmental-type activities	1,620,301	1,172,501

NOTE 14 - INTERFUND TRANSACTIONS (CONTINUED)

Interfund Transfers (Continued)

Individual Fund	Transfer In	Transfer Out
Primary Government:		
Business-type activities:		
Natural Gas System		
General Fund	\$ -	\$ 247,800
Solid Waste		
Detention Center	-	100,000
General Fund	-	300,000
Total Solid Waste	-	400,000
Multi-Use Center		
General Fund	100,000	-
Nonmajor Governmental Funds	100,000	-
Total Multi-Use Center	200,000	-
Total Business-type activities	200,000	647,800
Total primary government	\$ 1,820,301	\$ 1,820,301

The following exchange of funds between the primary government and its discretely presented component units during 2017, which are classified as external transactions on the Government-wide State of Activities, are as follows:

Individual Fund	Receivable	Payable
Primary Government:		
Governmental Activities:		
General Fund		
Sewer District No. 1	\$ 40,000	\$ -
Legonmier Sewer District	120,000	-
Sewer District No. 3A	30,000	-
Total Primary Government	190,000	-
Component Units:		
Business-type Activities		
Sewer District No. 1		
General Fund	-	40,000
Legonmier Sewer District		
General Fund	-	120,000
Sewer District No. 3A		
General Fund	-	30,000
Total Component Units	-	190,000
Total	\$ 190,000	\$ 190,000

NOTE 15 - COMMITMENTS AND CONTINGENCIES

Grants

The Police Jury receives Federal and State grants for specific purposes that are subject to audit by the grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. It is the opinion of Police Jury management that the Police Jury's compliance with the terms of grants will result in negligible, if any, disallowed costs.

Risk Management

The Police Jury is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; employee health and life; and natural disasters. The Police Jury has purchased various insurance policies to cover such risks. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Police Jury. Settled claims have not exceeded this insurance coverage in any of the past three years.

Litigation and Claims

At December 31, 2017, the Police Jury is defendant in several pending lawsuits filed in the 18th Judicial District Court. The majority of these cases are either covered by insurance or other defenses; however, the ultimate effect of such litigation cannot be ascertained at this time. As a result, no liability has been recorded relating to any of these claims and suits. It is the opinion of Police Jury management and legal counsel that the ultimate resolution of any unrecorded litigation will not have a material effect on the financial position of the Police Jury.

In accordance with Paragraph (B) (1) of Section 3 of Article VII of the Constitution of the State of Louisiana, the Police Jury entered into an agreement on May 20, 1992 with all of the sales and use taxing authorities of the Parish of Pointe Coupee designating the Sales Tax Department of the Police Jury as the single tax collection agency. The agreement is effective as of July 1, 1992.

Operating Leases

The Police Jury has entered into multiple operating lease agreements for equipment. During 2017, rental expense was approximately \$122,000. The estimated minimum future lease commitments, at December 31, 2017, are as follows:

<u>Fiscal year ended:</u>	<u>Amount</u>
2018	\$ 114,000
2019	86,000
2020	20,000
2021	5,000
2022	5,000
Thereafter	9,000

NOTE 16 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Expenditures Exceeding Appropriations

Excess of expenditures over appropriations in individual funds or departments within the funds occurred as follows:

	Revised Budget	Actual (GAAP Basis)	Variance
General Fund:			
General government	\$ 2,235,140	\$ 2,449,542	\$ (214,402)
Capital outlay	73,500	151,350	(77,850)
Special Revenue Funds:			
Drainage Fund:			
Capital outlay	66,800	445,663	(378,863)
Detention Center Fund:			
Public safety	466,450	509,019	(42,569)
Debt service	6,000	8,565	(2,565)
Capital outlay	18,000	18,989	(989)

Fund Deficit

The Detention Center Fund has a fund deficit at December 31, 2017 of \$412,414. If the deficit cannot be covered with future revenues of the fund, then the general fund may need to fund the deficit.

The following component units have accumulated deficit balances within the unrestricted net position as of December 31, 2017:

Fund	Amount
Legonnier Sewer System	(109,513)
Sewerage District No. 1	(13,073)
Sewerage District No. 3A	(44,787)
Sewerage District No. 4	(1,105,793)

NOTE 17 - POLICE JURY MEMBER COMPENSATION

Compensation paid to the Police Jurors during 2017 was as follows:

	Amount
Kyle Olinde, President (effective November 2017)	\$ 14,400
Melanie Bueche, President (deceased November 2017)	12,080
J.A. Bueche	2,320
Glenn Cline	14,400
Justin Cox	14,400
Cornell Dukes	14,400
Mitch Langlois	14,400
Kurt Jarreau	14,400
Gordon Taylor	14,400
Stephen Smith	14,400
Anthony Hurst, Sr.	14,400
Edward Bazile	14,400
Charles Watkins	14,400
	\$ 172,800

NOTE 18 - SALES TAX REMITTED TO OTHER TAXING AUTHORITIES

Act 711 of the 2011 Louisiana Legislative Session amended LRS 24:51 (B) to provide required footnote disclosure in the financial statements for local governments that collect tax for other taxing jurisdictions. Listed below are sales tax collections and distributions to other parish governmental agencies during calendar year 2017.

	Total Collections	Collection Cost	Final Distribution
Pointe Coupee Parish School Board	\$ 5,531,340	\$ 138,284	\$ 5,393,056
City of New Roads	1,403,776	35,094	1,368,682
Town of Livonia	270,506	4,058	266,448
Village of Morganza	29,668	445	29,223
Town of Fordoche	24,103	362	23,741
Total	\$ 7,259,393	\$ 178,243	\$ 7,081,150

NOTE 19 - TAX REVENUES ABATED

The Louisiana Industrial Ad Valorem Tax Exemption program (Louisiana Administrative Code, Title 13, Chapter 5) is a state incentive program which abates, up to ten years, local ad valorem taxes on a manufacturer's new investment and annual capitalized additions related to the manufacturing site. Applications to exempt qualified property for five years are approved by the Board of Commerce and Industry. The exemption may be renewed for an additional five years. For the fiscal year ending December 31, 2017, \$96,167 in Pointe Coupee Parish Police Jury ad valorem taxes revenues were abated by the state of Louisiana through the Louisiana Industrial Ad Valorem Tax Exemption Program.

POINTE COUPEE PARISH POLICE JURY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND

For the year ended December 31, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - positive (negative)</u>
REVENUES				
Taxes	\$ 1,566,950	\$ 1,619,550	\$ 1,595,060	\$ (24,490)
Intergovernmental	2,151,900	1,545,000	1,561,254	16,254
Charges for services	155,500	153,500	140,601	(12,899)
Licenses and permits	342,800	371,600	372,798	1,198
Investment income	100	-	-	-
Miscellaneous	22,500	121,500	177,825	56,325
	<u>4,239,750</u>	<u>3,811,150</u>	<u>3,847,538</u>	<u>36,388</u>
EXPENDITURES				
Current function:				
General government	2,169,940	2,235,140	2,449,542	(214,402)
Health and welfare	281,375	238,875	140,907	97,968
Public safety	428,925	528,425	477,151	51,274
Culture and recreation	71,450	93,532	93,548	(16)
Economic development	118,920	132,645	97,427	35,218
Capital outlay	400,000	73,500	151,350	(77,850)
Debt service	695,800	113,800	52,609	61,191
	<u>4,166,410</u>	<u>3,415,917</u>	<u>3,462,534</u>	<u>(46,617)</u>
Excess of revenues over expenditures	<u>73,340</u>	<u>395,233</u>	<u>385,004</u>	<u>(10,229)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	547,800	560,300	560,301	1
Transfers out	<u>(780,000)</u>	<u>(535,000)</u>	<u>(535,000)</u>	<u>-</u>
	<u>(232,200)</u>	<u>25,300</u>	<u>25,301</u>	<u>1</u>
Net change in fund balance	<u>\$ (158,860)</u>	<u>\$ 420,533</u>	410,305	<u>\$ (10,228)</u>
FUND BALANCE				
Beginning of year, as restated			<u>260,752</u>	
End of year			<u>\$ 671,057</u>	

Notes on Exhibit A-12 are an integral part of this statement.

POINTE COUPEE PARISH POLICE JURY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
PARISHWIDE DRAINAGE FUND

For the year ended December 31, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - positive (negative)</u>
REVENUES				
Taxes	\$ 615,000	\$ 615,000	\$ 661,656	\$ 46,656
Intergovernmental	-	62,200	431,933	369,733
Charges for services	<u>505,800</u>	<u>410,500</u>	<u>480,914</u>	<u>70,414</u>
Total revenues	<u>1,120,800</u>	<u>1,087,700</u>	<u>1,574,503</u>	<u>486,803</u>
EXPENDITURES				
Current function:				
Drainage	1,065,570	972,870	806,400	166,470
Capital outlay	<u>1,100</u>	<u>66,800</u>	<u>445,663</u>	<u>(378,863)</u>
Total expenditures	<u>1,066,670</u>	<u>1,039,670</u>	<u>1,252,063</u>	<u>(212,393)</u>
Deficiency of revenues over expenditures	<u>54,130</u>	<u>48,030</u>	<u>322,440</u>	<u>274,410</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(50,000)</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>
Net change in fund balance	<u>\$ 4,130</u>	<u>\$ (1,970)</u>	272,440	<u>\$ 274,410</u>
FUND BALANCE				
Beginning of year			<u>9,427</u>	
End of year			<u>\$ 281,867</u>	

Notes on Exhibit A-12 are an integral part of this statement.

POINTE COUPEE PARISH POLICE JURY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
ROADS AND BRIDGES

For the year ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance - positive (negative)
REVENUES				
Intergovernmental	\$ 267,500	\$ 252,500	\$ 249,779	\$ (2,721)
Licenses and permits	5,000	2,500	2,432	(68)
Total revenues	272,500	255,000	252,211	(2,789)
EXPENDITURES				
Current function:				
Highways and streets	707,140	676,040	605,648	70,392
Total expenditures	707,140	676,040	605,648	70,392
Deficiency of revenues over expenditures	(434,640)	(421,040)	(353,437)	67,603
OTHER FINANCING SOURCES (USES)				
Transfers in	425,000	425,000	425,000	-
Net change in fund balance	\$ (9,640)	\$ 3,960	71,563	\$ 67,603
FUND BALANCE				
Beginning of year			39,852	
End of year			\$ 111,415	

Notes on Exhibit A-12 are an integral part of this statement.

POINTE COUPEE PARISH POLICE JURY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL DETENTION CENTER FUND

For the year ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance - positive (negative)
REVENUES				
Taxes	\$ 185,000	\$ 185,000	\$ 198,497	\$ 13,497
Charges for services	<u>1,000</u>	<u>15,000</u>	<u>14,832</u>	<u>(168)</u>
Total revenues	<u>186,000</u>	<u>200,000</u>	<u>213,329</u>	<u>13,329</u>
EXPENDITURES				
Current function:				
Public safety	471,250	466,450	509,019	(42,569)
Debt service	51,400	6,000	8,565	(2,565)
Capital outlay	<u>350,000</u>	<u>18,000</u>	<u>18,989</u>	<u>(989)</u>
Total expenditures	<u>872,650</u>	<u>490,450</u>	<u>536,573</u>	<u>(46,123)</u>
Deficiency of revenues over expenditures	(686,650)	(290,450)	(323,244)	(32,794)
OTHER FINANCING SOURCES				
Transfers in	<u>675,000</u>	<u>450,000</u>	<u>450,000</u>	<u>-</u>
Net change in fund balance	<u>\$ (11,650)</u>	<u>\$ 159,550</u>	126,756	<u>\$ (32,794)</u>
FUND BALANCE				
Beginning of year			<u>(539,170)</u>	
End of year			<u>\$ (412,414)</u>	

Notes on Exhibit A-12 are an integral part of this statement.

POINTE COUPEE PARISH POLICE JURY

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

For the year ended December 31, 2017

NOTE 1 - BUDGETS

Budget Policy and Budgetary Accounting

A proposed budget is prepared and submitted by the Police Jury Treasurer to the Police Jury prior to the beginning of each fiscal year. A budget summary and notice of a public hearing is published with the public hearing being conducted prior to the commencement of the budget year.

The annual operating budget is prepared on the modified accrual basis for the general, special revenue, debt service, capital projects, and enterprise funds. At the end of the fiscal year, unexpended appropriations automatically lapse.

In connection with budget preparation, a portion of the unreserved fund balance of an individual fund may be designated for expenditures of the subsequent year. Such designation represents the extent to which the fund balance is used to balance the subsequent year's operating budget of that fund, as reflected in the legally adopted budget.

Basis of Accounting

All of the Police Jury's funds budgets are prepared on the modified accrual basis of accounting, which is described in Note 1 to the Police Jury's financial statements for the year ended December 31, 2017.

POINTE COUPEE PARISH POLICE JURY

OTHER POST EMPLOYMENT BENEFITS PLAN YEAR ENDED DECEMBER 31, 2017

SCHEDULE OF FUNDING PROGRESS

Fiscal Year Ending	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/17	1/1/2017	\$ -	\$ 5,445,319	\$ 5,445,319	0.00%	\$ 1,886,591	289%
12/31/16	1/1/2016	-	5,235,884	5,235,884	0.00%	2,044,261	256%
12/31/15	1/1/2015	-	5,034,504	5,034,504	0.00%	2,240,967	225%

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Fiscal Year Ending	Annual OPEB Cost	Amount Contributed	Percentage of Annual OPEB Costs Contributed	Increase to Net OPEB Obligation	Net OPEB Obligation
12/31/17	\$ 475,076	\$ 102,133	21.50%	\$ 372,943	\$ 2,730,046
12/31/16	462,005	94,567	20.47%	367,438	2,357,103
12/31/15	449,321	87,562	19.49%	361,759	1,989,665

Notes on Exhibit A-12 are an integral part of this statement.

POINTE COUPEE PARISH POLICE JURY

**SCHEDULE OF PROPORTIONATE SHARE OF
NET PENSION LIABILITY**

LAST TEN FISCAL YEARS (1)*

	2017		
	PERS	ROVERS	DARS
Employers proportion of the net pension liability	0.3306%	0.2063%	0.0128%
Employers proportionate share of net pension liability	\$ 680,878	\$ 45,278	\$ 3,445
Employer's covered-employee payroll	\$ 1,863,077	\$ 28,248	\$ 7,800
Employer's proportionate share of the net pension liability as a percentage of its covered-employee payroll	36.55%	160.29%	44.17%
Plan fiduciary net position as a percentage of the total pension liability	94.15%	80.51%	93.57%
	2016		
	PERS	ROVERS	DARS
Employers proportion of the net pension liability	0.3834%	0.2026%	0.0128%
Employers proportionate share of net pension liability	\$ 1,011,730	\$ 57,509	\$ 2,458
Employer's covered-employee payroll	\$ 2,203,729	\$ 27,840	\$ 7,767
Employer's proportionate share of the net pension liability as a percentage of its covered-employee payroll	45.91%	206.57%	31.65%
Plan fiduciary net position as a percentage of the total pension liability	92.23%	73.98%	95.09%
	2015		
	PERS	ROVERS	DARS
Employers proportion of the net pension liability	0.3897%	0.1993%	0.0133%
Employers proportionate share of net pension liability	\$ 106,533	\$ 48,809	\$ 714
Employer's covered-employee payroll	\$ 2,181,782	\$ 27,036	\$ 7,764
Employer's proportionate share of the net pension liability as a percentage of its covered-employee payroll	4.88%	180.53%	9.20%
Plan fiduciary net position as a percentage of the total pension liability	99.15%	76.86%	98.56%

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

** As of the pension plan measurement date*

POINTE COUPEE PARISH POLICE JURY
SCHEDULE OF PENSION CONTRIBUTIONS

LAST TEN FISCAL YEARS (1)

	2017		
	PERS	ROVERS	DARS
Contractually required contribution	\$ 206,750	\$ 5,952	\$ -
Contributions in relation to contractually Required contribution	<u>206,750</u>	<u>5,952</u>	<u>-</u>
Contribution (excess) deficiency	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Employer's covered employee payroll	\$ 1,580,656	\$ 28,248	\$ -
Contributions as a percentage of covered employee payroll	13.08%	21.07%	0.00%
	2016		
	PERS	ROVERS	DARS
Contractually required contribution	\$ 242,200	\$ 6,003	\$ 136
Contributions in relation to contractually Required contribution	<u>242,200</u>	<u>6,003</u>	<u>136</u>
Contribution (excess) deficiency	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Employer's covered employee payroll	\$ 1,863,077	\$ 28,044	\$ 7,767
Contributions as a percentage of covered employee payroll	13.00%	21.41%	1.75%
	2015		
	PERS	ROVERS	DARS
Contractually required contribution	\$ 319,541	\$ 6,435	\$ 385
Contributions in relation to contractually Required contribution	<u>319,541</u>	<u>6,435</u>	<u>385</u>
Contribution (excess) deficiency	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Employer's covered employee payroll	\$ 2,203,729	\$ 27,529	\$ 7,764
Contributions as a percentage of covered employee payroll	14.50%	23.38%	4.96%

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

POINTE COUPEE PARISH POLICE JURY

**NOTES TO PROPORTIONATE SHARE OF NET PENSION
LIABILITY AND SCHEDULE OF PENSION CONTRIBUTIONS**

For the year ended December 31, 2017

NOTE 1 - NET PENSION LIABILITY

Changes of Benefit Terms

Parochial Employees Retirement System of Louisiana
No changes.

Registrar of Voters Employees' Retirement System
No changes.

District Attorney Retirement System
No changes.

Changes of Assumptions

Parochial Employees Retirement System of Louisiana
No changes.

Registrar of Voters Employees' Retirement System
The investment rate of returned decreased from 7% to 6.75%.

District Attorney Retirement System
The investment rate of returned decreased from 7% to 6.75%.

POINTE COUPEE PARISH POLICE JURY

MAJOR AND NON-MAJOR FUND DESCRIPTIONS

Governmental Funds

General Fund:

General Fund - The General Fund accounts for all transactions not required to be accounted for in another fund.

Special Revenue Funds:

Parishwide Drainage Fund - accounts for routine maintenance of parish drainage facilities. Financing is provided by transfers from the General Fund and proceeds from sales tax collections.

Criminal Court Fund - accounts for the receipts of court fees and fines and the disbursements of court costs of the 18th Judicial District.

Drainage and Road Equipment Fund - accounts for designated revenues and the expenditures to purchase equipment.

Detention Center - accounts for a dedicated tax levy for the construction, maintenance and operations of the parish jail facility.

Parishwide Recreation Fund - accounts for a dedicated tax levy for recreational parks around the parish.

Emergency Shelter Grant - accounts for a grant received to provide assistance to indigent individuals.

Roads and Bridges Fund - accounts for the construction of new roads and bridges, and the maintenance of existing roads and bridges. The major sources of financing are provided by the State of Louisiana Parish Road Fund, Parish Royalty Fund and grants from the Louisiana Department of Transportation and Development. Use of the funds is restricted by Louisiana Revised Statute 48:753.

Motor Vehicle Handling Fund - accounts for the expenditure of funds used to maintain the building used for the state department of motor vehicles.

Scott Civic Center - accounts for the revenues and expenditures of the parish civic center.

Capital Projects Funds:

Road Construction - accounts for funds designated by the Police Jury for the ongoing construction of Police Jury maintained roads.

Grants and Capital Outlay Fund - accounts for funds in connection with capital outlay expenditures and associated grant revenue.

Debt Service Fund:

Road Improvement Bond Fund - accounts for sales taxes used for the payment of interest and principal on \$6,600,000 Road Improvement Bonds, dated September 1, 1997 and excess sales tax collected for the construction or overlay of parish streets and roads.

Proprietary Funds:

Pointe Coupee Parish Natural Gas System - was originally established to provide gas services to residents in the Sixth, Seventh, and portions of the Fifth, Eighth, and Ninth Wards of Pointe Coupee Parish on May 7, 1952. The System is governed by a board consisting of Police Jury members.

Pointe Coupee Parish Solid Waste Fund - was established by the Pointe Coupee Parish Police Jury to provide solid waste disposal for all residents of the parish. It is funded through user charges and a special sales tax levy for garbage collection and disposal.

Multi-Use Center - accounts for the funds generated by the activities of the parish cultural center.

Fiduciary Funds:

Sales Tax Escrow - accounts for funds from prior sales tax ordinance dedicated for contingencies.

POINTE COUPEE PARISH POLICE JURY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
ROAD CONSTRUCTION FUND - MAJOR FUND

For the year ended December 31, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - positive (negative)</u>
EXPENDITURES				
Current function:				
Highways and streets	\$ -	\$ -	\$ 22,958	\$ (22,958)
Capital outlay	<u>4,060,500</u>	<u>2,507,000</u>	<u>1,776,979</u>	<u>730,021</u>
Total expenditures	<u>4,060,500</u>	<u>2,507,000</u>	<u>1,799,937</u>	<u>707,063</u>
Net change in fund balance	<u>\$ (4,060,500)</u>	<u>\$ (2,507,000)</u>	(1,799,937)	<u>\$ (707,063)</u>
FUND BALANCE				
Beginning of year			<u>2,515,698</u>	
End of year			<u>\$ 715,761</u>	

Notes on Exhibit A-12 are an integral part of this statement.

POINTE COUPEE PARISH POLICE JURY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GRANTS AND CAPITAL OUTLAY FUND - MAJOR FUND

For the year ended December 31, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - positive (negative)</u>
REVENUES				
Intergovernmental	\$ -	\$ 2,077,250	\$ 1,162,918	\$ (914,332)
EXPENDITURES				
Capital outlay	-	2,077,250	1,162,361	914,889
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	557	<u>\$ 557</u>
FUND BALANCE				
Beginning of year			-	
End of year			<u>\$ 557</u>	

Notes on Exhibit A-12 are an integral part of this statement.

POINTE COUPEE PARISH POLICE JURY
COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

December 31, 2017

	Special Revenue Funds					Total Nonmajor Governmental Funds
	Motor Vehicles Handling	Parishwide Recreation	Drainage and Road Equipment	Scott Civic Center	Criminal Court	
ASSETS						
Cash and cash equivalents	\$ 98,909	\$ 66,521	\$ 327,231	\$ -	\$ 12,444	\$ 505,105
Accounts receivable, net	-	48,615	17,363	-	-	65,978
Due from other governments	9,410	-	16,396	-	-	25,806
	<u>108,319</u>	<u>115,136</u>	<u>360,990</u>	<u>-</u>	<u>12,444</u>	<u>596,889</u>
Total assets	<u>\$ 108,319</u>	<u>\$ 115,136</u>	<u>\$ 360,990</u>	<u>\$ -</u>	<u>\$ 12,444</u>	<u>\$ 596,889</u>
LIABILITIES						
Accounts payable	\$ 638	\$ 6,500	\$ -	\$ -	\$ -	\$ 7,138
	<u>107,681</u>	<u>108,636</u>	<u>360,990</u>	<u>-</u>	<u>12,444</u>	<u>589,751</u>
Committed	<u>107,681</u>	<u>108,636</u>	<u>360,990</u>	<u>-</u>	<u>12,444</u>	<u>589,751</u>
Total liabilities and fund balance	<u>\$ 108,319</u>	<u>\$ 115,136</u>	<u>\$ 360,990</u>	<u>\$ -</u>	<u>\$ 12,444</u>	<u>\$ 596,889</u>

Notes on Exhibit A-12 are an integral part of this statement.

POINTE COUPEE PARISH POLICE JURY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS

For the year ended December 31, 2017

	Special Revenue Funds					Total Nonmajor Governmental Funds
	Motor Vehicles Handling	Parishwide Recreation	Drainage and Road Equipment	Scott Civic Center	Criminal Court	
REVENUES						
Taxes	\$ -	\$ 463,159	\$ 165,414	\$ -	\$ -	\$ 628,573
Intergovernmental						
Video poker	-	-	111,015	-	-	111,015
Charges for services	68,436	74,786	-	-	-	143,222
Fines and forfeitures	-	-	-	-	55,748	55,748
Investment income	-	-	3,929	-	-	3,929
Miscellaneous	-	450	-	-	-	450
	<u>68,436</u>	<u>538,395</u>	<u>280,358</u>	<u>-</u>	<u>55,748</u>	<u>942,937</u>
Total revenues						
	<u>68,436</u>	<u>538,395</u>	<u>280,358</u>	<u>-</u>	<u>55,748</u>	<u>942,937</u>
EXPENDITURES						
Current function:						
Public safety	10,558	-	-	-	228,835	239,393
Culture and recreation	-	340,471	-	-	-	340,471
Drainage	-	-	127,797	-	-	127,797
Debt service						
Principal	15,000	-	8,680	-	-	23,680
Interest	7,226	-	2,092	-	-	9,318
Capital outlay	-	1,000	182,035	-	-	183,035
	<u>32,784</u>	<u>341,471</u>	<u>320,604</u>	<u>-</u>	<u>228,835</u>	<u>923,694</u>
Total expenditures						
	<u>32,784</u>	<u>341,471</u>	<u>320,604</u>	<u>-</u>	<u>228,835</u>	<u>923,694</u>
Excess (deficiency) of revenues over expenditures	<u>35,652</u>	<u>196,924</u>	<u>(40,246)</u>	<u>-</u>	<u>(173,087)</u>	<u>19,243</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	185,000	185,000
Proceeds from sale of capital assets	-	-	182,035	-	-	182,035
Transfers out	-	(125,000)	(100,000)	(12,501)	-	(237,501)
	<u>-</u>	<u>(125,000)</u>	<u>82,035</u>	<u>(12,501)</u>	<u>185,000</u>	<u>129,534</u>
Total other financing sources (uses)						
	<u>-</u>	<u>(125,000)</u>	<u>82,035</u>	<u>(12,501)</u>	<u>185,000</u>	<u>129,534</u>
Net change in fund balance	35,652	71,924	41,789	(12,501)	11,913	148,777
FUND BALANCE						
Beginning of year	<u>72,029</u>	<u>36,712</u>	<u>319,201</u>	<u>12,501</u>	<u>531</u>	<u>440,974</u>
End of year	<u>\$ 107,681</u>	<u>\$ 108,636</u>	<u>\$ 360,990</u>	<u>\$ -</u>	<u>\$ 12,444</u>	<u>\$ 589,751</u>

Notes on Exhibit A-12 are an integral part of this statement.

POINTE COUPEE PARISH POLICE JURY

New Roads, Louisiana

**SCHEDULE OF COMPENSATION, BENEFITS AND
OTHER PAYMENTS TO AGENCY HEADS**

For the year ended December 31, 2017

* Agency Head:	<u>Melanie Bueche (1)</u>	<u>Kyle Olinde (2)</u>
<u>Purpose</u>	<u>Amount</u>	<u>Amount</u>
Salary	\$ 12,080	\$ 2,400
Benefits - insurance	5,854	485
Benefits - retirement	<u>1,148</u>	<u>-</u>
	<u>\$ 19,082</u>	<u>\$ 2,885</u>

*During the year ended December 31, 2017, there was no parish administrator for the Police Jury. The role was served by the Board President.

(1) Ms. Bueche deceased on November 2, 2017. The disclosure reflects her compensation through the date of death.

(2) Mr. Olinde served as board president upon Ms. Bueche's death. The disclosure reflects his compensation for the months of November and December.

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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*

Honorable President and Police Jurors
of the Pointe Coupee Parish Police Jury
New Roads, 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, the business-type activities, each major fund, and the aggregate remaining fund information of Pointe Coupee 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 Police Jury's, basic financial statements and have issued our report thereon dated June 19, 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 have not been identified. We did identify certain deficiencies 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 and 2017-002 to be material weaknesses.

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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are reported in the accompanying schedule of current and prior year audit findings and management's corrective action plan as items 2017-003, 2017-004, and 2017-005.

The Police Jury's Response to Findings

The Police Jury's responses to the finding identified in our audit are 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

Baton Rouge, Louisiana
June 19, 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

Honorable President and Police Jurors
of the Pointe Coupee Parish Police Jury
New Roads, Louisiana

Report on Compliance for Each Major Federal Program

We have audited the Pointe Coupee Parish Police Jury's (Police Jury) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the Police Jury's major federal program for the year ended December 31, 2017. The Police Jury's major federal program is 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 the Police Jury's major federal program 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 the 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 its major federal program 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 the 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

New Roads, Louisiana
June 19, 2018

POINTE COUPEE PARISH POLICE JURY

New Roads, Louisiana

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the year ended December 31, 2017

<u>Grantor/State Pass-through/ Program name/</u>	<u>CFDA Number</u>	<u>Grant Number</u>	<u>Grant Amount</u>	<u>Balance January 1</u>	<u>Federal Receipts</u>	<u>Federal Expenditures</u>	<u>Balance December 31</u>
United States Department of Transportation							
Louisiana Department of Transportation and Development							
Formula Grants for Rural Areas	20.509	LA-2017-013-00	N/A	\$ 39,224	\$ 278,513	\$ 256,844	\$ 17,555
United States Department of Homeland Security							
Federal Emergency Management Agency							
Governor's Office of Homeland Security and Emergency Preparedness							
FEMA - Hazard Mitigation Grant							
Lottie Hwy 81 Drainage Improvements	97.039	1786-077-0003	\$ 51,000	-	19,316	38,250	18,934
Major Bros Subdivision Drainage Improvements	97.039	1786-077-0005	73,950	-	28,008	55,463	27,455
Total CFDA 97.039				-	47,324	93,713	46,389
United States Department of Homeland Security							
Federal Emergency Management Agency							
Governor's Office of Homeland Security and Emergency Preparedness							
FEMA - Public Assistance Grant	97.036	PW-544	N/A	-	64,107	64,107	-
FEMA - Public Assistance Grant	97.036	PW-781	N/A	-	8,029	8,029	-
FEMA - Public Assistance Grant	97.036	PW-889	N/A	-	6,546	6,546	-
FEMA - Public Assistance Grant	97.036	PW-890	N/A	-	64,429	64,429	-
Total CFDA 97.036				-	143,111	143,111	-
United States Department of Housing and Urban Development							
Louisiana Division of Administration/ Office of Community of Development							
LCDBG - Disaster Recovery Unit	14.228	B-08-DI-22-001	6,301,099	620,726	1,783,085	1,162,359	-
Total Federal Assistance				\$ 659,950	\$ 2,252,033	\$ 1,656,027	\$ 63,944

POINTE COUPEE PARISH POLICE JURY
New Roads, Louisiana

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the year ended December 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General

The Pointe Coupee Parish Police Jury's Schedule of Expenditures of Federal Awards presents the activity of the federal financial assistance programs of the Police Jury. All federal financial assistance received directly from federal agencies as well as federal financial assistance passed-through other government agencies are included on the schedule. The expenditures included in the Schedule of Expenditures of Federal Awards are recorded in the General Fund.

Basis of Accounting

The Police Jury's Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting, which is described in Note 1 to the Police Jury's financial statements for the year ended December 31, 2017.

De Minimus Cost Rate

During the year ended December 31, 2017, the Police Jury did not elect to use the 10% de minimus cost rate as covered in part 200.414 of the Uniform Guidance.

POINTE COUPEE PARISH POLICE JURY
New Roads, 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, business-type activities, each major fund, and the aggregate remaining fund information of the primary government of the Pointe Coupee Parish Police Jury. Additionally, the auditor's report expresses an adverse opinion on the financial statements of the aggregate discretely presented component units of the Pointe Coupee Parish Police Jury because the Police Jury does not issue reporting entity financial statements to include all component units.
2. Two material weaknesses in internal control were disclosed by the audit of the basic financial statements.
3. Three 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 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 program.
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 Community Planning and Development, Department of Housing and Urban Development: Community Development Block Grants/State's Program, CFDA 14.228.
8. The dollar threshold used to distinguish between Type A and Type B programs was \$750,000.
9. The auditee did not qualify as a low-risk auditee.

POINTE COUPEE PARISH POLICE JURY
New Roads, 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 findings 2017-001 and 2017-002, on the schedule of current and prior year audit findings and management's corrective action plan.

B. Compliance Findings –

See compliance findings 2017-003, 2017-004, and 2017-005 on the schedule of current and prior year audit findings and management's corrective action plan.

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.

POINTE COUPEE PARISH POLICE JURY
New Roads, 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 Customer Deposits Payable

Fiscal year finding initially occurred: 2016

CONDITION: Customer meter deposits payable in the Natural Gas Fund total \$819,817 at December 31, 2017; however, cash and cash equivalents only total \$36,185 in the Natural Gas System Fund. Additionally, the Solid Waste Fund had customer deposits payable in the amount of \$34,870, with cash and cash equivalents in the amount of \$5,326. Thus, there is insufficient cash at yearend to cover customer deposits.

CRITERIA: The Natural Gas System and Solid Waste Fund collect customer deposits to guarantee the payment of bills that become due and the safe return of all property belonging to the System. Such deposits are to be repaid upon discontinuance of service once all outstanding bills have been paid.

CAUSE: The Police Jury has not established a separate cash account for customer deposits.

EFFECT: Insufficient cash levels could cause noncompliance with contractual agreements related to customer deposits.

RECOMMENDATION: The Police Jury should maintain separate cash accounts for the repayment of customer deposits.

MANAGEMENT'S CORRECTIVE ACTION PLAN: Management of the Police Jury is aware of the cash flow challenges it has faced in the current and previous fiscal years. The Police Jury has and will continue to make significant budgetary cuts during 2018 to address these matters.

2017-002 Interfund Receivables and Payables

Fiscal year finding initially occurred: 2016

CONDITION: When a particular fund has a cash deficit and borrows from another fund, an interfund payable results in the fund that borrowed the funds and an interfund receivable results in the fund that paid out the funds. Over time, these interfund receivables and payables can grow as a result of the fund deficits. The Police Jury

POINTE COUPEE PARISH POLICE JURY
New Roads, Louisiana

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

has made efforts to repay balances. However, The Police Jury still has a \$1.125 million interfund payable, a decrease of \$175,000 from prior year, recorded in the General Fund that was borrowed from the Debt Service Road Improvement Fund that may be a violation of the resolution passing the tax.

CRITERIA: The Police Jury should continue to monitor the balance of the interfund receivables, payables and accumulated cash deficits on an annual basis and make efforts to reimburse the outstanding balance. Governmental accounting standards stipulate that if repayment is not expected within a reasonable time period, the interfund balances should be reduced and the amount that is not expected to be repaid should be reported as a transfer from the fund that made the loan to the fund that received the loan.

CAUSE: The Police Jury did not have procedures in place to prevent cash deficits from occurring in multiple funds. The Police Jury's budget process has not resulted in the funding of these accumulated cash deficits within the various funds.

EFFECT: Significant interfund balances have accumulated and remain over the years from having large cash deficits in certain funds.

RECOMMENDATION: The Police Jury should continue to address the repayment of interfund receivables and payables and the funding of accumulated cash deficits in the budget process. Interfund receivables and payables, as well as accumulated cash deficit balances in each fund, should be reviewed by management on a monthly basis to determine when repayment is expected in a reasonable time period. If repayment cannot be expected, the interfund balances should be reduced and that amount that is not expected to be repaid should be reported as a transfer from the fund that made the loan to the fund that received the loan.

MANAGEMENT'S CORRECTIVE ACTION PLAN: The Police Jury is aware of the intercompany borrowings at each fiscal year end. The borrowings are typically repaid to the Debt Service Road Improvement Fund in a three-month time period as the General Fund collects ad valorem taxes assessed in November of each year during December of that year and January and February of the following fiscal year. Additionally, the Police Jury has made significant budgetary cuts to limit and eliminate intercompany borrowings by the General Fund and other funds in the future.

POINTE COUPEE PARISH POLICE JURY
New Roads, Louisiana

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

B. Compliance

2017-003 Violation of State Budget Law

Fiscal year finding initially occurred: 2007

CONDITION: The Parish Wide Drainage Fund's actual expenditures exceeded budgeted expenditures by 21%, and the Detention Center Fund's actual expenditures exceeded budgeted expenditures by 10%. This is a repeat finding from the prior year.

CRITERIA: Louisiana Revised Statute 39:1310 requires governments to amend general and special revenue fund budgets when actual expenditures plus expected expenditures exceed budgeted amounts by 5% or more or when actual revenues plus expected revenues will fall short of budgeted amounts by 5% or more.

CAUSE: The General Fund exceeding budgeted expenditures due to the timing of vendor associated invoicing with cost related to reimbursement funded grants. Additionally, the Police Jury was not aware of the accrual of invoices at the time the budgets were prepared.

EFFECT: The Police Jury is non-compliant with the Louisiana budget law.

RECOMMENDATION: The Police Jury should amend the budgets in accordance with the statute.

MANAGEMENT'S CORRECTIVE ACTION PLAN: Management of the Police Jury monitors its budget continuously during each fiscal year to properly manage finances, along with maintaining compliance with Louisiana budget laws.

The Police Jury will continue to monitor budgets of all funds on an ongoing basis and amend its budget in accordance with state statutes to ensure fiscal responsibility and compliance.

POINTE COUPEE PARISH POLICE JURY
New Roads, Louisiana

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

2017-004 Fund Deficit

Fiscal year finding initially occurred: 2005

CONDITION: As of December 31, 2017, the Police Jury had a net fund deficit in the Detention Center Fund in the amount of \$412,414. This is a repeat finding from the prior period.

CRITERIA: LSA-RS 39:1305 requires that budgeted expenditures not exceed funds available; that is, the current year's revenue combined with the beginning fund balance.

CAUSE: The Police Jury does not have adequate revenues to support Detention Center operations, resulting in a substantial net fund deficit.

EFFECT: The Police Jury is not in compliance with the Louisiana budget law. The General Fund has made significant transfers in recent years in support of the Detention Center Fund.

RECOMMENDATION: During the budget process, the Police Jury should review this fund and identify a plan for elimination of the fund deficit.

MANAGEMENT'S CORRECTIVE ACTION PLAN: The Police Jury management has budgeted to increase transfers from other funds, as excess funds are available, to eliminate the deficit in the Detention Center Fund. Although, due to lack of funding in the Detention Center operations and limited funding of the Police Jury, management is aware that this matter may take several years to resolve.

2017-005 Noncompliance with Bond Covenants

Fiscal year finding initially occurred: 2015

CONDITION: The Police Jury is not in full compliance with its bond resolution requiring the establishment and funding of certain accounts for the 2011 and 2016 Road Improvement Bonds. These bond covenants require that sinking fund transfers be made on or before the 20th of each month. These deposits were not made timely by the Police Jury. This is a repeat finding from the prior period.

POINTE COUPEE PARISH POLICE JURY
New Roads, Louisiana

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

The Police Jury is not in full compliance with its bond resolution requiring the Sewerage District No. 4 to establish and maintain such rates and collect such fees sufficient to pay the reasonable and necessary expenses of operating and maintaining the system each year. The Sewerage District No. 4 incurred a change in net position of (\$22,318) for the year ended December 31, 2017, indicating its fees are insufficient to cover operations and maintenance.

CRITERIA: The Police Jury's ordinances authorizing the issuance of the 2011 and 2016 Road Improvement Bonds and the 2008 Sewerage District No. 4 Bonds require that certain debt covenants be followed.

CAUSE: The Police Jury may not be fully aware of the requirements of the ordinances.

EFFECT: The Police Jury is not in compliance with its bond covenants as specified in the bond ordinances.

RECOMMENDATION: We recommend that the Police Jury fully comply with all of the bond covenants set forth in the bond ordinances by establishing all restricted accounts and monitoring their balances to ensure compliance with the bond resolution.

MANAGEMENT'S CORRECTIVE ACTION PLAN: The Police Jury will notify the Sewerage District 4 component unit of its noncompliance matter and assist the component unit in resolving the issue. Additionally, the Police Jury will make every effort to comply with bond covenants in future periods.

Part II: Prior Year Findings:

A. Internal Control Over Financial Reporting

2016-003 Customer Meter Deposits Payable

CONDITION: Customer meter deposits payable in the Natural Gas System Fund total \$803,434 at December 31, 2016; however, cash and cash equivalents only total \$61,451 in the Natural Gas System Fund. Thus, there is insufficient cash at yearend to cover customer deposits.

RECOMMENDATION: The Police Jury should maintain separate cash accounts for the repayment of customer meter deposits.

POINTE COUPEE PARISH POLICE JURY
New Roads, Louisiana

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

CURRENT STATUS: Unresolved. See item 2017-001.

2016-005 Interfund Receivables and Payables

CONDITION: When a particular fund has a deficit and borrows funds from another fund, an interfund payable results in the fund that borrowed the funds and an interfund receivable results in the fund that paid out the funds. Over time, these interfund receivables and payables can grow as a result of the fund deficits. The Police Jury has not addressed the issue of paying down these interfund payables or funding the accumulated cash deficits in the budget process. The Police Jury has a \$1.3 million interfund payable recorded in the General Fund that was borrowed from the Debt Service Fund Road Improvements Fund, that may be a violation of the resolution passing the tax.

RECOMMENDATION: The Police Jury should address the repayment of interfund receivables and payables and the funding of accumulated cash deficits in the budget process. Interfund receivables and payables, as well as accumulated cash deficit balances in each fund, should be reviewed by management on a monthly basis to determine if repayment is expected in a reasonable time period. If repayment cannot be expected, the interfund balances should be reduced and the amount that is not expected to be repaid should be reported as a transfer from the fund that made the loan to the fund that received the loan.

CURRENT STATUS: Unresolved. See item 2017-002.

B. Compliance

2016-001 Violation of State Budget Law

CONDITION: The General Fund's actual expenditures exceeded budgeted expenditures by 24.7%, the Parish Wide Drainage Fund's actual revenues fell short of budgeted revenues by 66.1%, and the Detention Center Fund's actual expenditures exceeded budgeted expenditures by 33.6%.

RECOMMENDATION: The Police Jury should amend the budgets in accordance with the statute.

CURRENT STATUS: Unresolved. See item 2017-003

POINTE COUPEE PARISH POLICE JURY
New Roads, Louisiana

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

2016-002 Fund Deficit

CONDITION: As of December 31, 2016, the Police Jury had a net fund deficit in the Detention Center Fund in the amount of \$938,173. This is a repeat finding from the prior period.

RECOMMENDATION: During the budget process, the Police Jury should review this fund and identify a plan for elimination of the fund deficit.

CURRENT STATUS: Unresolved. See item 2017-004.

2016-004 Noncompliance with Bond Covenants

CONDITION: The Police Jury is not in full compliance with its bond resolution requiring the establishment and funding of certain accounts for the 2011 and 2016 Road Improvement Bonds to be restricted as to use. The funds accruing to the Debt Service Road Improvement Fund, which accounts for the sales tax revenues that are pledged to the bonds, have been loaned to other funds. This is a repeat finding from the prior period.

The Police Jury is not in full compliance with its bond resolution requiring the Sewerage District No. 4 to establish and maintain such rates and collect such fees sufficient to pay the reasonable and necessary expenses of operating and maintaining the system each year. The Sewerage District No. 4 incurred a change in net position of (\$69,222) for the year ended December 31, 2016, indicating its fees are insufficient to cover operations and maintenance.

The Police Jury is not in full compliance with its bond resolution requiring the establishment and funding of certain accounts for the 1995 Multi-Use Center Bonds to be restricted as to use. The Multi-Use Center Bonds require monthly transfers of \$22 to \$216 into both the Reserve Fund and the Depreciation and Contingency Fund. During the year ended December 31, 2016, monthly transfers of the identified amounts were not made into the Reserve Fund or the Depreciation and Contingency Fund.

POINTE COUPEE PARISH POLICE JURY
New Roads, Louisiana

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

The Police Jury is not in full compliance with its bond resolution requiring the establishment and funding of certain accounts for the 2015 Limited Tax Certificates to be restricted as to use. The 2015 Limited Tax Certificates require a sinking fund to be maintained with the regularly designed fiscal agent bank for the purpose of depositing with the revenues of the tax a sum equal to the principal and/or interest falling due in the calendar year. During the year ended December 31, 2016, no such account was established.

RECOMMENDATION: We recommend that the Police Jury fully comply with all of the bond covenants set forth in the bond ordinances by establishing all restricted accounts and monitoring their balances to ensure compliance with the bond resolution. The amounts advanced to other funds should be repaid to the Debt Service Road Improvement Fund.

CURRENT STATUS: Partially resolved. See item 2017-005.

POINT COUPEE PARISH POLICE JURY
New Roads, Louisiana

SCHEDULE OF SUPPLEMENTARY INFORMATION
UTILITY CUSTOMERS

December 31, 2017
(Without Audit)

Records maintained by the Pointe Coupee Parish Police Jury indicated the number of residential and commercial users for both natural gas, and sewer systems at December 31, 2017 were as follows:

	<u>Natural Gas System</u>	
Residential	3,746	
Commercial	154	
<u>Sewer:</u>	<u>Legonnier</u>	<u>Mandela</u>
Residential	31	29

At December 31, the Police Jury charges residential and commercial gas system users a \$10.00 base rate. Commercial and residential gas user charges, for each thousand BTUs of gas used, vary by month based on the current price of natural gas. Rates charged to sewer system users varies depending upon which system the user was connected to. All users (commercial and residential) of Mandela and Legonnier, and Sewer District 3A were charged \$25.00 and \$15.00, respectively as a base fee.

At December 31, 2017, the aging of accounts receivable for the natural gas and sewer systems, was as follows:

Current	\$ 534,014
31-60 days	332,302
Over 60 days	<u>19,356</u>
	<u>\$ 885,672</u>

POINTE COUPEE PARISH POLICE JURY

New Roads, Louisiana

SCHEDULE OF INSURANCE IN FORCE

December 31, 2017

(Without Audit)

Issuer	Kind of Insurance	Property Covered/Address	Insurance	Expiration Date	
United Fire Group	Commercial property	Listed property	16,765,900	June 8, 2018	
Landmark American Insurance Co.	Commercial property	Multi-Use and Detention Center	8,855,000	June 8, 2018	
LA Parish Risk Management Agency	Worker's Compensation	Eligible employees	1,000,000	January 1, 2018	
LWCC	Worker's Compensation	Mosquito Abatement	500,000	June 9, 2018	
Gemini Insurance Co.	Commercial General Liability	General Aggregate	2,000,000	April 15, 2018	
		Products and completed ops	2,000,000	April 15, 2018	
		Personal and Property damage	2,000,000	April 15, 2018	
		Personal and Advertising injury	2,000,000	April 15, 2018	
		Rented property damage	1,000,000	April 15, 2018	
		Sexual abuse	1,000,000	April 15, 2018	
		Failure to supply	100,000	April 15, 2018	
		Auto Liability and Public Official Liability	2,000,000	April 15, 2018	
		Crime	Employee theft	250,000	September 28, 2018
			Forgery or alteration	250,000	September 28, 2018
			Inside the premises - theft of money & securities	25,000	September 28, 2018
			Inside the premises - robbery or safe burglary	25,000	September 28, 2018
			Outside the premises	25,000	September 28, 2018
	Computer fraud	250,000	September 28, 2018		
	Money orders & counterfeit paper currency	25,000	September 28, 2018		
Scottsdale	Commercial Property	Scott Recreation Park	365,002	June 8, 2018	
Travelers	Crime	Employee theft	20,000	February 1, 2018	
Zurich	Public Officials Bond	Mary Roubique		January 1, 2018	
		Rebecca Mayeux		October 1, 2018	
		Geraldine Martin		October 1, 2018	
Hartford	Boiler & Machinery	Courthouse		September 8, 2018	

**POINTE COUPEE PARISH
SEWERAGE DISTRICT NO. 1**

December 31, 2017
(Without Audit)

BOARD MEMBERS

Date Appointed: January 10, 2017
Term Expires: December 31, 2018

Joetta Hunter-Joseph
800 Morningside St.
New Roads, LA 70760

John Jeanpierre
8645 St. Ann St.
New Roads, LA 70760

Jacqueline Pearson
1305 New Roads St.
New Roads, LA 70760

Joyce Scott
P.O. Box 343
New Roads, LA 70760

Roger Dixon
302 Morningside St.
New Roads, LA 70760

Records maintained by the District indicated the number of active residential and commercial users for the District at December 31, 2017 were as follows:

	<u>Users</u>
Residential	131
Commercial	1

**POINTE COUPEE PARISH
SEWERAGE DISTRICT NO. 3A**

December 31, 2017
(Without Audit)

BOARD MEMBERS

Date Appointed: January 10, 2017
Term Expires: December 31, 2018

Landry Jeanpierre
8961 Delta Place Rd.
New Roads, LA 70760

Henry Ell
9274 Delta Place Rd.
New Roads, LA 70760

Geraldine Simmons
P.O. Box 475
New Roads, LA 70760

Records maintained by the District indicated the number of active residential and commercial users for the District at December 31, 2017 were as follows:

	<u>Users</u>
Residential	58

**POINTE COUPEE PARISH
SEWERAGE DISTRICT NO. 4**

December 31, 2017
(Without Audit)

BOARD MEMBERS

Connie Carrier
9350 False River Rd.
New Roads, LA 70760
Appointed: January 23, 2007

Janet Vosburg
9431 False River Rd.
New Roads, LA 70760
Appointed: January 9, 2018

Johnny Ewing
P.O. Box 429
New Roads, LA 70760
January 14, 2014

Bernard David
False River Rd.
New Roads, LA 70760
June 11, 2017

Records maintained by the District indicated the number of active residential and commercial users for the District at December 31, 2017 were as follows:

	<u>Users</u>
Residential	289
Commercial	20



POINTE COUPEE PARISH POLICE JURY

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MANAGEMENT'S CORRECTIVE ACTION PLAN YEAR ENDED DECEMBER 31, 2017

OFFICERS

KYLE OLINDE
President
10961 Olinde Lane
Ventress, LA 70783

KURT JARREAU
Vice President
P.O. Box 383
Livonia, LA 70755

GERRIE P. MARTIN
Secretary

REBECCA L. MAYEUX
Treasurer

MEMBERS

GORDON TAYLOR
District 1

MITCH LANGLOIS
District 2

ANTHONY D. HURST, SR.
District 3

GLENN CLINE
District 4

KYLE OLINDE
District 5

J.A. BUECHE
District 6

EDWARD BAZILE
District 7

CORNELL DUKES
District 8

STEPHEN SMITH
District 9

KURT JARREAU
District 10

JUSTIN COX
District 11

CHARLES WATKINS
District 12

2017-001 Customer Deposits Payable

Management's response and corrective actions are as follows:

Management of the Police Jury is aware of the cash flow challenges it has faced in the current and previous fiscal years. The Police Jury has and will continue to make significant budgetary cuts during 2018 to address these matters.

Expected implementation date: December 11, 2018

Contact person: Becky Mayeux, Treasurer

2017-002 Interfund Receivables and Payables

Management's response and corrective action plans are as follows:

The Police Jury is aware of the intercompany borrowings at each fiscal year end. The borrowings are typically repaid to the Debt Service Road Improvement Fund in a three-month time period as the General Fund collects ad valorem taxes assessed in November of each year during December of that year and January and February of the following fiscal year. Additionally, the Police Jury has made significant budgetary cuts to limit and eliminate intercompany borrowings by the General Fund and other funds in the future.

Expected implementation date: February 28, 2018

Contact person: Becky Mayeux, Treasurer

2017-003 Violation of State Budget Law

Management's response and corrective action plan is as follows:

Management of the Police Jury monitors its budget continuously during each fiscal year to properly manage finances, along with maintaining compliance with Louisiana budget laws. The Police Jury will continue to monitor budgets

of all funds on an ongoing basis and amend its budget in accordance with state statutes to ensure fiscal responsibility and compliance.

Expected implementation date: December 11, 2018

Contact person: Becky Mayeux, Treasurer

2017-004 Fund Deficit

Management's response and corrective action plans are as follows:

The Police Jury management has budgeted to increase transfers from other funds, as excess funds are available, to eliminate the deficit in the Detention Center Fund. Although, due to lack of funding in the Detention Center operations and limited funding of the Police Jury, management is aware that this matter may take several years to resolve.

Expected implementation date: December 11, 2018

Contact person: Becky Mayeux, Treasurer

2017-005 Noncompliance with Bond Covenants

Management's response and corrective action plans are as follows:

The Police Jury will notify the Sewerage District No. 4 component unit of its noncompliance matter and assist the component unit in resolving the issue. Additionally, the Police Jury will make every effort to comply with bond covenants in future periods.

Expected implementation date: July 31, 2018

Contact person: Becky Mayeux, Treasurer

**POINTE COUPEE PARISH
POLICE JURY**

New Roads, Louisiana

Agreed-Upon Procedures Report

Year Ended December 31, 2017

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA*
Victor R. Slaven, CPA*
Gerald A. Thibodeaux, Jr., CPA*
Robert S. Carter, CPA*
Arthur R. Mixon, CPA*
Brad E. Kolder, CPA, JD*
Stephen J. Anderson, CPA*
Christine C. Doucet, CPA
Wanda F. Arcement, CPA, CVA
Bryan K. Joubert, CPA
Matthew E. Margaglio, CPA
Casey L. Ardoin, CPA, CFE

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Members of the Pointe Coupee Police Jury
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below, which were agreed to by the Pointe Coupee Parish Police Jury (Entity) and the 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)

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, report whether there is a formal/written plan to eliminate the deficit spending for those entities with a fund balance deficit. If there is a formal/written plan, report whether the meeting minutes for at least one board meeting during the fiscal period reflect that the board is monitoring the plan.
- c) 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 reported 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 sort/filter 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 report whether the supporting documentation for each transaction demonstrated that:
 - a) Purchases were initiated using a requisition/purchase order system or an equivalent electronic system that separates initiation from approval functions in the same manner as a requisition/purchase order system.
 - b) Purchase orders, or an electronic equivalent, were approved by a person who did not initiate the purchase.
 - c) Payments for purchases were not processed without (1) an approved requisition and/or purchase order, or electronic equivalent; a receiving report showing receipt of goods purchased, or electronic equivalent; and an approved invoice.
10. Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), 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 select 10 cards (or at least one-third of the cards if the entity has less than 10 cards) that were used during the fiscal period, rotating cards each year.

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 alternatively, we obtained the general ledger and sorted/filtered for travel reimbursements. We obtained management's representation that the listing 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 chose 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 reported 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. We reported 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. We randomly selected 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 selected 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 identifies any exceptions regarding management’s representations in the procedures above, we reported the nature of each exception.

Exceptions:

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

Written Policies:

1. The Entity does not have written policies and procedures that address ethics or debt service.

Bank Reconciliations:

2. For each of the seven accounts examined, there was no evidence of board member or management review of the bank reconciliations.
3. Four of seven accounts examined did not have evidence that management researched reconciling items that have been outstanding for more than six months.

Cash Collections:

4. The entity had deposits made more than one day after collection for one of four locations selected for testing. The location had 9 deposits made 15 - 27 days after collection. Two of the four locations had deposits for which we were unable to determine the date of collection.

Disbursements

5. Of the 25 disbursements selected for testing, one disbursement did not have an appropriate requisition/purchase order in accordance with the Entity's purchasing policy.
6. The Entity does not have written documentation that prohibits the person responsible for processing payments from adding vendors to the disbursement system.
7. The Entity does not have written documentation that indicates the individual with signatory authority has no responsibility for initiating or recording purchases.

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

8. Two of ten cards had finance charges and/or late fees assessed.

Contracts:

9. One contract selected for testing was for the removal of white goods and bulky waste. One contract was for garbage pickup. One contract was for Parish engineering services. These contracts were not subject to state bid law. However, the Entity did not solicit quotes as a best practice for these three contracts.

Ethics:

10. One of five employees selected for testing did not have documentation to demonstrate that ethics training was completed.

Debt:

11. The Entity did not make all debt service payments or maintain debt reserves as required by covenants.

Other:

12. The Entity does not have a “fight fraud” link posted on its website.

Management’s Response:

Management of the Pointe Coupee 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

Baton Rouge, Louisiana
May 23, 2018

KOLDER, SLAVEN & COMPANY, LLC

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MANAGEMENT LETTER

The Honorable President and Police Jurors
of Pointe Coupee Parish Police Jury
New Roads, Louisiana

During our audit of the basic financial statements of the Pointe Coupee Parish Police Jury (Police Jury) for the year ended December 31, 2017 we noted areas in which improvements in the accounting system and financial practices of the Police Jury may be desirable. This recommendation was also included in predecessor auditor's management letter dated June 29, 2017 applicable to the audit of the basic financial statements for the year ended December 30, 2016 but are mentioned again for re-emphasis.

The utility receivable subsidiaries are not routinely reconciled to the general ledger. Adjustments are made to utility accounts receivable on the general ledger only as part of the year end accounting close process. A lack of on-going reconciliation could result in failure to detect undeposited collection and could result in misstatement of interim financial statements.

We would like to express our appreciation to you and your office staff for the courtesies and assistance rendered to us during the performance of our audit. Should you have any questions or need assistance in implementing any of our recommendations, please feel free to contact us.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Baton Rouge, Louisiana
June 19, 2018