

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

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

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

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

CONTENTS	
	Page
REQUIRED SUPPLEMENTAL INFORMATION (PART I)	
Management's Discussion and Analysis	1 - 6
INDEPENDENT AUDITOR'S REPORT	
	7 - 9
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
Statement of Net Position	10
Statement of Activities	11
FUND FINANCIAL STATEMENTS - GOVERNMENTAL FUNDS	
Balance Sheet	12
Reconciliation of the Governmental Funds' Balance Sheet to the Statement of Net Position	13
Statement of Revenues, Expenditures, and Changes in Fund Balances	14 - 15
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	16
Notes to Financial Statements	17 - 53
REQUIRED SUPPLEMENTAL INFORMATION (PART II)	
Budgetary Comparison Schedules - Major Funds	54 - 58
Supplementary Information Required by GASB No. 68 - PERS	59
Supplementary Information Required by GASB No. 68 - REGISTRAR OF VOTERS	60
Supplementary Information Required by GASB No. 68 - DISTRICT ATTORNEY	61
OTHER SUPPLEMENTAL SCHEDULES	
Nonmajor Governmental Funds:	
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances	
Special Revenue Funds:	
Fund Descriptions	62
Combining Balance Sheet	63
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances	64-65
Office of Community Services:	
Program Descriptions	66
Combining Balance Sheet	67
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances	68
Schedule of Compensation Paid Police Jurors	69
Schedule of Compensation, Reimbursements, Benefits and Other Payments to Agency Head	70
OTHER REPORTS	
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements in Accordance with <i>Government Auditing Standards</i>	71-72
Schedule of Findings	73-75
Summary Schedule of Prior Audit Findings	75
Management Letter	76-77
Statewide Agreed-Upon Procedures Representation Letter	78-81
Independent Accountant's Report on Applying Statewide Agreed-Upon Procedures	82-96
Management's Corrective Action Plan	97

Required Supplemental Information (Part I)
Management's Discussion and Analysis
Claiborne Parish Police Jury
Homer, Louisiana
Management's Discussion and Analysis
December 31, 2018

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

Overview of the Financial Statements

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

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

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

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

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

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

Claiborne Parish Police Jury
Homer, Louisiana
Management's Discussion and Analysis (Continued)
December 31, 2018

The Police Jury maintains nineteen individual governmental funds. Information is presented separately in the governmental funds' balance sheet and in the governmental funds' statement of revenues, expenditures, and changes in fund balances for the General Fund and the Parish Road, Police Jury Maintenance, Sales Tax, Criminal Court and Section 8 Housing special revenue funds which are considered to be major funds. Data from the other funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining schedules in the other supplemental information section of the report.

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

Table 1
Net Position
Governmental Activities

	2018	2017
Current and other assets	\$ 11,209,035	\$ 11,330,171
Capital assets (net)	7,368,854	8,001,070
Total assets	18,577,889	19,331,241
Deferred outflows	311,585	687,113
Long-term obligations	1,163,066	1,328,208
Other liabilities	575,143	926,322
Total liabilities	1,738,209	2,254,530
Deferred inflows	465,326	84,687
Net position:		
Net investment in capital assets	6,303,854	6,771,070
Restricted	5,661,747	6,619,783
Unrestricted	4,720,338	4,288,284
Total net position	\$ 16,685,939	\$ 17,679,137

Table 2
Changes in Net Position
Governmental Activities

	<u>2018</u>	<u>2017</u>
Revenues		
Program revenues:		
Charges for services	\$ 674,840	\$ 816,538
Operating grants	1,051,790	936,946
General revenues:		
Property taxes	2,798,872	2,796,287
Sales taxes	624,786	659,432
Unrestricted grants and contributions	1,908,254	1,804,710
Other general revenues	61,693	174,408
Total revenues	<u>7,120,235</u>	<u>7,188,321</u>
Program expenses		
General government	2,549,675	2,255,975
Public safety	581,378	316,431
Public works	3,488,436	3,205,406
Health and welfare	686,192	674,820
Culture and recreation	759,435	720,956
Economic development and assistance	66,191	70,848
Conservation	6,200	5,000
Interest expense	31,359	35,768
Total expenses	<u>8,168,866</u>	<u>7,285,204</u>
Decrease in net position	<u>\$ (1,048,631)</u>	<u>\$ (96,883)</u>

At the close of the fiscal year, assets of the Police Jury exceeded liabilities by \$16,839,682. Of net position, \$6,303,854 represents the Police Jury's investment in capital assets net of accumulated depreciation and related debt. These assets are not available for future spending. Net position restricted by tax propositions totals \$5,661,747. The remaining balance of \$4,720,340 is made up of bank balances, investments and receivables that are spendable and unrestricted.

Total net position decreased by (\$993,196) or 5.6% in 2018. Current and other assets decreased by (\$151,261) or 1.3%. The decrease is primarily due to the decrease in cash and cash equivalents of (\$395,259). Revenues from federal increased by \$162,262 from 2017 mainly due to federal pass-through monies received by the Parish. Sales tax revenues decreased 5% during 2018 by (\$34,646) as a result of the slight decrease of activity in the oil and gas industry within the parish. We expect oil & gas revenues to hold static in 2019 and we do not anticipate much growth in the oil and gas industry in the Parish into the 4th quarter of the year 2019. Program expenses associated with the line item General Government increased by \$293,700 which was a 13% increase mainly due to costs associated with the disbursements/reimbursements paid through the Criminal Court Fund which increased by \$113,648 over the prior year. Public Safety increased by \$264,947 was 84% primarily due to expensing the construction in process connected with the proposed new sheriff's office and female detention facility. Public works expenses increased by \$283,030 or 9% over the prior year primarily due the cost of undiscovered repairs associated with the floods of 2016 and decision to spend an additional \$130,000 on the repair of road bases in certain areas of the Parish. The Health and Welfare function increased by \$11,370 which is directly tied to an increase in funding for OOCs Programs. Culture and Receptions increased by \$38,479 was directly tied to an increase in depreciation associated with books and videos. All Other Expenses decreased by (\$7,866) or 7%.

Claiborne Parish Police Jury
Homer, Louisiana
Management's Discussion and Analysis (Continued)
December 31, 2018

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

	Governmental Activities			
	Total Cost of Services		Net Cost of Services	
	2018	2017	2018	2017
General government	\$ 2,549,675	\$ 2,255,975	\$ 1,904,823	\$ 1,470,235
Public safety	581,378	316,431	460,040	229,068
Public works	3,488,436	3,205,406	3,162,532	2,909,115
Health and welfare	686,192	674,820	81,644	121,528
Culture and recreation	759,435	720,956	729,447	690,158
All others	103,750	111,616	103,750	111,616
	<hr/> \$ 8,168,866 <hr/>	<hr/> \$ 7,285,204 <hr/>	<hr/> \$ 6,442,236 <hr/>	<hr/> \$ 5,531,720 <hr/>
Totals	\$ 8,168,866	\$ 7,285,204	\$ 6,442,236	\$ 5,531,720

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

As of December 31, 2018, combined governmental fund balances of \$10,299,916 showed a decrease of (\$414,914) from December 31, 2017. The Library Maintenance Fund increased slightly from \$1,539,765 to \$1,572,744 due leveling off of operating costs. The Equipment Fund increased slightly by \$16,983 due to the fact the Parish was able to make the 2018 budgeted purchases of new equipment at a lower than anticipated cost. The decrease can be accounted for in three primary funds. The decrease in the General Fund's fund balance of (\$41,110) from \$5,321,029 (restated) to \$5,279,919 is primarily due to the \$150,000 of flooring projects in the Police Jury Building and at the Courthouse which required a transfer of operating funds to the Building & Maintenance Fund. The Criminal Fund decreased \$227,128 to \$40,222 due to the timing issues associated with court orders for reimbursements and expenditures associated with the Criminal Court operation or the Judicial Expense Fund. The Building and Maintenance Fund decrease of (\$88,355) due to the afore mentioned flooring projects. The Parish expects both fund balances to rebound during the 2019 year.

Budgetary Highlights. Differences between the bottom line of the original budgets and the final budgets were - a net of (\$227,2000) across all funds. The Police Jury's budgets were amended once during the year – on December 5, 2018. The five significant changes made – 1) Sales Tax Fund with a net adjustment of (\$115,000) which reflected the decrease in sales tax revenue collections during the 2018 year. 2) General Fund with a net of (\$175,600) which reflected an increase in the GF Transfer to the Road Fund of \$50,000 and the \$150,000 transfer to the Building and Maintenance Fund for the floor projects. 3) Road Fund with a net adjustment of (\$166,600) due to the fact the Jury decided to spend \$130,000 on improving the base on certain Parish roads. 4) Library Fund with a net adjustment of \$449,600 due to the fact the Parish was not able to start construction on the new Haynesville branch. 5) Criminal Court Fund with a net of (\$115,900) which is primarily due to the timing differences of court orders for reimbursement to the District Attorney and the Judicial Expense Fund.

Claiborne Parish Police Jury
Homer, Louisiana
Management's Discussion and Analysis (Continued)
December 31, 2018

Actual numbers for Sales Tax revenues were lower than expected. In the General Fund, severance tax revenues decreased by (\$44,684), use of money increased by \$98,235 and the fair market value of investments decreased by (\$21,153) in 2018. Expenditures increased \$290,670 in Public Works due to the increase of repair expenses associated with the spring flood that were not reimbursed by FEMA that were not anticipated in the original budgeted amount. General Fund expenditures increased slightly in 2018 by \$28,217 mainly due to the increase in cost associated with the public safety (prisoner costs). The Road Fund was supplemented by \$800,000 of transfers from the General Fund.

Capital Asset and Debt Administration

Capital Assets. The Police Jury's investment in capital assets for its governmental activities as of December 31, 2018, amounts to \$7,368,854 (net of accumulated depreciation). This investment includes land, construction in progress, buildings and improvements, infrastructure roads and bridges, furniture, and equipment. The decrease in capital assets for the year was \$632,216 (net). There were several major items that directly affected capital assets during 2018. First, the Jury had \$9,302 in capital expenditures that were directly related to the architectural & survey fees associated with the proposed new building for the branch library in Haynesville. The Parish also continued their purchase and upgrade of new equipment for the Claiborne Parish Highway Department which totaled \$ 253,513.

Long-Term Obligations. At the end of the year, the Police Jury had total long-term obligations of \$1,047,072. Compensated absences payable total \$98,066, which represents a decrease of \$142 over the previous year. During 2018, the Jury had no long-term debt related to heavy equipment. As of December 31, the Police Jury had bonds payable outstanding of \$ 1,065,000 all of which were related to the 2014 Library Expansion Project. At the end of the year, the Police Jury had a Net Pension Asset of \$115,944.

Economic Factors and Next Year's Budgets. The Police Jury's financial plan for this upcoming 2019 year is well underway with the adoption of a realistic \$6,639,300 budget (decrease of \$127,400 from 2018) that meets the needs of the Parish while protecting the long-term financial stability of the Parish. At the end of 2018, the Parish has very little long-term debt, \$ 1,065,000 in General Obligation Bonds for the Library, \$98,066 in compensated absences for Parish Employees and \$115,994 in net pension assets. The Police Jury, at December 31, 2018, had cash and investments totaling \$ 7,996,986 which represented a decrease of (\$254,670) over the period ended December 31, 2017, which totaled \$8,251,656.

During 2018, the Police Jury completed several projects that benefited the Parish - (1) completion of several LGAP & CWF Grants for numerous upgrades to several local water systems and we started the following two projects (1) rehab and sealing of the East Main Street group of buildings – Clerk of Court, Tax Assessor and Newell Building, and (2) started the process of designing and building a new branch of the Library in Haynesville.

Claiborne Parish Police Jury
Homer, Louisiana
Management's Discussion and Analysis (Continued)
December 31, 2018

During 2019, the Police Jury continues to work on the following grants and other projects – (1) completion of several CWEF Grants for numerous upgrades to several local water systems, (2) the completion of the long awaited \$385,000 FEMA Road Project by the Claiborne Parish Highway Department, (3) the planning and design of the Joe Webb Memorial Library in Haynesville with an estimated construction cost of \$500,000, and (6) the \$50,000 proposed upgrade to the interior of the Court House and the Judge’s Office.

Over the last several years we showed an upward trend in costs associated with Public Safety and Roads and Bridges and Building Maintenance. These are due to general inflationary trends as well as fuel related expenses and our aging infrastructure, respectively. This trend along with the continued slump in the oil and gas industry and timber industry in the Parish has raised some major concerns with the Jury on how to maintain the present level of services with the continued decrease in monies received and available, along with the devalued commercial/industrial tax base due to the O&G slump. Once again, the continued decrease in sales tax collections has reached a 20-year low and has placed the Police Jury in a very restrictive financial mode as it looks into the future. This continued decline has made the Jury take pause to plan and consider alternate means and methods of paying for certain services that we offer in the Parish at little or no cost and which led to the Parish implementing a new permitting system and a slight annual fee increase for use of the Parish Road System by heavy haul vehicles in the O&G and timber industries which will hopefully reduce abuse of Parish on roads in our system. At this time, there are no plans to reduce services, but a concentrated effort is being used to scale back costs and introduce savings across the board.

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

Claiborne Parish Police Jury
Attn: Secretary-Treasurer
P.O. Box 270
Homer, Louisiana 71040

Our telephone number is (318) 927-2222 and we can also be reached via email at sec-treas.cppj@claiborneparish.org.

Visit our website at www.claiborneparish.org for update information concerning the day-to-day operations of the Police Jury. All agendas, minutes, budgets, public notices and announcements are archived and available for public view on our webpage.



Independent Auditor's Report

To the President and Members of the
Claiborne Parish Police Jury
Homer, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Claiborne Parish Police Jury, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the basic financial statements of the 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, and the *Louisiana Governmental Audit Guide*. Those standards and the guide require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Claiborne Parish Police Jury
Homer, Louisiana
Independent Auditor's Report,
December 31, 2018

Summary of Opinions

<u>Opinion Unit</u>	<u>Type of Opinion</u>
Governmental Activities	Unmodified
Aggregate Discretely Presented Component Units	Adverse
Governmental Fund General	Unmodified
Governmental Fund Parish Road	Unmodified
Governmental Fund Library Maintenance	Unmodified
Governmental Fund Sales Tax	Unmodified
Governmental Fund Criminal Court	Unmodified
Governmental Fund Section 8	Unmodified
Aggregate Remaining Fund Information	Qualified

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

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

Adverse Opinion

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

Qualified Opinion on Aggregate Remaining Fund Information

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 1-6), budgetary comparison information (pages 54-58), schedule of employer's proportionate share of net pension liability, and schedule of employer's contributions (page 59-61) be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Claiborne Parish Police Jury's financial statements. The combining nonmajor fund financial statements; the schedule of compensation paid police jurors; and the schedule of compensation, benefits, reimbursements and other payments to agency head are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining nonmajor fund financial statements; the schedule of compensation paid police jurors; and the schedule of compensation, reimbursements, benefits, and other payments to agency head are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements; the schedule of compensation paid police jurors; and the schedule of compensation, reimbursements, benefits, and other payments to agency head are fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2019, on our consideration of the Claiborne Parish Police Jury's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Claiborne Parish Police Jury's 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 Claiborne Parish Police Jury's internal control over financial reporting and compliance.

BOSCH & STATHAM, LLC



Ruston, Louisiana
June 27, 2019

Basic Financial Statements

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

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

ASSETS	
Cash and cash equivalents	\$ 6,949,049
Investments	1,047,937
Receivables	2,924,503
Due from other agencies	18,522
Deferred charges	122,903
Capital assets, net of accumulated depreciation	7,368,854
Net pension asset	146,121
TOTAL ASSETS	18,577,889
DEFERRED OUTFLOWS	
Deferred outflow - pension related	311,585
LIABILITIES	
Accounts, salaries and other payables	502,563
Due to other agencies	26,827
Deferred revenue	15,626
Compensated absences payable	98,066
Bonds payable within one year	165,000
Bonds payable in more than one year	900,000
Net pension liability	30,127
TOTAL LIABILITIES	1,738,209
DEFERRED INFLOWS	
Deferred inflows - pension related	465,326
NET POSITION	
Net investment in capital assets	6,303,854
Restricted for:	
General government	332,956
General government - Judicial	189,094
Public works	2,834,891
Public safety	240,261
Health and welfare	304,308
Culture and recreation	1,760,237
Unrestricted	4,720,338
TOTAL NET POSITION	\$ 16,685,939

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

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

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

FUNCTIONS	EXPENSES	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	
General government	\$ 2,549,675	\$ 644,852	\$ -	\$ -	\$ (1,904,823)
Public safety	581,378	-	121,338	-	(460,040)
Public works	3,488,436	-	325,904	-	(3,162,532)
Health and welfare	686,192	-	604,548	-	(81,644)
Culture and recreation	759,435	29,988	-	-	(729,447)
Economic development and assistance	66,191	-	-	-	(66,191)
Conservation	6,200	-	-	-	(6,200)
Interest expense	31,359	-	-	-	(31,359)
Total governmental activities	<u>\$ 8,168,866</u>	<u>\$ 674,840</u>	<u>\$ 1,051,790</u>	<u>\$ -</u>	<u>(6,442,236)</u>
General revenues:					
Property taxes					2,798,872
Sales and use taxes levied for public works					624,786
Other taxes, penalties and interest					7,524
Grants and contributions not restricted to specific programs					1,908,254
Net increase (decrease) in the fair value of investments					(21,153)
Gain on sale of capital assets					38,609
Contributions from private sources					3,790
Other					32,923
Total general revenues and transfers					<u>5,393,605</u>
Change in net position					<u>(1,048,631)</u>
Net assets at beginning of year (restated)					<u>17,734,570</u>
Net position at end of year					<u>\$ 16,685,939</u>

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

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

GOVERNMENTAL FUNDS - BALANCE SHEET
AS OF DECEMBER 31, 2018

ASSETS	GENERAL	PARISH ROAD	LIBRARY MAINTENANCE	SALES TAX	CRIMINAL COURT	SECTION 8	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
Cash and cash equivalents	\$ 4,269,941	\$ 106,703	\$ 955,276	\$ 702,642	\$ 75,061	\$ 83,200	\$ 756,226	\$ 6,949,049
Investments	495,020	3,145	6,464	376,139	-	-	167,169	1,047,937
Receivables	541,936	910,850	724,713	125,447	8,125	-	613,432	2,924,503
Due from other funds	7,881	-	-	-	-	-	307,908	315,789
Due from other agencies	18,520	-	-	-	-	-	-	18,520
Deferred charges	122,903	-	-	-	-	-	-	122,903
TOTAL ASSETS	\$ 5,456,201	\$ 1,020,698	\$ 1,686,453	\$ 1,204,228	\$ 83,186	\$ 83,200	\$ 1,844,735	\$ 11,378,701
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES								
Liabilities:								
Accounts, salaries and other payables	\$ 140,237	\$ 94,952	\$ 58,573	\$ 57,066	\$ 42,964	\$ -	\$ 108,771	\$ 502,563
Due to other funds	-	7,325	456	-	-	-	308,006	315,789
Due to other agencies	-	-	-	-	-	26,827	-	26,827
Total liabilities	140,237	102,277	59,029	57,066	42,964	26,827	416,777	845,177
Deferred inflows:								
Unavailable ad valorem tax revenue	36,045	76,503	54,680	-	-	15,626	50,756	233,610
Fund balances:								
Restricted fund balances	-	841,918	1,572,744	1,147,162	40,222	40,747	1,541,480	5,184,273
Unassigned fund balances	5,279,919	-	-	-	-	-	(164,278)	5,115,641
Total fund balances	5,279,919	841,918	1,572,744	1,147,162	40,222	40,747	1,377,202	10,299,914
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES	\$ 5,456,201	\$ 1,020,698	\$ 1,686,453	\$ 1,204,228	\$ 83,186	\$ 83,200	\$ 1,844,735	\$ 11,378,701

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

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

Total fund balance - governmental funds	\$	10,299,914
Amounts reported for governmental activities in the statement of net position are different because:		
Some assets are not financial resources.		
Capital assets		7,368,854
Net pension asset		146,121
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.		
		217,984
Deferred items for pension related items are not reported in the fund statements:		
Deferred outflows		311,585
Deferred inflows		(465,326)
Some liabilities, such as bonds payable and compensated absences, are not due and payable in the current period and are therefore not reported in the funds.		
Compensated absences payable		(98,066)
Bonds payable		(1,065,000)
Net pension liability		(30,127)
Net position of governmental activities	<u>\$</u>	<u>16,685,939</u>

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

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

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

	GENERAL	PARISH ROAD	LIBRARY MAINTENANCE	SALES TAX	CRIMINAL COURT	SECTION 8	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES								
Taxes:								
Ad valorem	\$ 459,429	\$ 929,696	\$ 785,467	\$ -	\$ -	\$ -	\$ 616,793	\$ 2,791,385
Sales and use	-	-	-	624,786	-	-	-	624,786
Other taxes, penalties and interest	6,947	-	-	-	577	-	-	7,524
Licenses and permits	94,568	13,075	-	-	-	-	-	107,643
Intergovernmental revenues:								
Federal funds	55,299	57,194	-	-	-	267,556	393,851	773,900
State funds:								
Severance taxes	1,474,652	-	-	-	-	-	-	1,474,652
State revenue sharing	17,440	38,056	17,361	-	-	-	25,251	98,108
Parish transportation	-	268,365	-	-	-	-	-	268,365
Fire insurance rebate	64,479	-	-	-	-	-	-	64,479
Rural development grants	39,167	-	-	-	-	-	-	39,167
Other state funds	345	-	-	-	-	-	-	345
Fees, charges, and commissions	-	-	11,666	-	-	-	18,322	29,988
Fines and forfeitures	-	-	7,025	-	510,164	-	20,020	537,209
Use of money and property	35,487	182,627	5,176	6,300	-	551	12,018	242,159
Contributions from private sources	-	-	3,790	-	-	-	-	3,790
Other revenues	3,274	6,052	816	-	167	-	3,641	13,950
Total revenues	<u>2,251,087</u>	<u>1,495,065</u>	<u>831,301</u>	<u>631,086</u>	<u>510,908</u>	<u>268,107</u>	<u>1,089,896</u>	<u>7,077,450</u>
EXPENDITURES								
Current:								
General government:								
Legislative	123,227	-	-	-	-	-	-	123,227
Judicial	235,903	-	-	-	697,815	-	2,759	936,477
Elections	26,819	-	-	-	-	-	-	26,819
Finance and administrative	321,476	-	-	-	-	-	-	321,476

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

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

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

	GENERAL	PARISH ROAD	LIBRARY MAINTENANCE	SALES TAX	CRIMINAL COURT	SECTION 8	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
Other general government	\$ 276,077	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 604,729	\$ 880,806
Public safety	203,506	-	-	-	-	-	90,168	293,674
Public works	6,494	2,378,786	-	707,635	-	-	41,677	3,134,592
Health and welfare	35,184	-	-	-	-	268,603	362,961	666,748
Culture and recreation	-	-	569,740	-	-	-	-	569,740
Economic development and assistance	66,191	-	-	-	-	-	-	66,191
Conservation	6,200	-	-	-	-	-	-	6,200
Debt service	-	-	196,359	-	-	-	-	196,359
Capital outlay	-	-	34,000	-	-	-	253,513	287,513
Total expenditures	<u>1,301,077</u>	<u>2,378,786</u>	<u>800,099</u>	<u>707,635</u>	<u>697,815</u>	<u>268,603</u>	<u>1,355,807</u>	<u>7,509,822</u>
Excess (deficiency) of revenues over expenditures	<u>950,010</u>	<u>(883,721)</u>	<u>31,202</u>	<u>(76,549)</u>	<u>(186,907)</u>	<u>(496)</u>	<u>(265,911)</u>	<u>(432,372)</u>
OTHER FINANCING SOURCES (USES)								
Operating transfers in	-	800,000	-	-	-	-	175,392	975,392
Operating transfers out	(975,392)	-	-	-	-	-	-	(975,392)
Net increase (decrease) in the fair value of investments	(15,728)	-	-	(5,425)	-	-	-	(21,153)
Sale of capital assets	-	-	1,777	-	-	-	36,832	38,609
Total other financing sources (uses)	<u>(991,120)</u>	<u>800,000</u>	<u>1,777</u>	<u>(5,425)</u>	<u>-</u>	<u>-</u>	<u>212,224</u>	<u>17,456</u>
Net change in fund balances	<u>(41,110)</u>	<u>(83,721)</u>	<u>32,979</u>	<u>(81,974)</u>	<u>(186,907)</u>	<u>(496)</u>	<u>(53,687)</u>	<u>(414,916)</u>
Fund balances at beginning of year (restated)	5,321,029	925,639	1,539,765	1,229,136	227,129	41,243	1,430,889	10,714,830
Fund balances at end of year	<u>\$ 5,279,919</u>	<u>\$ 841,918</u>	<u>\$ 1,572,744</u>	<u>\$ 1,147,162</u>	<u>\$ 40,222</u>	<u>\$ 40,747</u>	<u>\$ 1,377,202</u>	<u>\$ 10,299,914</u>

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

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

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

Net change in fund balances - total governmental funds	\$ (414,916)
 Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital outlay	20,196
Depreciation	(652,412)
 Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Current year deferred inflows	217,984
Prior year deferred inflows	(211,628)
 Governmental funds report the retirement of long-term debt as an expenditure. However, in the government-wide financial statements, that amount representing principal on long-term debt is not treated as an expense but is instead applied against outstanding long-term debt on the Statement of Net Position	
	165,000
 Some items reported in the statement of activities, such as a net decrease or increase in compensated absences, do not require the use of current financial resources, nor do they provide any, and therefore are not reported as expenditures or revenues in the governmental funds.	
Change in compensated absences payable	142
Pension expense	(191,970)
Nonemployer contributions	18,973
Change in net position of governmental activities	<u>\$ (1,048,631)</u>

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

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Claiborne Parish, established by act of the Louisiana Legislature in 1828, is located in the northwest part of the state and occupies 755 square miles of land with a population of 17,195 residents, based on the last census. State law gives the police jury various powers and functions in regulating and directing the affairs of the parish and its inhabitants. The more notable of those are the power to make regulations for their own government, the construction and maintenance of roads and bridges, drainage systems, sewerage, solid waste disposal, fire protection, recreation and parks, parish prison construction and maintenance, road lighting and marking, water works, health units, hospitals, provide for the health and welfare of the poor, disadvantaged, and unemployed, economic development, tourism and regulate the sale of alcoholic beverages in the parish. The police jury also houses and maintains the Courts and the offices of the Assessor, Clerk of Court, Registrar of Voters, District Attorney, and the Sheriff. Funding to accomplish these tasks is provided by ad valorem taxes, sales taxes, beer and alcoholic beverage permits, parish licenses, state revenue sharing, severance taxes and various other state and federal grants.

In accomplishing its objectives, the police jury has approximately 40 full-time and part-time employees (3 in the central office, 9 in the office of community services, 9 in the library, 2 in homeland security and emergency preparedness, and 20 in public works). In addition to maintaining drainage and bridges in the parish, the police jury currently maintains 727 miles of parish roads, comprised of 568 miles of asphalt and 159 miles of gravel.

Reporting Entity

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

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

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

Under provisions of this Statement, the police jury is considered a primary government since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments.

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued)

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

Component Units:	<u>Fiscal Year End</u>	<u>Criteria Used</u>
Claiborne Parish:		
Assessor	December 31	2 & 3
Clerk of Court	June 30	2 & 3
Sheriff	June 30	2 & 3
Economic Development Board	December 31	1 & 3
Library	December 31	1 & 3
911 Emergency Communications District	June 30	1 & 3
Tourist Commission	December 31	1 & 3
Watershed District	December 31	1 & 3
Second Judicial District Criminal Court	December 31	3
North Claiborne Hospital Service District No. 1	June 30	1 & 3
Claiborne Parish Hospital Service District No. 3	June 30	1 & 3
Wards 2 and 3 Recreation Districts	June 30	1 & 3
Claiborne Parish Fire Protection District No. 3	December 31	1 & 3
Claiborne Parish Fire Protection District No. 4	December 31	1 & 3
South Claiborne Fire Protection District No. 5	December 31	1 & 3
Lisbon Fire Protection District No. 6	December 31	1 & 3
Evergreen Fire Protection District	December 31	1 & 3
Pinehill Water System	December 31	1 & 3

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

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

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

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued)

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

Basis of Presentation

The government-wide financial statements consist of a Statement of Net Position and a Statement of Activities. These statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Major revenues such as ad valorem taxes and sales taxes are assessed, collected and susceptible to accrual. Assets, liabilities, revenues, and expenses of the government are reported in the financial statements. The statements distinguish between the governmental and business-type activities of the police jury by reporting each in a separate column. The police jury does not have any business-type activities at this time.

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

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

- The governmental fund statements include a balance sheet and a statement of revenues, expenditures, and changes in fund balances, with one column for the general fund, one for each of the other major funds, and one column combining all the nonmajor governmental funds. The police jury does not have any nonmajor governmental funds. The statements are prepared using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized in the accounting period in which they become measurable and available to finance expenditures of the current period, generally considered sixty days after the end of the fiscal year. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest payments on general long-term liabilities which are recognized when due.

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

- The proprietary fund statements include a statement of net position; a statement of revenues, expenses, and changes in fund net position; and a statement of cash flows. Each statement has a column for each major enterprise fund. The police jury does not have any nonmajor proprietary funds or internal service funds. The proprietary fund statements are prepared using the economic resources measurement focus and the accrual basis of accounting in order to make a determination of net income, financial position, and cash flows. The police jury does not currently have any proprietary funds.

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

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

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

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

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

The Parish Road Fund accounts for the maintenance of parish highways, roads, bridges, and drainage systems. Financing is provided by the State of Louisiana Parish Transportation Fund, a specific parish wide ad valorem tax, state revenue sharing funds, and operating transfers from the General Fund.

The Library Maintenance Fund is funded by ad valorem taxes and state revenue sharing funds and is used for the general operations of the parish library system. The library was established by the parish governing authority under the provisions of Louisiana Revised Statute 25:211 to provide citizens of the parish access to library materials, books, magazines, reports, and films. The library is governed by a board of control, which is appointed by the parish police jury in accordance with the provisions of Louisiana Revised Statute 25:214. The members of the board of control serve without pay.

The Sales Tax Fund is funded by a one percent sales and use tax collected throughout the parish. The tax expired September 30, 2016 but was renewed by voters for ten years. The fund is used to construct, maintain, and operate facilities for the collection and disposal of solid waste. Any surplus remaining in the fund can be used for the purchase of materials for surfacing and maintaining roads within the parish.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

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

Basis of Presentation (Continued)

The Criminal Court Fund accounts for Claiborne, Bienville, and Jackson Parishes' fines and forfeitures imposed by the Second Judicial District Court, as provided by Louisiana Revised Statute 15:571.11(c)(3). Expenditures are made from the fund on motion of the district attorney and approval of the district judges. The statute further provides that one-half of the surplus remaining in the fund at December 31 of each year be transferred to the general funds of the parishes of the district in the same proportion as the revenues in the single account or fund were produced from the parishes.

The Section 8 Fund accounts for the operations of the lower income housing assistance program whose purpose is to aid very low-income families in obtaining decent, safe, and sanitary rental housing. Funding is provided by the United States Department of Housing and Urban Development.

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

Cash and Investments

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

Investments are reported at fair value in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Cash and investment earnings are recorded in the Fund that holds the investment.

Receivables and Payables

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

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied by the police jury in September or October, are actually billed on October 1, and are mailed to the taxpayers in November. Billed taxes become delinquent on January 1 of the following year. Revenues from ad valorem taxes are budgeted in the year they are billed. The Claiborne Parish Sheriff bills and collects the police jury's property taxes using the assessed value determined by the assessor of Claiborne Parish and approved by the State of Louisiana Tax Commission. For the year ended December 31, 2018, taxes of 23.85 mills were levied on property with assessed valuations totaling \$112,615,825, as follows:

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration</u>
Parishwide taxes:			
General alimony:			
Outside municipalities	4.35	3.83	Indefinite
Inside municipalities	2.17	1.91	Indefinite
Building maintenance	2.71	2.73	2024
Library maintenance	5.44	6.10	2035
Roads	7.00	7.22	2017
Equipment	2.00	2.06	2017

The difference between authorized and levied millage is the result of reassessments of taxable property within the parish as required by Article 7, Section 18 of the Louisiana Constitution of 1974.

On October 22, 2011, voters approved a renewal of the library tax for 6.10 mills beginning 2016 and ending in 2035. On October 19, 2013, voters approved a renewal of the building maintenance tax for 2.71 mills beginning 2015 and ending in 2024.

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The following are the principal taxpayers for the parish and their 2018 assessed valuation (amounts expressed in thousands):

	2018 Assessed Valuation	Percent of Total Assessed Valuation
Midcontinent Express	\$ 12,037	10.82%
Gulf Crossing Pipeline Co.	11,868	10.67%
Texas Gas Transmission	5,465	4.91%
Claiborne Electric Co-op	4,179	3.76%
Blackbeard Operating East LLC	3,596	3.23%
Mid-Valley Pipeline Company	3,512	3.16%
XTO Energy	3,372	3.03%
DCP Midstream LP	2,599	2.34%
Will Energy Corporation	2,179	1.96%
Hays, James Michael	1,996	1.79%
Total	<u>\$ 50,803</u>	<u>45.67%</u>

On July 25, 2006, voters of the parish renewed a one percent sales tax for the collection and disposal of solid waste and maintenance and acquisition of necessary land, facilities, and equipment related thereto and for materials for surfacing and maintaining roads within the parish. The tax was for a period of ten years, has been renewed, and will expire on September 30, 2026. By an agreement between the police jury and the Claiborne Parish School Board, the school board serves as the collection agent for the sales tax. The school board receives three percent of all taxes collected in return for its services as the police jury's collection agent.

Under current state law, the State is not allowed to add any new DOTD maintained roads to its road system without the parish accepting matching mileage of an existing DOTD road into its system. When the new truck by-pass was completed in the fall of 2010, the Claiborne Parish Police Jury was required to accept Highway 807 into the parish road system to meet this requirement since the bypass was a new DOTD maintained road.

Inventories and Prepaid Items

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

Restricted Assets

Restricted assets represent primarily cash and investments held separately and restricted according to bond indenture agreements.

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are recorded as expenditures in each fund and capitalized at the government-wide level; fixed assets of enterprise funds are reported in the respective funds. The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend assets' lives are not capitalized. The police jury's capitalization threshold is \$5,000. The library, office of community services, and office of homeland security and emergency preparedness maintain a threshold of \$500 or more for capitalizing assets. For reporting purposes, the police jury defines capital assets as follows:

- Land is an inexhaustible asset with no capitalization threshold and an unlimited useful life; therefore, it is not depreciated.
- Buildings are permanent structures erected above ground, while improvements are major repairs, renovations, or additions that increase the future service potential of the asset. Leasehold improvements are improvements made by the lessee to leased property. They are depreciated principally using the straight-line method with an estimated useful life typically of 40 years for structures and improvements and 10-40 years for depreciable land improvements. Leasehold improvements are depreciated using the straight-line method with an estimated useful life depending on the term of the lease. Construction-in-progress is not depreciated.
- Movable property (furniture, equipment, and vehicles) consists of assets that are not fixed or stationary in nature. The straight-line method of depreciation is used, which divides the historical cost by the estimated useful life of the asset, generally 5 to 10 years.
- Infrastructure assets include roads, bridges, tunnels, drainage systems, water and sewer systems, dams, and lighting systems. Infrastructure is depreciated using the straight-line method with an estimated useful life of 30 to 40 years.
- Purchased computer software is depreciated using the straight-line method over an estimated useful life of 3 years.
- Library books and videos are depreciated using the straight-line method over an estimated useful life of 10 years.
- Donated capital assets are recorded at their estimated fair value at the date of donation

Compensated absences

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

Employees of the Claiborne Parish Police Jury earn from 5 to 11 days of vacation leave each year depending on length of service. All employees earn 10 days of sick leave each year. Employees may accumulate and carry forward a maximum of 26 days (208 hours) of vacation leave. Upon retirement or separation from employment, employees are paid for accrued and unused vacation leave at their then current rate of pay. Sick leave may be accumulated and carried forward without limitation. However, employees will not be paid for accumulated sick leave upon retirement or separation from employment.

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Employees of the Office of Community Services earn from 12 to 18 days of vacation leave each year, depending on length of service. Employees may accumulate and carry forward a maximum of 37.5 days (300 hours). Upon retirement or termination of employment, employees are paid for accumulated and unused vacation leave at their then current rate of pay. Employees also earn sick leave of 12 to 18 days per year, depending on length of service. Employees can accumulate and carry forward a maximum of 30 days (240 hours). Employees are not paid for accumulated sick leave upon retirement or termination of employment.

Employees of the Claiborne Parish Library earn from 14 to 28 days of vacation leave each year, depending upon length of service with the library. Vacation leave does not accumulate. Employees earn 13 days of sick leave each year, which may be accumulated and carried forward without limitation. Employees are not compensated for accumulated sick leave upon termination of employment. However, upon retirement any accumulated sick leave may be credited toward service time for determining retirement benefits.

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

Long-Term Obligations

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

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance Classifications and Net Position

Fund balances are reported under the following fund balance classifications:

Non-spendable	Includes fund balance amounts that cannot be spent either because it is not in spendable form or are legally or contractually required to be maintained intact.
Restricted	Includes amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.
Committed	Includes amounts that can only be used for specific purposes pursuant to constraints that are internally imposed by the government through formal action of the police jury and does not lapse at year-end.
Assigned	Includes amounts that are constrained by the police jury's intent to be used for specific purposes that are neither considered restricted or committed.
Unassigned	Includes amounts that have not been assigned to other funds and that have not been restricted, committed or assigned to specific purposes within the General Fund. Negative fund balances in other governmental funds can also be classified as unassigned.

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

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

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

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

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

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reconciliation of Government-wide and Fund Financial Statements

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

Use of estimates

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

NOTE 2 - BUDGET VARIANCES

The following presents a summary of major funds' budget variances for the year ended December 31, 2018:

Fund	Revenues and Other Sources			Expenditures and Other Uses		
	Budget	Actual	Favorable (Unfavorable) Variance	Budget	Actual	Favorable (Unfavorable) Variance
General	\$ 2,410,800	\$ 2,251,087	\$ (159,713)	\$ 2,372,600	\$ 2,292,197	\$ 80,403
Parish Road	2,323,100	2,295,065	(28,035)	2,370,800	2,378,786	(7,986)
Library	837,600	831,301	(6,299)	778,100	798,322	(20,222)
Sales Tax	580,900	631,086	50,186	695,900	713,060	(17,160)
Total	<u>\$ 6,152,400</u>	<u>\$ 6,008,539</u>	<u>\$ (143,861)</u>	<u>\$ 6,217,400</u>	<u>\$ 6,182,365</u>	<u>\$ 35,035</u>

NOTE 3 - CASH AND CASH EQUIVALENTS

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

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

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

NOTE 3 - CASH AND CASH EQUIVALENTS (CONTINUED)

At December 31, 2018, the police jury has cash and cash equivalents (book balances) totaling, \$6,949,049 as follows:

Demand deposits	\$ 4,468,300
Time deposits	2,480,706
Cash on hand	50
Total	<u>\$ 6,949,049</u>

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

These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. As of December 31, 2018, \$5,753,993 of the police jury's bank balances of \$7,123,488 were exposed to custodial credit risk as follows:

Insured by FDIC	\$ 1,369,495
Uninsured and uncollateralized	-
Collateralized by pledged securities not in the police jury's name	5,753,993
Total balances exposed to custodial credit risk	<u>5,753,993</u>
Total bank balances	<u>\$ 7,123,488</u>

NOTE 4 - INVESTMENTS

Louisiana Asset Management Pool

Investments held at December 31, 2018, include \$29,052 in the Louisiana Asset Management Pool (LAMP), a local government investment pool. LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-R.S. 33:2955.

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

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

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

NOTE 4 – INVESTMENTS (CONTINUED)

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

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

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

Edward Jones

Investments held at December 31, 2018, include \$1,018,885 in three Edward Jones Corporate Accounts. The General Fund, Sales Tax Fund and Office of Community Services’ Regular Fund have accounts with balances of \$487,113, \$370,580 and \$161,192, respectively.

Each account includes a cash, money market account, certificate of deposit, investments in government and agency securities, and asset and mortgage backed securities.

The following is a summary of investment accounts:

	Edward Jones							
	Total	LAMP	Cash	Money Market	Certificates of Deposit	Government and Agency Securities	Asset and Morgate Backed Securities	Total Edward Jones
Fund:								
General	\$ 495,020	\$ 7,907	\$ -	\$ 17,118	\$ 198,135	\$ 257,415	\$ 14,445	\$ 487,113
Road	3,145	3,145	-	-	-	-	-	-
Sales Tax	376,139	5,559	-	11,969	79,158	279,453	-	370,580
Equipment	5,977	5,977	-	-	-	-	-	-
Library	6,464	6,464	-	-	-	-	-	-
OCS-Regular	161,192	-	708	-	99,837	60,647	-	161,192
Total	<u>\$ 1,047,937</u>	<u>\$ 29,052</u>	<u>\$ 708</u>	<u>\$ 29,087</u>	<u>\$ 377,130</u>	<u>\$ 597,515</u>	<u>\$ 14,445</u>	<u>\$ 1,018,885</u>

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

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

NOTE 5 - RECEIVABLES

The receivables of \$2,924,503, at December 31, 2018, are as follows:

	Taxes	Due From Other Governments		Accounts and Other	Total
		Federal	State		
General	\$ 418,054	\$ 9,632	\$ 113,692	\$ 558	\$ 541,936
Parish Road	842,399	-	48,255	20,196	910,850
Library Maintenance	711,722	-	11,680	1,311	724,713
Sales Tax	125,447	-	-	-	125,447
Criminal Court	-	-	-	8,125	8,125
Other governmental	558,877	35,431	16,990	2,134.00	613,432
Total	<u>\$ 2,656,499</u>	<u>\$ 45,063</u>	<u>\$ 190,617</u>	<u>\$ 32,324</u>	<u>\$ 2,924,503</u>

NOTE 6 - INTERFUND TRANSFERS AND BALANCES

The following details interfund transfers for the year ended December 31, 2018:

	Due to			
	Parish Road	Library	Nonmajor Funds	Total
Due from General	\$ 7,325	\$ 456	\$ 100	\$ 7,881
Nonmajor Funds			307,908	307,908
Total	<u>\$ 7,325</u>	<u>\$ 456</u>	<u>\$ 308,008</u>	<u>\$ 315,789</u>

The Road Fund and Office of Homeland Security and Emergency Preparedness Fund (OHSEP) receive annual appropriations from the General Fund. The Sales Tax Fund transfers a portion of the sales tax revenue to the Road Fund annually as provided by the sales tax resolution.

The following details interfund balances as of December 31, 2018:

	Transfers out	
	General	Total
Transfers in Parish Road	\$ 800,000	\$ 800,000
Building Maintenance	150,000	150,000
OHSEP	25,392	25,392
Total	<u>\$ 975,392</u>	<u>\$ 975,392</u>

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

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

NOTE 7 - CAPITAL ASSETS

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

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets not being depreciated:				
Land:				
Police Jury	\$ 220,570	\$ -	\$ -	\$ 220,570
Library	3,580	-	-	3,580
Office of Community Services	30,000	-	-	30,000
Adjudicated property	19,700	-	-	19,700
Construction in progress	267,317	-	(267,317)	-
Total capital assets not being depreciated	<u>541,167</u>	<u>-</u>	<u>(267,317)</u>	<u>273,850</u>
Capital assets being depreciated:				
Infrastructure:				
Roads	\$ 15,517,189	\$ -	\$ -	\$ 15,517,189
Bridges	1,912,668	-	-	1,912,668
Land improvements	15,995	-	-	15,995
Buildings and improvements	2,883,666	-	-	2,883,666
Public works heavy equipment	3,491,381	225,464	(123,750)	3,593,095
Public works other equipment	84,175	-	-	84,175
Vehicles	283,198	28,049	-	311,247
Office furniture and equipment	250,841	-	-	250,841
Office of Emergency Preparedness and Homeland Security:				
Vehicles	49,124	-	-	49,124
Office furniture and equipment	50,506	-	-	50,506
Buildings and improvements	13,205	-	-	13,205
Office of Community Services:				
Land improvements	7,800	-	-	7,800
Buildings and improvements	62,156	-	-	62,156
Vehicles	372,753	-	(37,498)	335,255
Office furniture and equipment	116,327	-	-	116,327
Library:				
Building and improvements	3,855,244	-	-	3,855,244
Vehicle	49,901	-	(49,901)	-
Furniture and equipment	331,721	-	-	331,721
Books and videos	672,574	34,000	(17,926)	688,648
Total capital assets being depreciated	<u>30,020,424</u>	<u>287,513</u>	<u>(229,075)</u>	<u>30,078,862</u>
Less accumulated depreciation for:				
Infrastructure:				
Roads	14,524,747	37,184	-	14,561,931
Bridges	1,367,154	36,674	-	1,403,828
Land improvements	15,995	-	-	15,995
Buildings and improvements	1,743,302	64,030	-	1,807,332
Public works heavy equipment	2,274,832	235,819	(123,750)	2,386,901
Public works other equipment	53,825	5,751	-	59,576
Vehicles	161,636	35,472	-	197,108
Office furniture and equipment	177,953	24,474	-	202,427
Office of Emergency Preparedness and Homeland Security:				
Vehicles	40,878	4,303	-	45,181
Office furniture and equipment	50,074	271	-	50,345
Buildings and improvements	5,665	660	-	6,325
Office of Community Services:				
Land improvements	7,800	-	-	7,800
Buildings and improvements	53,006	2,072	-	55,078
Vehicles	339,144	15,982	(37,498)	317,628
Office furniture and equipment	116,299	25	-	116,324
Library:				
Building and improvements	819,724	99,910	-	919,634
Vehicle	49,901	-	(49,901)	-
Furniture and equipment	147,859	24,057	-	171,916
Books and videos	610,727	65,728	(17,926)	658,529
Total accumulated depreciation	<u>22,560,521</u>	<u>652,412</u>	<u>(229,075)</u>	<u>22,983,858</u>
Total capital assets being depreciated, net	<u>7,459,903</u>	<u>(364,899)</u>	<u>-</u>	<u>7,095,004</u>
Total capital assets, net	<u>\$ 8,001,070</u>	<u>\$ (364,899)</u>	<u>\$ (267,317)</u>	<u>\$ 7,368,854</u>

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

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

NOTE 7 - CAPITAL ASSETS (CONTINUED)

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

General government	\$ 63,933
Public safety	20,243
Public works	359,437
Health and welfare	19,104
Culture and recreation	189,695
Total	<u>\$ 652,412</u>

NOTE 8 - LONG-TERM OBLIGATIONS

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

	Limited Tax Bonds	Compensated Absences	Net Pension (Asset)/Liability	Total
Balance, beginning of year	\$ 1,230,000	\$ 98,208	\$ 467,176	\$ 1,795,384
Additions	-	47,820	-	47,820
Deductions	(165,000)	(47,534)	(583,170)	(795,704)
Adjustment	-	(428)	-	(428)
Balance, end of year	<u>\$ 1,065,000</u>	<u>\$ 98,066</u>	<u>\$ (115,994)</u>	<u>\$ 1,047,072</u>

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

On August 1, 2012, the Library issued \$2,000,000 Limited Tax Bonds for the remodeling and expansion of the Homer branch of the library. Principal is due in annual installments of \$145,000 to \$190,000 plus interest from 1.1% to 3.35% payable semiannually. The bonds mature March 1, 2024.

The annual requirements to amortize bonds payable at December 31, 2018, are as follows:

	Principal	Interest	Total
2019	165,000	27,935	192,935
2020	170,000	24,038	194,038
2021	175,000	19,593	194,593
2022	180,000	14,665	194,665
2023	185,000	9,233	194,233
2024	190,000	3,183	193,183
Total	<u>\$ 1,065,000</u>	<u>\$ 98,647</u>	<u>\$ 1,163,647</u>

The net pension liability (asset) includes the asset of (\$146,121) of the Parochial Employees' Retirement System less the net pension liability of \$26,090 and \$4,037 of the Registrar of Voters Retirement System and of the District Attorney's Retirement System, respectively.

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

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

NOTE 9 – RETIREMENT SYSTEMS

Parochial Employees' Retirement System of Louisiana (System)

Plan Description

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

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

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

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

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

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

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

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

For the year ended December 31, 2018, the Claiborne Parish Police Jury's total payroll for all employees was \$1,470,385. Total covered payroll was \$1,013,412. Covered payroll refers to all compensation paid by the Claiborne Parish Police Jury to active employees covered by the Plan.

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

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

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

NOTE 9 – RETIREMENT SYSTEMS (CONTINUED)

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

Contributions

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

Under Plan A, members are required by state statute to contribute 9.50% of their annual covered salary. The contributions are deducted from the employee's wages or salary and remitted by the Claiborne Parish Police Jury to the System monthly. The Claiborne Parish Police Jury's contributions to the System under Plan A for the year ending December 31, 2018 were \$116,542.

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

At December 31, 2018, the Employer reported an asset of (\$146,121) for its proportionate share of the Net Pension Liability (Asset). The Net Pension Liability (Asset) was measured as of December 31, 2017 and the total pension liability (asset) used to calculate the Net Pension Liability (Asset) was determined by an actuarial valuation as of that date. The Claiborne Parish Police Jury's proportion of the Net Pension Liability (Asset) was based on a projection of the Police Jury's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2018, the Police Jury's proportion was 0.196860%, which was a decrease of 0.01636% from its proportion measured as of December 31, 2017.

For the year ended December 31, 2018, the Claiborne Parish Police Jury recognized pension expense of \$183,123 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, which was \$4,332. Total pension expense for the Claiborne Parish Police Jury for the year ended December 31, 2018 was \$187,455.

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

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

NOTE 9 – RETIREMENT SYSTEMS (CONTINUED)

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

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$-	\$94,587
Changes in assumption	184,426	-
Net difference between projected and actual earnings on pension plan investments	-	337,582
Changes in employer's portion of beginning net pension liability	260	5,284
Differences between employer contributions and proportionate share of employer contributions	-	21,507
Subsequent measurement contributions	116,542	-
Total	\$301,228	\$458,960

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

Year ended December 31,	
2018	\$9,414
2019	(30,878)
2020	(119,012)
2021	(133,799)

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

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

NOTE 9 – RETIREMENT SYSTEMS (CONTINUED)

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

Actuarial Assumptions

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

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

The discount rate used to measure the total pension liability (asset) was 6.75% for Plan A and 6.75% for Plan B. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability (asset).

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward-looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.00% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.62% for the year ended December 31, 2018.

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

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

NOTE 9 – RETIREMENT SYSTEMS (CONTINUED)

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

Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of December 31, 2018 are summarized in the following table:

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

Discount Rate

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

Sensitivity of the Claiborne Parish Police Jury's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate

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

	1.0% Decrease (5.75%)	Current Discount Rate (6.75%)	1.0% Increase (7.75%)
Employer's proportionate share of net pension liability (asset)	\$720,429	(\$146,121)	(\$917,726)

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

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

NOTE 9 – RETIREMENT SYSTEMS (CONTINUED)

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

Payables to the Pension Plan

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

Plan Fiduciary Net Position

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

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

Plan Description

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

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

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

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

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

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

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

For the year ended December 31, 2018, the Claiborne Parish Registrar of Voters' total payroll for all employees was \$15,336. Total covered payroll was \$15,336. Covered payroll refers to all compensation paid by the Claiborne Parish Registrar of Voters to active employees covered by the Plan.

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

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

NOTE 9 – RETIREMENT SYSTEMS (CONTINUED)

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

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

Contributions

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

Plan members are required by state statute to contribute 7.00% of their annual covered salary. The contributions are deducted from the employee's wages or salary and remitted by the Claiborne Parish Registrar of Voters to the System monthly. The Claiborne Parish Registrar of Voters' contributions to the System for the year ending December 31, 2018 were \$2,607.

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

At December 31, 2018, the Employer reported a liability of \$26,090 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2018 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Claiborne Parish Registrar of Voter's proportion of the Net Pension Liability was based on a projection of the Registrar of Voters' long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2018, the Registrar of Voters' proportion was 0.110530%, which was a decrease of 0.001439% from its proportion measured as of June 30, 2017.

For the year ended December 31, 2018, the Claiborne Parish Registrar of Voters recognized pension expense of \$5,979 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, which was (\$2,964). Total pension expense for the Claiborne Registrar of Voters for the year ended December 31, 2018 was \$3,015.

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

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

NOTE 9 – RETIREMENT SYSTEMS (CONTINUED)

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

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$-	\$3,981
Changes in assumption	4,274	392
Net difference between projected and actual earnings on pension plan investments	1,567	-
Changes in employer's portion of beginning net pension liability	43	652
Differences between employer contributions and proportionate share of employer contributions	-	28
Subsequent measurement contributions	1,304	-
Total	\$7,188	\$5,053

The \$1,304 reported as deferred outflows of resources related to pensions resulting from the Claiborne Parish Registrar of Voters contributions subsequent to the measurement date will be recognized as a reduction of Net Pension Liability in the year ended December 31, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year ended December 31,	
2019	\$918
2020	368
2021	(814)
2022	363

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

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

NOTE 9 – RETIREMENT SYSTEMS (CONTINUED)

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

Actuarial Assumptions

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

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The resulting long-term rate of return is 8.39% for the year ended June 30, 2017. The best estimates of arithmetic real rates of return for each major asset class based on the System's target asset allocation as of June 30, 2018, were as follows:

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

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

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

NOTE 9 – RETIREMENT SYSTEMS (CONTINUED)

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

Discount Rate

The discount rate used to measure the total pension liability was 6.50%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System's actuary. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

	1.0% Decrease (5.50%)	Current Discount Rate (6.50%)	1.0% Increase (7.50%)
Employer's proportionate share of net pension liability	\$40,014	\$26,090	\$14,146

Payables to the Pension Plan

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

Plan Fiduciary Net Position

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

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

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

NOTE 9 – RETIREMENT SYSTEMS (CONTINUED)

District Attorney’s Retirement System of Louisiana (System)

Plan Description

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

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

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

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

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

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

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

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

For the year ended December 31, 2018, the Claiborne Parish Police Jury’s total payroll for all employees was \$7,800. Total covered payroll was \$7,800. Covered payroll refers to all compensation paid by the Claiborne Parish Police Jury to active employees covered by the Plan.

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

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

NOTE 9 – RETIREMENT SYSTEMS (CONTINUED)

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

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

Contributions

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ended December 31, 2018, the actual employer contribution rate was 0.00% for January-June and 1.25% for July-December, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. In accordance with state statute, the System receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities but are not considered special funding situations.

Members are required by state statute to contribute 8.00% of their annual covered salary. The contributions are deducted from the employee’s wages or salary and remitted by the Claiborne Parish Police Jury to the System monthly. The Claiborne Parish Police Jury’s contributions to the System for the year ending December 31, 2018 were \$49.

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

At December 31, 2018, the Employer reported a liability of \$4,037 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2018 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Claiborne Parish Police Jury’s proportion of the Net Pension Liability was based on a projection of the Police Jury’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2018, the Police Jury’s proportion was 0.01255%, which was a decrease of 0.00029% from its proportion measured as of June 30, 2017.

For the year ended December 31, 2018, the Claiborne Parish Police Jury recognized pension expense of \$1,380 plus employer’s amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, which was \$120. Total pension expense for the Claiborne Parish Police Jury for the year ended December 31, 2018 was \$1,500.

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

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

NOTE 9 – RETIREMENT SYSTEMS (CONTINUED)

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

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$22	\$586
Changes in assumption	2,449	266
Net difference between projected and actual earnings on pension plan investments	338	-
Changes in employer’s portion of beginning net pension liability	313	379
Differences between employer contributions and proportionate share of employer contributions	-	81
Subsequent measurement contributions	49	-
Total	\$3,171	\$1,312

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

Year ended December 31,	
2019	\$893
2020	393
2021	5
2022	91
2023	428
2024	-

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

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

NOTE 9 – RETIREMENT SYSTEMS (CONTINUED)

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

Actuarial Assumptions

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

Valuation Date	June 30, 2018
Actuarial Cost Method	Entry Age Normal Cost
Actuarial Assumptions:	
Investment Rate of Return	6.50%, net of investment expense
Salary increases	5.50% (2.40% inflation, 3.10% merit)
Mortality rates	RP-2000 Combined Healthy with White Collar Adjustment Sex Distinct Tables (setback 1 year for females) projected to 2032 using scale Assistance with were selected for employees, annuitants, and beneficiaries. RP-2000 Disabled Lives Mortality Table (setback 5 years for males and 3 years for females) for disabled annuitants.
Expected remaining service lives	6 years
Cost of Living Adjustments	Only those previously granted

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

The long-term expected rate of return on pension plan investments was determined using building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The resulting long-term rate of return is 9.45% for the year ended June 30, 2018. The best estimates of arithmetic real rates of return for each major asset class based on the System’s target asset allocation as of June 30, 2018, were as follows:

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

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

NOTE 9 – RETIREMENT SYSTEMS (CONTINUED)

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equities	61.72%	10.82%
Fixed income	28.95%	6.36%
Alternatives	8.85%	10.50%
Real estate	0.48%	0.50%
Totals	100%	
Inflation		2.50%
Expected arithmetic nominal return		9.45%

Discount Rate

The discount rate used to measure the total pension liability was 6.50%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from participating employers will be made at actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System’s actuary. Based on those assumptions, the System’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payment to determine the total pension liability.

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

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

	1.0% Decrease (5.50%)	Current Discount Rate (6.50%)	1.0% Increase (7.50%)
Employer’s proportionate share of net pension liability	\$10,869	\$4,037	(\$1,775)

Payables to the Pension Plan

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

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

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

NOTE 9 – RETIREMENT SYSTEMS (CONTINUED)

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

Plan Fiduciary Net Position

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

NOTE 10 - POST RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

The Claiborne Parish Police Jury does not provide continuing health care or life insurance benefits for its retired employees.

NOTE 11 - RISK MANAGEMENT

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

NOTE 12 – COMMITMENTS AND CONTINGENCIES

At December 31, 2018, the police jury had no significant commitments or contingencies.

NOTE 13- COOPERATIVE ENDEAVOR

On October 5, 1995, the police jury entered into an agreement with the Louisiana Department of Public Safety and Corrections and the David Wade Correctional Center to provide a parish road site to store police jury equipment and to assist the department and the correctional center in maintaining their existing roads. The police jury agreed to erect an equipment yard for the storage of equipment and materials and to assist in the maintenance and construction of roads at the center when funds are available. The department and the center agreed to allow the police jury to maintain the parish road site on property owned by the center and to allow the police jury to place movable buildings at the site.

NOTE 14 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through June 27, 2019, the date on which the financial statements were available to be issued.

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

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

NOTE 15 – NEW ACCOUNTING STANDARDS

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

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

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

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

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

NOTE 15 – NEW ACCOUNTING STANDARDS (CONTINUED)

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

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

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

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

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

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

NOTE 15 – NEW ACCOUNTING STANDARDS (CONTINUED)

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

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

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

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

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

NOTE 15 – NEW ACCOUNTING STANDARDS (CONTINUED)

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

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

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

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

NOTE 16 – PRIOR PERIOD ADJUSTMENT

We noticed an error in the General Fund for prepaid insurance and workers comp insurance payable accounts. Due to this error, beginning fund balance, for 2018, was restated by \$55,433.

Required Supplemental Information (Part II)

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**REQUIRED SUPPLEMENTARY INFORMATION –
BUDGETARY COMPARISON SCHEDULES FOR MAJOR FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018**

Preliminary budgets for the ensuing year are prepared by the Secretary-Treasurer prior to November of each year. During November and December, the Finance Committee reviews the proposed budgets and makes changes as they deem appropriate. The availability of the proposed budgets for public inspection and the date of the public hearing on the budgets are then advertised in the official journal during December. During the first week of January prior to its regular meeting, the Police Jury holds a public hearing on the proposed budget in order to receive comments from residents. Changes are made to the proposed budgets based on the public hearing and the desires of the police jury as a whole. The budgets are then adopted during the Police Jury's regular January meeting (prior to the 15th), and a notice is published in the official journal.

During the year, the Police Jury receives monthly budget comparison statements which are used as a tool to control the operations of the Parish. The Secretary-Treasurer presents necessary budget amendments to the Police Jury during the year when, in his judgment, actual operations are differing materially from those anticipated in the original budget. The Jury, during a regular meeting, reviews the proposed amendments, makes changes as necessary, and formally adopts the amendments. The adoption of the amendments is included in Police Jury minutes published in the official journal.

The Police Jury exercises budgetary control at the function level. Unexpended appropriations lapse at year end and must be re-appropriated in the next year's budget to be expended.

For the year ended December 31, 2018, modified accrual-based budgets were adopted for the General Fund and all special revenue funds except for the Section 8 Fund which has a grant budget. Budgetary comparison schedules include the original budgets and all subsequent amendments.

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

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

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
REVENUES				
Taxes:				
Ad valorem taxes	\$ 480,000	\$ 480,000	\$ 459,429	\$ (20,571)
Other taxes, penalties and interest	8,000	7,200	6,947	(253)
Licenses and permits	91,500	95,000	94,568	(432)
Intergovernmental	1,769,900	1,790,200	1,651,382	(138,818)
Use of money and property	64,900	36,200	35,487	(713)
Other revenues	2,800	2,200	3,274	1,074
Total revenues	<u>2,417,100</u>	<u>2,410,800</u>	<u>2,251,087</u>	<u>(159,713)</u>
EXPENDITURES				
Current:				
General government:				
Legislative	125,400	125,700	123,227	2,473
Judicial	382,400	280,200	235,903	44,297
Elections	35,200	34,800	26,819	7,981
Finance and administrative	321,000	318,500	321,476	(2,976)
Other general government	234,000	247,200	276,077	(28,877)
Public safety	265,400	276,900	203,506	73,394
Public works	7,000	6,200	6,494	(294)
Health and welfare	31,900	35,400	35,184	216
Economic development and assistance	94,400	66,100	66,191	(91)
Conservation	6,200	6,200	6,200	-
Total expenditures	<u>1,502,900</u>	<u>1,397,200</u>	<u>1,301,077</u>	<u>96,123</u>
Excess of revenues over expenditures	<u>914,200</u>	<u>1,013,600</u>	<u>950,010</u>	<u>(63,590)</u>
OTHER FINANCING SOURCES (USES)				
Net increase (decrease) in fair value of investments	-	-	(15,728)	(15,728)
Operating transfers out	<u>(700,400)</u>	<u>(975,400)</u>	<u>(975,392)</u>	<u>8</u>
Total other financing sources (uses)	<u>(700,400)</u>	<u>(975,400)</u>	<u>(991,120)</u>	<u>(15,720)</u>
Net change in fund balance	213,800	38,200	(41,110)	(79,310)
Fund balance at beginning of year	5,265,600	5,265,600	5,321,029	55,429
Fund balance at end of year	<u>\$ 5,479,400</u>	<u>\$ 5,303,800</u>	<u>\$ 5,279,919</u>	<u>\$ (23,881)</u>

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

BUDGETARY COMPARISON SCHEDULE - PARISH ROAD SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2018

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
REVENUES				
Taxes:				
Ad valorem taxes	\$ 953,000	\$ 963,000	\$ 929,696	\$ (33,304)
Licenses and permits	3,600	13,700	13,075	(625)
Intergovernmental	445,000	352,200	363,615	11,415
Use of money and property	77,700	187,200	182,627	(4,573)
Other revenues	3,500	7,000	6,052	(948)
Total revenues	<u>1,482,800</u>	<u>1,523,100</u>	<u>1,495,065</u>	<u>(28,035)</u>
EXPENDITURES				
Current:				
General government:				
Public works	1,753,900	2,188,600	2,378,786	(190,186)
Capital outlay	260,000	182,200	-	182,200
Total expenditures	<u>2,013,900</u>	<u>2,370,800</u>	<u>2,378,786</u>	<u>(7,986)</u>
Excess (deficiency) of revenues over expenditures	<u>(531,100)</u>	<u>(847,700)</u>	<u>(883,721)</u>	<u>(36,021)</u>
OTHER FINANCING SOURCES (USES)				
Operating transfers in	<u>650,000</u>	<u>800,000</u>	<u>800,000</u>	<u>-</u>
Net change in fund balance	118,900	(47,700)	(83,721)	(36,021)
Fund balance at beginning of year	925,639	925,639	925,639	-
Fund balance at end of year	<u>\$ 1,044,539</u>	<u>\$ 877,939</u>	<u>\$ 841,918</u>	<u>\$ (36,021)</u>

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**BUDGETARY COMPARISON SCHEDULE - LIBRARY MAINTENANCE SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2018**

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
REVENUES				
Taxes:				
Ad valorem taxes	\$ 780,000	\$ 800,000	\$ 785,467	\$ (14,533)
Intergovernmental	17,000	17,000	17,361	361
Fees, charges, and commissions	12,000	11,400	11,666	266
Fines and forfeitures	-	-	7,025	7,025
Use of money and property	4,600	5,300	5,176	(124)
Contributions from private sources	800	3,700	3,790	90
Other revenues	1,100	200	816	616
Total revenues	815,500	837,600	831,301	(6,299)
EXPENDITURES				
Current:				
Culture and recreation	570,700	527,100	569,740	(42,640)
Debt service	196,400	196,400	196,359	41
Capital outlay	440,300	56,400	34,000	22,400
Total expenditures	1,207,400	779,900	800,099	(20,199)
Excess of revenues over expenditures	(391,900)	57,700	31,202	(26,498)
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	1,800	1,800	1,777	23
Total other financing sources (uses)	1,800	1,800	1,777	23
Net change in fund balance	(390,100)	59,500	32,979	(26,521)
Fund balance at beginning of year	1,465,537	1,539,765	1,539,765	-
Fund balance at end of year	\$ 1,075,437	\$ 1,599,265	\$ 1,572,744	\$ (26,521)

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

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

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
REVENUES				
Taxes:				
Sales and use taxes	\$ 695,000	\$ 575,000	\$ 624,786	\$ 49,786
Use of money and property	6,100	5,900	6,300	400
Total revenues	<u>701,100</u>	<u>580,900</u>	<u>631,086</u>	<u>50,186</u>
EXPENDITURES				
Current:				
Public works	<u>701,100</u>	<u>695,900</u>	<u>707,635</u>	<u>(11,735)</u>
Excess of revenues over expenditures	<u>-</u>	<u>(115,000)</u>	<u>(76,549)</u>	<u>38,451</u>
OTHER FINANCING SOURCES (USES)				
Net increase (decrease) in the fair value of investments	<u>-</u>	<u>-</u>	<u>(5,425)</u>	<u>(5,425)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(5,425)</u>	<u>(5,425)</u>
Net change in fund balance	-	(115,000)	(81,974)	33,026
Fund balance at beginning of year	1,229,135	1,229,135	1,229,136	1
Fund balance at end of year	<u>\$ 1,229,135</u>	<u>\$ 1,114,135</u>	<u>\$ 1,147,162</u>	<u>\$ 33,027</u>

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**SUPPLEMENTARY INFORMATION REQUIRED BY GASB STATEMENT NO. 68 - PERS
FOR THE YEAR ENDED DECEMBER 31, 2018**

Schedule of Employer's Proportionate Share of Net Pension Liability (Asset):

	Employer's proportion of the net pension liability (asset)	Employer's proportionate share of the net pension liability (asset)	Employer's covered employee payroll	Employer's proportionate share of the net pension liability (asset) as a percentage of its covered employee payroll	Plan fiduciary net pension as a percentage of the total pension liability (asset)
2015	0.214630%	\$ 58,682	\$ 1,207,538	4.86%	99.15%
2016	0.210418%	\$ 553,880	\$ 1,099,717	50.37%	92.23%
2017	0.213223%	\$ 439,136	\$ 1,169,746	37.54%	94.15%
2018	0.196860%	\$ (146,121)	\$ 1,097,845	-13.31%	101.98%

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

Schedule of Employer Contributions:

	Contractually required contribution	Contributions in relation to contractually required contribution	Contribution deficiency (excess)	Employer's covered employee payroll	Contributions as a percentage of covered employee payroll
2015	\$ 159,459	\$ 159,459	\$ -	\$ 1,099,717	14.50%
2016	\$ 152,067	\$ 152,067	\$ -	\$ 1,169,746	13.00%
2017	\$ 137,231	\$ 137,231	\$ -	\$ 1,097,845	12.50%
2018	\$ 116,542	\$ 116,542	\$ -	\$ 1,013,412	11.50%

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

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**SUPPLEMENTARY INFORMATION REQUIRED BY GASB STATEMENT NO. 68 - REGISTRAR OF VOTERS
FOR THE YEAR ENDED DECEMBER 31, 2018**

Schedule of Employer's Proportionate Share of Net Pension Liability (Asset):

	Employer's proportion of the net pension liability (asset)	Employer's proportionate share of the net pension liability (asset)	Employer's covered employee payroll	Employer's proportionate share of the net pension liability (asset) as a percentage of its covered employee payroll	Plan fiduciary net pension as a percentage of the total pension liability (asset)
2015	0.113055%	\$ 27,668	\$ 15,336	180%	76.86%
2016	0.111659%	\$ 31,683	\$ 15,336	207%	73.98%
2017	0.111969%	\$ 24,578	\$ 15,336	160%	80.51%
2018	0.110530%	\$ 26,090	\$ 15,336	170%	80.57%

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

Schedule of Employer Contributions:

	Contractually required contribution	Contributions in relation to contractually required contribution	Contribution deficiency (excess)	Employer's covered employee payroll	Contributions as a percentage of covered employee payroll
2015	\$ 3,585	\$ 3,585	\$ -	\$ 15,336	23.37%
2016	\$ 3,259	\$ 3,259	\$ -	\$ 15,336	21.25%
2017	\$ 2,837	\$ 2,837	\$ -	\$ 15,336	18.50%
2018	\$ 2,607	\$ 2,607	\$ -	\$ 15,336	17.00%

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

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**SUPPLEMENTARY INFORMATION REQUIRED BY GASB STATEMENT NO. 68 - DISTRICT ATTORNEY
FOR THE YEAR ENDED DECEMBER 31, 2018**

Schedule of Employer's Proportionate Share of Net Pension Liability (Asset):

	Employer's proportion of the net pension liability (asset)	Employer's proportionate share of the net pension liability (asset)	Employer's covered employee payroll	Employer's proportionate share of the net pension liability (asset) as a percentage of its covered employee payroll	Plan fiduciary net pension as a percentage of the total pension liability (asset)
2015	0.01656%	\$ 890	\$ 7,800	11%	98.56%
2016	0.01289%	\$ 2,467	\$ 7,800	32%	95.09%
2017	0.01284%	\$ 3,462	\$ 7,800	44%	93.57%
2018	0.01255%	\$ 4,037	\$ 5,850	69%	92.92%

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

Schedule of Employer Contributions:

	Contractually required contribution	Contributions in relation to contractually required contribution	Contribution deficiency (excess)	Employer's covered employee payroll	Contributions as a percentage of covered employee payroll
2015	\$ 410	\$ 410	\$ -	\$ 7,800	5.25%
2016	\$ 137	\$ 137	\$ -	\$ 7,800	1.76%
2017	\$ -	\$ -	\$ -	\$ 5,850	0.00%
2018	\$ 49	\$ 49	\$ -	\$ 7,800	0.63%

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

Other Supplemental Schedules

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

NONMAJOR SPECIAL REVENUE FUNDS –
COMBINING SCHEDULES – FUND DESCRIPTIONS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

Building Maintenance Fund

The Building Maintenance Fund is funded by an ad valorem tax and state revenue sharing funds and is used to maintain and repair parish-owned buildings, such as the courthouse, jail, police jury office, clerk of court's office, office of community services, and the parish health unit.

Equipment Fund

The purpose of the Equipment Fund is to purchase new equipment to maintain and construct parish roads. It is funded by ad valorem taxes and interest earned on investments.

Juvenile Maintenance Fund

The Juvenile Maintenance Fund accounts for court costs of ten dollars per case, assessed by the district court in criminal cases. The funds are used for the housing of juvenile offenders.

Office of Homeland Security and Emergency Preparedness

The Office of Homeland Security and Emergency Preparedness accounts for grants from the federal, state and local governments and operating transfers from the police jury's General Fund. Funding is used to assess the parish's emergency response and security needs and then implement programs and acquire equipment to address those needs.

Witness Fee Fund

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

Office of Community Services

The Office of Community Services was created by the police jury on June 5, 1986. The office is responsible for providing aid and assistance to residents of the parish, primarily the poor, needy, elderly, and unemployed. Funding for the various programs is provided by grants from federal and state agencies, the police jury's General Fund, and donations from the public. The Claiborne Parish Office of Community Services is reported as a special revenue fund of Claiborne Parish Police Jury. Supplementary schedules report the transactions of the various programs administered by the Office of Community Services.

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

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

ASSETS	BUILDING	EQUIPMENT	JUVENILE	OFFICE OF	WITNESS	OFFICE OF	TOTAL
	MAINTENANCE		MAINTENANCE	SECURITY AND EMERGENCY PREPAREDNESS		COMMUNITY SERVICES	
Cash and cash equivalents	\$ 28,055	\$ 272,713	\$ 144,610	\$ 219,678	\$ 21,991	\$ 69,179	\$ 756,226
Investments	-	5,977	-	-	-	161,192	167,169
Receivables	328,208	247,659	1,420	-	714	35,431	613,432
Due from other funds	18,812	-	-	-	-	289,096	307,908
TOTAL ASSETS	\$ 375,075	\$ 526,349	\$ 146,030	\$ 219,678	\$ 22,705	\$ 554,898	\$ 1,844,735
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES							
Liabilities:							
Accounts, salaries and other payables	\$ 77,125	\$ 9,202	\$ -	\$ -	\$ 950	\$ 21,493	\$ 108,770
Due to other funds	-	-	18,812	-	100	289,094	308,006
Total liabilities	<u>77,125</u>	<u>9,202</u>	<u>18,812</u>	<u>-</u>	<u>1,050</u>	<u>310,587</u>	<u>416,777</u>
Deferred inflows:							
Unavailable ad valorem tax revenue	<u>28,927</u>	<u>21,829</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,756</u>
Restricted fund balances	269,023	495,318	127,217	219,678	21,655	408,589	1,541,480
Unassigned fund balances	-	-	-	-	-	(164,278)	(164,278)
Total fund balances	<u>269,023</u>	<u>495,318</u>	<u>127,217</u>	<u>219,678</u>	<u>21,655</u>	<u>244,311</u>	<u>1,377,202</u>
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES	\$ 375,075	\$ 526,349	\$ 146,030	\$ 219,678	\$ 22,705	\$ 554,898	\$ 1,844,735

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

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

	BUILDING MAINTENANCE	EQUIPMENT	JUVENILE MAINTENANCE	OFFICE OF HOMELAND SECURITY AND EMERGENCY PREPAREDNESS	WITNESS FEE	OFFICE OF COMMUNITY SERVICES	TOTAL
REVENUES							
Ad valorem taxes	\$ 351,533	\$ 265,260	\$ -	\$ -	\$ -	\$ -	\$ 616,793
Intergovernmental revenues:							
Federal funds	-	-	-	56,859	-	336,992	393,851
State funds:							
State funds - state revenue sharing	14,397	10,854	-	-	-	-	25,251
Fees, charges, and commissions	-	-	-	-	10,074	8,248	18,322
Fines and forfeitures	-	-	20,020	-	-	-	20,020
Use of money and property	703	2,518	538	2,420	115	5,724	12,018
Other revenues	-	-	-	-	-	3,641	3,641
Total revenues	<u>366,633</u>	<u>278,632</u>	<u>20,558</u>	<u>59,279</u>	<u>10,189</u>	<u>354,605</u>	<u>1,089,896</u>
EXPENDITURES							
Current:							
General government:							
Judicial	259	-	500	-	2,000	-	2,759
Other general government	604,729	-	-	-	-	-	604,729
Public safety	-	-	-	90,168	-	-	90,168
Public works	-	41,677	-	-	-	-	41,677
Health and welfare	-	-	-	-	-	362,961	362,961
Capital outlay	-	253,513	-	-	-	-	253,513
Total expenditures	<u>604,988</u>	<u>295,190</u>	<u>500</u>	<u>90,168</u>	<u>2,000</u>	<u>362,961</u>	<u>1,355,807</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(238,355)</u>	<u>(16,558)</u>	<u>20,058</u>	<u>(30,889)</u>	<u>8,189</u>	<u>(8,356)</u>	<u>(265,911)</u>

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

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

	BUILDING MAINTENANCE	EQUIPMENT	JUVENILE MAINTENANCE	OFFICE OF HOMELAND SECURITY AND EMERGENCY PREPAREDNESS	WITNESS FEE	OFFICE OF COMMUNITY SERVICES	TOTAL
OTHER FINANCING SOURCES							
Operating transfers in	150,000	-	-	25,392	-	-	175,392
Sale of capital assets	-	33,540	-	-	-	3,292	36,832
Total other financing sources	150,000	33,540	-	25,392	-	3,292	212,224
Net change in fund balances	(88,355)	16,982	20,058	(5,497)	8,189	(5,064)	(53,687)
Fund balances at beginning of year	357,378	478,335	107,159	225,175	13,466	249,375	1,430,888
Fund balances at end of year	<u>\$ 269,023</u>	<u>\$ 495,318</u>	<u>\$ 127,217</u>	<u>\$ 219,678</u>	<u>\$ 21,655</u>	<u>\$ 244,311</u>	<u>\$ 1,377,202</u>

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

COMBINING SCHEDULES – OFFICE OF COMMUNITY SERVICES –
PROGRAM DESCRIPTIONS AS OF AND
FOR THE YEAR ENDED DECEMBER 31, 2018

The Claiborne Parish Office of Community Services is reported as a special revenue fund of Claiborne Parish Police Jury. The following schedules report the transactions of the various programs administered by the Office of Community Services. A description of the various programs is as follows:

Regular

The Regular program accounts for the general operations of the Office of Community Services. The program also accounts for Workforce Investment Act funds provided by the United States Department of Labor passed through the Louisiana Department of Labor and the Seventh Planning District Service Delivery Area. Additional funding is provided by local grants, interest earned on deposits, operating transfers from other programs and other miscellaneous local revenue sources.

Community Services Block Grant Fund

The Community Services Block Grant Fund (CSBG) accounts for funds provided by the United States Department of Health and Human Services through the Louisiana Department of Labor and are allocated to provide a range of services and activities having a measurable and potentially major impact on causes of poverty in the community.

Energy Fund

The Energy Fund accounts for funds provided by the United States Department of Health and Human Services through the Louisiana Department of Social Services and are allocated to assist low-income households with energy related utility fees.

Federal Emergency Management Act Fund

The Federal Emergency Management Act (FEMA) Fund accounts for funds provided by the Federal Emergency Management Agency. The purpose of the program is to supplement and expand ongoing efforts to provide shelter, food, and supportive services for needy families and individuals.

Transportation Fund

The Transportation Fund accounts for Section 18 funds which are provided by the United States Department of Transportation through the Louisiana Department of Transportation and Development and are used to provide financial assistance for public transportation in non-urbanized areas. The fund also accounts for Medical Assistance Program-Title XIX funds provided by the United States Department of Health and Human Services through the Louisiana Department of Social Services which are used to provide transportation to medical facilities for low-income and elderly persons.

Fares Fund

The Fares Fund accounts for fees received in the transportation program. Revenues of the fund are used to provide the local matching share for purchases of transportation vehicles. The Federal share is normally provided by the Section 18 program.

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS - OFFICE OF COMMUNITY SERVICES -
COMBINING BALANCE SHEET
AS OF DECEMBER 31, 2018

ASSETS	REGULAR	ENERGY	FEMA	TRANS- PORTATION	FARES	TOTAL
Cash and equivalents	\$ 29,617	\$ 21,628	\$ 100	\$ 8,944	\$ 8,890	\$ 69,179
Investments	161,192	-	-	-	-	161,192
Receivables	11,539	-	-	23,892	-	35,431
Due from other funds	143,340	44,480	-	-	101,276	289,096
TOTAL ASSETS	<u>\$ 345,688</u>	<u>\$ 66,108</u>	<u>\$ 100</u>	<u>\$ 32,836</u>	<u>\$ 110,166</u>	<u>\$ 554,898</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts, salaries, and other payables	\$ 16,677	\$ 4,816	\$ -	\$ -	\$ -	\$ 21,493
Due to other funds	89,934	1,946	121	197,093	-	289,094
Total liabilities	<u>106,611</u>	<u>6,762</u>	<u>121</u>	<u>197,093</u>	<u>-</u>	<u>310,587</u>
Fund balances - restricted	239,077	59,346	-	-	110,166	408,589
Unassigned fund balances	-	-	(21)	(164,257)	-	(164,278)
Total fund balances	<u>239,077</u>	<u>59,346</u>	<u>(21)</u>	<u>(164,257)</u>	<u>110,166</u>	<u>244,311</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 345,688</u>	<u>\$ 66,108</u>	<u>\$ 100</u>	<u>\$ 32,836</u>	<u>\$ 110,166</u>	<u>\$ 554,898</u>

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

**GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS - OFFICE OF COMMUNITY SERVICES -
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2018**

	REGULAR	ENERGY	FEMA	TRANS- PORTATION	FARES	TOTAL
Revenues:						
Intergovernmental revenues:						
Federal funds	\$ 80,161	\$ 22,443	\$ -	\$ 234,388	\$ -	\$ 336,992
Fees, charges, and commissions	-	-	-	-	8,248	8,248
Use of money and property	5,482	16	-	148	78	5,724
Other revenues	3,641	-	-	-	-	3,641
Total revenues	<u>89,284</u>	<u>22,459</u>	<u>-</u>	<u>234,536</u>	<u>8,326</u>	<u>354,605</u>
Expenditures:						
Current - health and welfare	89,572	8,615	7,976	241,785	15,013	362,961
Total expenditures	<u>89,572</u>	<u>8,615</u>	<u>7,976</u>	<u>241,785</u>	<u>15,013</u>	<u>362,961</u>
Excess (deficiency) of revenues over expenditures	<u>(288)</u>	<u>13,844</u>	<u>(7,976)</u>	<u>(7,249)</u>	<u>(6,687)</u>	<u>(8,356)</u>
Net change in fund balances	(288)	13,844	(7,976)	(3,957)	(6,687)	(5,064)
Fund balances (deficits) at beginning of year	239,365	45,502	7,955	(160,300)	116,853	249,375
Fund balances (deficits) at end of year	<u>\$ 239,077</u>	<u>\$ 59,346</u>	<u>\$ (21)</u>	<u>\$ (164,257)</u>	<u>\$ 110,166</u>	<u>\$ 244,311</u>

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

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

The schedule of compensation paid to police jurors is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the police jurors is included in the legislative expenditures of the General Fund. In accordance with Louisiana Revised Statute-33:1233, the police jury has elected the monthly payment method of compensation. Under this method, the president receives \$700 per month and the other jurors receive \$600 per month.

	<u>District</u>	<u>Compensation</u>
James Laird	One	\$ 7,200
Mark Furlow	Two	7,200
Kevin Gray	Three	7,200
Joe Sturges	Four	6,280
Ardifene D. Williams	Four	820
Paul Cook	Five	7,200
Scott Davidson, President	Six	8,400
Joseph Merritt	Seven	7,200
Tommy Sanders	Eight	7,200
Carrell Dowies	Nine	7,200
Willie Young, Sr.	Ten	7,200
Total		<u>\$ 73,100</u>

CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA

**SCHEDULE OF COMPENSATION, REIMBURSEMENTS, BENEFITS, AND
OTHER PAYMENTS TO AGENCY HEAD
FOR THE YEAR ENDED DECEMBER 31, 2018**

The schedule of compensation, benefits, reimbursements, and other payments paid to or on behalf of the agency head (secretary-treasurer) is presented in compliance with Act 706 of the 2014 Session of the Louisiana Legislature. These expenditures are included in the general government – financial and administrative expenditures of the General Fund.

Dwayne Woodard, Secretary-Treasurer

Salary:

Secretary - Treasurer salary	\$ 88,772
Criminal Court admin fee	1,800

Benefits:

Health insurance	8,542
Retirement - PERS	10,027
Medicare	1,247
Workers' Compensation Insurance	265

Reimbursements:

Cell phone	570
Mileage	293

Other items paid on behalf of Secretary-Treasurer:

Dues	722
	<u>\$ 112,238</u>

Other Reports



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

**To the Claiborne Parish Police Jury
Homer, Louisiana**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the primary government financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Claiborne Parish Police Jury, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise Claiborne Parish Police Jury's financial statements, and have issued our report thereon dated June 27, 2019.

Internal Control over Financial Reporting

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

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

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

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompany schedule of findings and questioned costs as item 2018-003 to be a significant deficiency.

Claiborne Parish Police Jury
Homer, Louisiana
Independent Auditor's Report on Internal Control
Over Financial Reporting and on Compliance, etc.
December 31, 2018

Compliance and Other Matters

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

Claiborne Parish Police Jury's Response to Findings

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

Purpose of this Report

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

BOSCH & STATHAM, LLC



Ruston, Louisiana
June 27, 2019

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

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

A. SUMMARY OF AUDIT RESULTS

1. The Police Jury issues primary government financial statements. The auditor's report expresses unqualified opinions on the financial statements of the governmental activities and each major fund. Due to the omission of the financial statements of the component units listed in note 1 to the financial statements, the auditor's report expresses a qualified opinion on the aggregate remaining fund information and an adverse opinion on the aggregate discretely presented component units. The component units issue separate audited financial statements.
2. Two material weaknesses are reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. One significant deficiency relating to the audit of the financial statements are reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
4. No instances of noncompliance material to the financial statements of the Claiborne Parish Police Jury were disclosed during the audit.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

2018-001 Check Number in Accounting Records Does not Match Cleared Check

First Reported

2018

Type

Material Weakness in Internal Control

Condition

During our test of bank reconciliations, we noted an outstanding check in the Criminal Court Fund for \$69,019.31 was recorded as check number 150331 but cleared the bank in January 2019 as check number 151336.

Criteria

Policies and procedures should include controls to ensure that checks are accurately recorded.

Cause

The bookkeeper overlooked that the printed check numbers for a check run did not match the check numbers recorded in the accounting software. The bank reconciliation process did not detect the difference in check numbers.

Effect

The error described could result in the check being recorded multiple times which could result in an understatement of cash, an overstatement of expenditures, and/or an understatement of liabilities.

Recommendation

We recommend that policies and procedures be evaluated and modified as necessary in writing to reduce the risk that checks could be duplicated.

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

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

Management's Response

As of June 1, 2019 – the Claiborne Parish Policy Jury will more thoroughly review both the accounts payable process to ensure that printed check numbers on the check and check numbers assigned in the A/P QuickBooks system match in all accounts.

2018-002 Office of Community Services (OCS) Interfund Balances not Cleared

First Reported

2018

Type

Material Weakness in Internal Control

Condition

Interfund balances totaling \$289,096 in the funds of the OCS originated in prior years for the most part. Most of OCS's funds include interfund balances.

Criteria

Interfund balances should be regularly analyzed for existence, completeness, accuracy, and classification. When possible, balances should be cleared by transferring funds.

Cause

Management does not fully understand the nature of the accounts. The current Executive Director was not in office when some of the balances originated. In some cases, management was initially uncertain as to the ability of the funds to repay amounts owed.

Effect

Amounts may be misclassified. Balances that will never be repaid may be classified as interfund balances when interfund transfers should be recorded.

Recommendation

We recommend that management analyze the balances, make a determination for each one, and transfer funds or make entries as deemed necessary. Management should be mindful of restrictions on funds during this process.

Management's Response

The Secretary-Treasurer and the OOCS Board will take a more active role in the oversight of day-to-day operations of the OOCS to ensure compliance and proper accounting procedures by the OCS Executive Director and his staff. As of June 24, 2019, the OOCS has hired a new administrative assistant with experience in bookkeeping and QuickBooks to work in the OCS financial office.

2018-003 OCS Transportation Driver Paid for Time Not Worked

First Reported

2018

Type

Significant Deficiency in Internal Control

**CLAIBORNE PARISH POLICE JURY
HOMER, LOUISIANA**

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

Condition

During inquiries, we were made aware that the Executive Director of the Claiborne Parish Office of Community Services (OCS) had been notified that, during the period from April 2018 to April 2019, a van driver was not clocking out while working at his second job as a bus driver for Claiborne Parish School Board. The Director reviewed the driver's previous timesheets and determined this was a regular occurrence. The Director calculated the sum of overpayments to be \$458.64. The Director terminated the van driver and contacted the Secretary-Treasurer of the Police Jury. The Secretary-Treasurer contacted the Legislative Auditor, the District Attorney, and the Sheriff. Due to the amount in question, restitution was accepted, and no charges were filed.

Criteria

Payroll and benefit costs are typically the highest cost for a governmental agency. Basic controls for managing payroll include review of attendance records to consider whether hours recorded are reasonable and accurate.

Cause

Current controls failed to detect the driver's failure to clock out.

Effect

The driver appears to have been overpaid by a sum of \$458.64. The deficiency in controls may have allowed other instances of fraud or errors.

Recommendation

We recommend that management ensure that controls are properly designed and implemented to reduce the risk of errors and fraud in payroll. Written policies and procedures should be updated.

Management's Response

Please see Management's Response to Finding No. 2018-002.

C. STATUS OF PRIOR YEAR FINDINGS

No findings were reported.



MANAGEMENT LETTER

To the Claiborne Parish Police Jury Homer, Louisiana

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

However, during our audit, we noted certain matters involving internal control that are presented for your consideration. This letter does not affect our report dated June 27, 2019, on the financial statements of the Police Jury. We will review the status of these comments during our next audit engagement. Our comments and recommendations, which have been discussed with appropriate members of management, are intended to improve the internal control or result in other operating efficiencies. We will be pleased to discuss these comments in further detail at your convenience, to perform additional study of these matters, or to assist you in implementing the recommendations. Our comments and management's responses are summarized as follows:

ML2018-001 Comprehensive Road Department Policies and Procedures

First Reported 2018

Condition

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

Criteria

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

Claiborne Parish Police Jury
Homer, Louisiana
Management Letter
December 31, 2018

Cause

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

Effect

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

Recommendation

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

Management's Response

The Claiborne Parish Police Jury will implement the auditor's recommendation and develop and implement formal written policies and procedures for the operation of the Claiborne Parish Highway Department.

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

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

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

BOSCH & STATHAM, LLC

Bosch & Statham

Ruston, Louisiana
June 27, 2019

Scott Davidson
President

Dwayne R. Woodard
Secretary-Treasurer

Claiborne Parish Police Jury

P.O. Box 270
Homer, Louisiana 71040-0270
318-927-2222 318-927-2727 fax

June 27, 2019

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

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

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

Yes No
2. For the fiscal period *January 1, 2018 through December 31, 2018*, the C/C areas were administered in accordance with the best practice criteria presented in the SAUPs.

Yes No
3. We are responsible for selecting the criteria and procedures and for determining that such criteria and procedures are appropriate for our purposes.

Yes No
4. We have disclosed to you all known matters contradicting the results of the procedures performed in C/C areas.

Yes No
5. We have disclosed to you any communications from regulatory agencies, internal auditors, other independent practitioners or consultants, and others affecting the C/C areas, including communications received between *December 31, 2018*, and *June 27, 2019*.

Yes No

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

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

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

Signature *Wayne Woodard* Date 6/28/2019

Title Secretary-Treasurer

 CLAIBORNE PARISH POLICE JURY
 P.O. BOX 270
 HOMER, LA 71040-0270



Independent Accountant's Report
on Applying Agreed-Upon Procedures

To the Claiborne Parish Police Jury
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below, which were agreed to by Claiborne Parish Police Jury (Entity) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2018 through December 31, 2018. The Entity's management is responsible for those C/C areas identified in the SAUPs.

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

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain the entity's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the entity's operations):

We obtained and inspected the written policies and procedures for the Police Jury, Library, and Office of Community Services.

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

The Jury and Library policies include all required elements. The Office of Community Service (OCS) lacked the required elements.

Exceptions: See above.

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

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

The Jury's policy did not address elements (1) and (2). The Library's policy did not address elements (1), (2), or (5). We noted no other exceptions.

Exceptions: See above.

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

- c) **Disbursements**, including processing, reviewing, and approving

The Library did not submit a disbursements policy to the auditor. We noted no other exceptions.

Exceptions: See above.

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

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

The Jury's policy did not address preparation of deposits and completeness. OCS's policy did not address recording and completeness. The Library's policy did not address receiving, recording, or completeness.

Exceptions: See above.

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

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

The Jury's policy did not address approval of leave and overtime. OCS's policy did not address reviewing of time, attendance, and leave records. The Library's policy did not address the required elements.

Exceptions: See above.

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

- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process

The Jury's policy does not address element (1), (2), or (5). OCS's policy only addresses the element of approval. The Library's policy does not address elements (1) or (2).

Exceptions: See above.

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

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

The Jury's policy does not address elements (2) and (4).

Exceptions: See above

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

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

We noted no exceptions in the travel policies.

Exceptions: None

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

Neither the Jury's policy nor the Library's policy addressed the required elements. OCS's policy only addressed element (2).

Exceptions: See above.

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

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

The Jury's policy did not address elements (2) or (3). Neither OCS or the Library submitted a debt service policy to the auditor.

Exceptions: See above.

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

Board (or Finance Committee, if applicable)

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

We obtained and reviewed the board minutes for the fiscal period. The finance committee meetings are recorded. However, the recordings are not transcribed.

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

We observed the Board met at least monthly.

Exceptions: None

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

Although the minutes contained references to financial information, they did not reference budget to actual comparisons.

Exceptions: See above.

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

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

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

Exceptions: None.

Bank Reconciliations

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

We obtained the listing as required and haphazardly selected the month of October 2018 for testing.

Exceptions: None

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

The selected bank reconciliations included evidence that they were performed within two months of the statement closing date.

Exceptions: None

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

One of the five reconciliations did not include evidence of review.

Exceptions: See above.

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

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

Two of the five reconciliations selected for testing included stale items. Neither reconciliation included documentation that management researched the reconciling items.

Exceptions: See above

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

Collections

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

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

Exceptions: None

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

We obtained a listing of collection locations for each deposit site, and management's representation that the listing is complete. We selected one location for each deposit site. We obtained written policies and procedures relating to employee job duties for the Police Jury employees. We obtained an understanding of employee job duties for OCS and the Library.

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

We noted employees at OCS and the Police Jury do not share cash drawers, while employees at the Library sometimes share cash drawers depending on how many employees are behind the counter.

Exceptions: See above.

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

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

We noted no employees responsible for collecting cash that are also responsible for preparing/making bank deposits.

Exceptions: None

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

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

Exceptions: None

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

We noted no exceptions.

Exceptions: None

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

All employees are covered by an insurance policy for theft.

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

We haphazardly selected two deposit dates for each of the five bank accounts selected for procedure #3 and obtained all supporting documentation for the deposits. There were no deposits made in the months selected for one of the five bank accounts.

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

Most collections by the Police Jury consist of checks received in the mail, for which the Police Jury does not issue a receipt. The Library uses a cash register.

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

We agreed receipts for the Library collections to the deposit slip, and where applicable, we agreed checks to the deposit slip. We noted no exceptions.

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

We noted no exceptions.

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

We were unable to determine timeliness for six of eight deposits tested, as they were either EFTs or interest posted directly by the bank, or the receipt date of the check was not documented. We noted two of eight deposits were not deposited within one day of collection.

Exceptions: See above.

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

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

We noted no exceptions.

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

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

We obtained a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. The Police Jury has 4 disbursement locations: The Police Jury office, the Office of Emergency Preparedness, the Office of Community Services (OCS), and the Library.

Exceptions: None

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

We obtained a listing of employees involved with non-payroll purchasing and payment functions. We obtained written policies and procedures relating to job duties for employees at the Police Jury. We obtained an understanding of employee job duties for OCS and the Library.

Exceptions: None

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

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

Exceptions: None

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

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

Exceptions: None

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

We noted employees at all disbursement locations who process payments are allowed to add/modify vendor files.

Exceptions: See above.

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

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

We noted employees who sign checks at all disbursement locations give those checks back to the employee who processed them for mailing.

Exceptions: See above.

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

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

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

Exceptions: None

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

We noted no exceptions for the fifteen disbursements tested for the Police Jury, Library, and OEP. The documentation we received for one out of five OCS transaction was inadequate.

Exceptions: None

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

We noted no exceptions for the fifteen disbursements tested for the Police Jury, Library, and OEP. The documentation we received for one out of five OCS transaction was inadequate.

Exceptions: None

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

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

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

Exceptions: None

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

Using the listing, we randomly selected FIVE cards that were used during the fiscal period. We randomly selected one monthly statement for each card and obtained the supporting documentation.

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

We noted that two of the five statements selected for testing are being reviewed/approved by the cardholder.

Exceptions: See above.

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

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

We noted finance charges were assessed on one of the five statements selected for testing.

Exceptions: See above.

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

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

We selected all transactions from the statements selected for testing, excluding fuel cards, as there were less than ten transactions on each. Documentation for one card statement was not submitted to the auditor for inspection.

Three transactions were not supported by an original itemized receipt.

The business purpose was not documented for three out of five transactions.

No meal charges were selected for testing.

Exceptions: See above.

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

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

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

We created a list of travel reimbursements from the general ledger. We haphazardly selected five of those reimbursements and requested the related documentation for each reimbursement. No documentation was submitted to us for one of the five reimbursements.

Exceptions: See above.

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

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

We noted no exceptions.

Exceptions: None

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

None of the reimbursements were based on per diem rates.

Exceptions: None

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

Four out of five reimbursements tested were supported by documentation of the business/public purpose. No meals were charged.

Exceptions: See above.

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

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

Three out of four reimbursements tested included documentation of review and approval by someone other than the recipient.

Exceptions: See above.

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

Contracts

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

Management represented that there were no contracts initiated or renewed during the period.

Exceptions: None

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

See above.

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

See above.

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

See above.

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

See above.

Payroll and Personnel

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

We obtained a listing of employees/elected officials during the fiscal period. We selected five employees and obtained the related paid salaries and personnel files. We agreed the paid salaries to the authorized salaries found in the personnel file for two of the five employees tested.

Exceptions: See above.

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

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

We obtained attendance records and leave documentation for the pay period.

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

We observed one out of the five employees did not document their attendance and leave.

Exceptions: See above.

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

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

Of the four documented attendance records, one showed supervisor approval.

Exceptions: See above.

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

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

Two of the five selected employees are part-time and do not earn leave. We inspected leave records for the remaining three employees. None of the employees used accrued leave during the tested pay period.

Exceptions: None

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

Management listed no employees receiving a termination payment during the fiscal period.

Exceptions: None

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

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

Exceptions: None.

Ethics

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

Using the selected employees/officials, we obtained the ethics documentation from management.

Exceptions: None.

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

We observed that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

Exceptions: None.

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

No documentation was submitted to support that employees/officials attested through signature verification that they read the entity's ethics policy during the period.

Exceptions: See above.

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

Debt Service

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

Management listed no new debt. We obtained a representation that the listing is complete.

Exceptions: None.

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

We obtained a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Only one bond was listed. We obtained bond documents and noted only a requirement for a sinking fund. We noted no exceptions.

Exceptions: None.

Other

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

Management listed no misappropriations. We obtained management's representation that the listing is complete.

Exceptions: None.

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

We observed the required notice posted on bulletin boards at both entrances to the Police Jury building as well as on the home page of the website (<http://www.claiborneparish.org/>).

Exceptions: None.

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

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

BOSCH & STATHAM, LLC

Bosch & Statham

Ruston, Louisiana

June 27, 2019

Scott Davidson
President

Dwayne R. Woodard
Secretary-Treasurer

Claiborne Parish Police Jury

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June 28, 2019

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Management's Response to the Independent Accountant's Report on Applying Agreed-Upon Procedures (Statewide AUPs)

The Claiborne Parish Police Jury will consider the auditor's comments and take action as considered necessary on the exceptions noted in the following areas:

Written Policies and Procedures
Board (or Finance Committee, if applicable)
Bank Reconciliations
Collections
Non-Payroll Disbursements (excluding credit card purchases/payments, travel reimbursements, and petty cash purchases)
Credit Cards/Debit Cards/Fuel Cards/P-Cards
Travel and Travel-Related Expense Reimbursement
Contracts
Payroll and Personnel
Ethics

The Claiborne Parish Police Jury will continue to strive to improve its policies, procedures and compliance under the Statewide AUPs to lower its exposure to fraud, theft and misappropriation.

While the management of the CPPJ understands the LA Legislative Auditor's intent and purpose behind these new procedures and agrees that all steps should be taken to prevent malfeasance and misappropriation of public funds, we still feel that an undue financial burden is being placed on the smaller parishes, municipalities and other governmental districts/entities that have very limited financial resources and smaller operations. We hope that the Louisiana Legislature and the Legislative Auditor's Office will continue to try to formulate a less burdensome more cost-effective solution that is based on either the population of the parish/municipality or total budgeted expenditures per year.

CLAIBORNE PARISH POLICE JURY



Dwayne R. Woodard
Secretary-Treasurer