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**Concordia Parish Police Jury**

***Financial Statements***

**December 31, 2018**

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# Concordia Parish Police Jury

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## **Independent Auditor's Report**

To the Police Jurors  
Concordia Parish Police Jury  
Vidalia, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Concordia Parish Police Jury, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the basic financial statements of the Concordia Parish Police Jury's primary government as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

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

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

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

## 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 – Drainage	Unmodified
Governmental Fund – Highway Maintenance	Unmodified
Governmental Fund – Solid Waste	Unmodified
Governmental Fund – Sales Tax	Unmodified
Governmental Fund – Debt Service	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 Concordia Parish Police Jury’s legally separate component units. Accounting principles generally accepted in the United States of America require financial data for those component units to be reported with the financial data of the Concordia Parish Police Jury’s primary government unless the Concordia Parish Police Jury also issues financial statements for the financial reporting entity that include the financial data for its component units. The Concordia Parish Police Jury has not issued such reporting entity financial statements. The amount by which this departure would affect the assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues, and expenses of the aggregate discretely presented component units and the aggregate remaining fund information is not reasonably determinable.

### **Adverse Opinion**

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

### **Qualified Opinion**

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

## **Unmodified Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Concordia Parish Police Jury, as of December 31, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### ***Required Supplementary Information***

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

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

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

### ***Supplementary and Other Information***

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

To the Police Jurors  
Concordia Parish Police Jury  
Vidalia, Louisiana

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

The independent accountant's report on applying agreed-upon procedures on pages 75 – 82 have not been subjected to the auditing procedures applied in the audit of the financial statements, and, accordingly, we do not express an opinion or provide any assurance on them.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated August 7, 2019, on our consideration of the Concordia Parish Police Jury's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Concordia Parish Police Jury's internal control over financial reporting and compliance.



Covington, Louisiana  
August 7, 2019

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*Management's Discussion and Analysis*

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# Concordia Parish Police Jury Management's Discussion and Analysis

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## Introduction

As management of the Concordia Parish Police Jury (the "Police Jury"), we offer readers of the Police Jury's financial statements the management's discussion and analysis (the "MD&A") of the financial activities of the Police Jury, as of and for the year ended December 31, 2018. This section is designed to assist the reader in focusing on significant financial issues, provide an overview of the Police Jury's financial activity, identify changes in the Police Jury's financial position (its ability to address the next and subsequent year challenges), and identify individual program issues or concerns.

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

## Financial Highlights

- Total assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$17.04 million (reported as net position) as of December 31, 2018. Of this amount, \$4.56 million was reported as "unrestricted net position." A positive balance indicates these funds were available for discretionary purposes.
- The Police Jury's net investment in capital assets is \$2,477,023, a decrease of approximately 7.50% from December 31, 2017 to December 31, 2018.
- The Police Jury's bond debt decreased by \$428,815, approximately 6.16%, from December 31, 2017 to December 31, 2018.

## Overview of the Financial Statements

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

### Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of the Police Jury's finances, in a manner similar to a private-sector business. The government-wide financial statements outline functions of the Police Jury that are principally supported by property taxes and intergovernmental revenues (governmental activities). Capital assets and related debt are also supported by taxes and intergovernmental revenues.

### *Statement of Net Position*

The statement of net position presents information on all of the Police Jury's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Police Jury is improving or deteriorating.

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# Concordia Parish Police Jury Management's Discussion and Analysis

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## *Statement of Activities*

The statement of activities presents information showing how the Police Jury's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes).

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

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

## **Fund Financial Statements**

A fund is a group of related accounts used to maintain control over resources that are segregated for specific activities or objectives. The Police Jury, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Police Jury can be divided into two categories: governmental funds and an internal service fund.

## *Governmental Funds*

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

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

# **Concordia Parish Police Jury Management's Discussion and Analysis**

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

## ***Internal Service Fund***

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

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

## ***Component Units***

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

## **Notes to Financial Statements**

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

## **Other Information**

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

# Concordia Parish Police Jury Management's Discussion and Analysis

## Financial Analysis of the Police Jury

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

	2018	2017	Increase (Decrease)	Variance
<b>Assets</b>				
Current assets	\$ 10,252,550	\$ 9,962,597	\$ 289,953	2.91%
Restricted assets	4,563,169	3,978,927	584,242	14.68%
Capital assets, net	9,014,689	9,644,449	(629,760)	-6.53%
Net pension asset	60,472	-	60,472	100.00%
	<u>23,890,880</u>	<u>23,585,973</u>	<u>304,907</u>	<u>1.29%</u>
<b>Deferred Outflows of Resources</b>	<u>271,711</u>	<u>424,675</u>	<u>(152,964)</u>	<u>-36.02%</u>
	<u><u>\$ 24,162,591</u></u>	<u><u>\$ 24,010,648</u></u>	<u><u>\$ 151,943</u></u>	<u><u>0.63%</u></u>
<b>Liabilities</b>				
Current liabilities	\$ 706,394	\$ 976,679	\$ (270,285)	-27.67%
Noncurrent liabilities	6,093,851	6,886,159	(792,308)	-11.51%
	<u>6,800,245</u>	<u>7,862,838</u>	<u>(1,062,593)</u>	<u>-13.51%</u>
<b>Deferred Inflows of Resources</b>	322,534	68,067	254,467	373.85%
<b>Net Position</b>				
Net investment in capital assets	2,477,023	2,677,968	(200,945)	-7.50%
Restricted	10,000,185	8,820,868	1,179,317	13.37%
Unrestricted	4,562,604	4,580,907	(18,303)	-0.40%
	<u>17,039,812</u>	<u>16,079,743</u>	<u>960,069</u>	<u>5.97%</u>
	<u><u>\$ 24,162,591</u></u>	<u><u>\$ 24,010,648</u></u>	<u><u>\$ 151,943</u></u>	<u><u>0.63%</u></u>

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

Current assets increased by \$289,953, approximately 2.91%, from December 31, 2017 to December 31, 2018, due primarily to an increase in cash deposits. Restricted assets increased by \$584,242, approximately 14.68% from December 31, 2017 to December 31, 2018, due primarily to an increase in cash deposits.

Current liabilities decrease by \$270,285, approximately 27.67%, from December 31, 2017 to December 31, 2018, primarily from a decrease in the current portion due on bonds and a decrease in accruals. Noncurrent liabilities decreased by \$792,308, approximately 11.51%, from December 31, 2017 to December 31, 2018, resulting primarily from principal payments on sales tax bonds.

## Concordia Parish Police Jury Management's Discussion and Analysis

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

	2018	2017	Increase (Decrease)	Variance
<b>Revenues</b>				
Program Revenues				
Charges for services	\$ 368,536	\$ 406,114	\$ (37,578)	-9.25%
Operating grants	141,197	151,285	(10,088)	-6.67%
Capital grants	565,497	427,445	138,052	32.30%
General Revenues				
Taxes	4,388,214	4,487,508	(99,294)	-2.21%
Intergovernmental	1,063,088	1,009,723	53,365	5.29%
Interest	75,629	63,446	12,183	19.20%
Other general revenues	103,999	106,683	(2,684)	-2.52%
	<u>6,706,160</u>	<u>6,652,204</u>	<u>53,956</u>	0.81%
<b>Expenses</b>				
General government	1,710,403	1,897,997	(187,594)	-9.88%
Public safety	293,381	231,123	62,258	26.94%
Public works	2,876,305	2,750,332	125,973	4.58%
Health and welfare	291,466	287,844	3,622	1.26%
Culture and recreation	38,093	44,730	(6,637)	-14.84%
Economic development	77,921	79,244	(1,323)	-1.67%
Grants to subrecipients	307,072	280,791	26,281	100.00%
Interest on long-term debt	151,450	177,858	(26,408)	-14.85%
	<u>5,746,091</u>	<u>5,749,919</u>	<u>(3,828)</u>	-0.07%
Change in net position	960,069	902,285	57,784	6.40%
Net position, beginning of year	<u>16,079,743</u>	<u>15,177,458</u>	<u>902,285</u>	5.94%
Net position, end of year	<u>\$ 17,039,812</u>	<u>\$ 16,079,743</u>	<u>\$ 960,069</u>	5.97%

The Police Jury's revenues increased by \$53,956, approximately 0.81%, from December 31, 2017 to December 31, 2018 due primarily from an increase in capital grants.

Net position increased by \$960,069, approximately 5.97%, from December 31, 2017 to December 31, 2018 due from revenues exceeding expenses.

# Concordia Parish Police Jury Management's Discussion and Analysis

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## General Fund Budgetary Highlights

The Police Jury's budget was amended quarterly during the last year. The final budgeted expenditures of the general fund were \$1,862,215 and revenues were budgeted at \$1,943,918. Actual expenditures, budgetary basis, of the general fund were less than the budgeted amounts by \$48,976, approximately 2.56%. Revenues were less than budgeted amounts by \$76,868, approximately 4.12%. The budgetary comparison schedules of the major governmental funds can found at pages 58-63.

## Capital Assets

At December 31, 2018 the Police Jury had \$9,014,689 invested in capital assets, net of accumulated depreciation. This investment in capital assets consisted of the following at December 31:

	2018	2017	Variance	Variance
Buildings and improvements	\$ 6,384,331	\$ 6,264,216	\$ 120,115	1.92%
Infrastructure	947,194	947,194	-	0.00%
Furniture, fixtures, equipment	436,844	436,844	-	0.00%
Machinery and equipment	2,864,839	2,707,289	157,550	5.82%
Transportation equipment	1,083,826	1,114,826	(31,000)	-2.78%
Roads and bridges	12,195,458	12,195,458	-	0.00%
	<u>23,912,492</u>	<u>23,665,827</u>	<u>246,665</u>	1.04%
Accumulated depreciation	<u>(15,435,344)</u>	<u>(14,597,993)</u>	<u>(837,351)</u>	-5.74%
	8,477,148	9,067,834	(590,686)	-6.51%
Land	7,038	7,038	-	0.00%
Construction in progress	<u>530,503</u>	<u>569,577</u>	<u>(39,074)</u>	-6.86%
	<u><u>\$ 9,014,689</u></u>	<u><u>\$ 9,644,449</u></u>	<u><u>\$ (629,760)</u></u>	-6.53%

The Police Jury's investment in capital assets, net of current year depreciation, decreased \$629,761 from December 31, 2017 to December 31, 2018 due to depreciation exceeding capital asset additions. Additions made during the 2018 fiscal year include the following:

General government	
Buildings	\$ 81,041
Public works	
Machinery and equipment	<u>157,550</u>
	<u><u>\$ 238,590</u></u>

# Concordia Parish Police Jury Management's Discussion and Analysis

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## Bond Debt Administration

At December 31, 2018, the Police Jury had outstanding general obligation bonds totaling \$6.53 million, a decrease of approximately 6.16% from December 31, 2017. Bonds consisted of the following at December 31:

	<u>2018</u>	<u>2017</u>	<u>Variance</u>	<u>Variance</u>
Sales tax bond, series 2015	\$ 2,405,000	\$ 2,662,000	\$ (257,000)	-9.65%
Sales tax bond, series 2016	4,100,000	4,270,000	(170,000)	-3.98%
Series 2016, bond premium	<u>32,666</u>	<u>34,481</u>	<u>(1,815)</u>	-5.26%
	<u>\$ 6,537,666</u>	<u>\$ 6,966,481</u>	<u>\$ (428,815)</u>	-6.16%

## Economic Factors and Next Year's Operations and Rates

The Police Jury continued to move forward with projects funded by federal grants. The Concordia Parish Waterworks District is making progress on the CWEF project. Lake St. John Waterworks District has applied for a new CWEF grant for funding toward a new software system that will allow residents to check their usage remotely in an effort to report any damage to water lines.

The GOHSEP and FEMA project #427, referred as the "Brushy Bayou Project," completed a third party review in 2017. In 2018, efforts were made to complete the scope of work for Phase I and gain approval for continuing to Phase II. A final design has been completed and submitted to the appropriate entities for further review and permitting. The overall project is funded for \$4,610,000 to improve drainage through hazard mitigation.

The courtroom renovation project provided by a FP&C grant continues. The vertical lift providing compliancy with the Americans with Disabilities Act was completed in December of 2018. The courtroom renovations are waiting on technical specifications to be reviewed and approved. The project is funded for \$315,000 and the Police Jury is to provide \$105,000 of matching funds.

At the end of 2018, Ad Valorem property taxes increased by approximately 1.07% while parish sales taxes collected also increased by approximately 1.12% from the previous year. In addition, severance taxes received from the state were up 1.05% for the 2018 calendar year. However, State Transportation Fund proceeds, which helps support the highway maintenance fund, were down approximately 1% from 2017.

In 2018, the Police Jury also invested in a GPS system to help with tracking the Police Jury's vehicles and project performance. The Police Jury also invested in a bulldozer and made plans to purchase equipment help with drainage in 2019.

The Police Jury plans to continue applying for allocations for FP&C, LGAP, CWEF, and other grants based on annual funding opportunities.

# **Concordia Parish Police Jury Management's Discussion and Analysis**

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## **Contacting the Concordia Parish Police Jury's Management**

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

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

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***Government-Wide Financial Statements***

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**Concordia Parish Police Jury**  
**Statement of Net Position**  
**December 31, 2018**

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**ASSETS AND DEFERRED OUTFLOWS  
OF RESOURCES**

**Current Assets**

Cash and cash equivalents	\$ 3,202,771
Certificates of deposit	4,835,007
Accounts receivable	40,323
Grants receivable	18,247
Ad valorem taxes receivable, net	1,536,916
Sales and use taxes receivable	317,821
Severance taxes receivable	173,199
Accrued interest receivable	41,070
Due from component units	68,160
Prepaid expenses	19,036
	<u>10,252,550</u>

**Restricted Assets**

Cash and cash equivalents	3,113,169
Certificates of deposit	1,450,000
	<u>4,563,169</u>

**Noncurrent Assets**

Capital assets, net	9,014,689
Net pension asset	60,472
	<u>9,075,161</u>
	<u>23,890,880</u>

**Deferred Outflows of Resources**

Deferred outflows of pension resources	271,711
	<u>\$ 24,162,591</u>

**Concordia Parish Police Jury**  
**Statement of Net Position (Continued)**  
**December 31, 2018**

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

**Current Liabilities**

Accounts payable	\$ 133,461
Accrued payroll and benefits	29,244
Due to component units	28,113
Unearned revenue	6,735
Payable from restricted assets	
Accounts payable	14,453
Interest payable	50,573
General obligation bonds - due within one year	443,815
	<u>706,394</u>

**Noncurrent Liabilities**

General obligation bonds - due in more than one year	6,093,851
	<u>6,800,245</u>

**Deferred Inflows of Resources**

Deferred inflows related to pensions	322,534
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**Net Position**

Net investment in capital assets	2,477,023
Restricted	
Debt service	2,172,427
Special projects	7,827,758
Unrestricted	4,562,604
	<u>17,039,812</u>
	<u>\$ 24,162,591</u>

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*See accompanying notes to financial statements.*

**Concordia Parish Police Jury**  
**Statement of Activities and Changes in Net Position**  
**For the Year Ended December 31, 2018**

Functions/Programs	Expenses	Program Revenues			Net Revenue (Expense) and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>PRIMARY GOVERNMENT</b>					
<b>Governmental Activities</b>					
General government					
Legislative	\$ 203,412	\$ -	\$ -	\$ -	\$ (203,412)
Judicial	587,177	139,791	-	-	(447,386)
Elections	37,419	-	-	-	(37,419)
Finance	327,050	-	-	-	(327,050)
Other general	539,312	228,745	26,251	175,300	(109,016)
Public safety	293,381	-	-	-	(293,381)
Public works	2,858,642	-	-	83,125	(2,775,517)
Health and welfare	290,249	-	114,946	-	(175,303)
Culture and recreation	38,093	-	-	-	(38,093)
Economic development	77,921	-	-	-	(77,921)
Grants to subrecipients	307,072	-	-	307,072	-
Interest	151,450	-	-	-	(151,450)
	<u>5,711,178</u>	<u>368,536</u>	<u>141,197</u>	<u>565,497</u>	<u>(4,635,948)</u>
<b>General Revenues</b>					
Taxes					
Ad valorem taxes					1,817,785
Sales taxes					2,564,998
Other taxes					5,431
Intergovernmental revenues					
State revenue sharing					60,399
Severance taxes					644,633
Parish transportation					245,321
Fire insurance premium tax					79,719
Parish royalty					33,016
Interest					75,629
Gain on disposition of assets					13,629
Other general revenues					55,457
					<u>5,596,017</u>
<b>Change in net position</b>					960,069
Net position, beginning of year					<u>16,079,743</u>
<b>Net position, end of year</b>					<u>\$ 17,039,812</u>

See accompanying notes to financial statements.

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***Governmental Funds Financial Statements***

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**Concordia Parish Police Jury**  
**Balance Sheet – Governmental Funds**  
**December 31, 2018**

	<u>General Fund</u>	<u>Drainage Fund</u>	<u>Highway Maintenance Fund</u>	<u>Solid Waste Fund</u>	<u>Sales Tax Fund</u>	<u>Debt Service Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
<b>ASSETS</b>								
<b>Current Assets</b>								
Cash and cash equivalents	\$ 827,946	\$ 605,340	\$ 956,031	\$ 294,094	\$ -	\$ -	\$ 498,291	\$ 3,181,702
Certificates of deposit	2,575,000	1,450,000	-	-	-	-	700,000	4,725,000
Accounts receivable	19,562	-	20,761	-	-	-	-	40,323
Grants receivable	18,247	-	-	-	-	-	-	18,247
Ad valorem taxes receivable, net	520,674	818,670	-	-	-	-	197,572	1,536,916
Sales and use taxes receivable	-	-	-	-	317,821	-	-	317,821
Severance taxes receivable	173,199	-	-	-	-	-	-	173,199
Accrued interest receivable	17,982	8,332	-	-	9,701	-	4,353	40,368
Due from other funds	112,775	9,350	20,500	73,000	-	58,000	-	273,625
Due from component units	17,983	11,520	-	-	-	-	38,657	68,160
Prepaid expenses	6,168	2,259	1,016	815	284	-	8,494	19,036
	<u>4,289,536</u>	<u>2,905,471</u>	<u>998,308</u>	<u>367,909</u>	<u>327,806</u>	<u>58,000</u>	<u>1,447,367</u>	<u>10,394,397</u>
<b>Restricted assets</b>								
Cash and cash equivalents	-	-	-	-	1,301,706	1,682,586	128,877	3,113,169
Certificates of deposit	-	-	-	-	1,450,000	-	-	1,450,000
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,751,706</u>	<u>1,682,586</u>	<u>128,877</u>	<u>4,563,169</u>
	<u>\$ 4,289,536</u>	<u>\$ 2,905,471</u>	<u>\$ 998,308</u>	<u>\$ 367,909</u>	<u>\$ 3,079,512</u>	<u>\$ 1,740,586</u>	<u>\$ 1,576,244</u>	<u>\$ 14,957,566</u>

See accompanying notes to financial statements.

**Concordia Parish Police Jury**  
**Balance Sheet – Governmental Funds (Continued)**  
**December 31, 2018**

	General Fund	Drainage Fund	Highway Maintenance Fund	Solid Waste Fund	Sales Tax Fund	Debt Service Fund	Nonmajor Governmental Funds	Total
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>								
<b>Liabilities</b>								
Accounts payable	\$ 29,135	\$ 8,214	\$ 8,875	\$ 61,238	\$ 14,391	\$ -	\$ 26,061	\$ 147,914
Accrued payroll and benefits	4,512	2,881	875	-	-	-	20,976	29,244
Due to other funds	5,569	-	-	-	-	-	2,252	7,821
Due to component unit	28,113	-	-	-	-	-	-	28,113
Unearned revenue	6,735	-	-	-	-	-	-	6,735
Payable from restricted assets								
Due to other funds	-	106,202	1,780	-	173,625	-	-	281,607
	<u>74,064</u>	<u>117,297</u>	<u>11,530</u>	<u>61,238</u>	<u>188,016</u>	<u>-</u>	<u>49,289</u>	<u>501,434</u>
<b>Deferred Inflows of Resources</b>								
Unavailable revenue								
Ad valorem taxes	27,339	42,986	-	-	-	-	10,374	80,699
Interest	15,115	6,824	-	-	8,961	-	4,353	35,253
	<u>42,454</u>	<u>49,810</u>	<u>-</u>	<u>-</u>	<u>8,961</u>	<u>-</u>	<u>14,727</u>	<u>115,952</u>
	<u>116,518</u>	<u>167,107</u>	<u>11,530</u>	<u>61,238</u>	<u>196,977</u>	<u>-</u>	<u>64,016</u>	<u>617,386</u>
<b>Fund Balances</b>								
Nonspendable: prepaid expense	6,168	2,259	1,016	815	284	-	8,494	19,036
Restricted	-	-	-	-	2,882,251	1,740,586	128,815	4,751,652
Committed	-	2,736,105	985,762	305,856	-	-	1,374,919	5,402,642
Unassigned	4,166,850	-	-	-	-	-	-	4,166,850
	<u>4,173,018</u>	<u>2,738,364</u>	<u>986,778</u>	<u>306,671</u>	<u>2,882,535</u>	<u>1,740,586</u>	<u>1,512,228</u>	<u>14,340,180</u>
	<u>\$ 4,289,536</u>	<u>\$ 2,905,471</u>	<u>\$ 998,308</u>	<u>\$ 367,909</u>	<u>\$ 3,079,512</u>	<u>\$ 1,740,586</u>	<u>\$ 1,576,244</u>	<u>\$ 14,957,566</u>

See accompanying notes to financial statements.

**Concordia Parish Police Jury**  
**Reconciliation of the Governmental Funds Balance Sheet to**  
**the Statement of Net Position**  
**For the Year Ended December 31, 2018**

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Total fund balances, as reflected on the governmental funds balance sheet	\$ 14,340,180
Receivables that are not available to pay current year expenditures are reported as deferred inflows of resources in the governmental funds	
Ad valorem taxes	80,699
Interest	35,253
Net capital assets used in governmental activities are not financial resources, and, therefore, are not reported in the governmental funds balance sheet.	9,014,689
Net pension asset not available in the current period is not reported in the governmental funds balance sheet; however, the net pension asset is reported in the statement of net position.	60,472
Contributions to the pension plan in the current fiscal year are deferred outflows of resources on the statement of net position	(126,927)
Pension related deferrals are deferred inflows of resources and deferred outflows of resources on the statement of net position.	76,104
Liabilities that are not due and payable in the current period are not reported in the governmental funds balance sheet; however, the liabilities are reported in the statement of net position. These liabilities consist of:	
Certificates of indebtedness	(6,537,666)
Accrued interest on certificates of indebtedness	(50,573)
Internal service funds are used by management to charge the costs of unemployment insurance to the individual funds. The assets and liabilities of the internal service funds are not reported in the governmental funds balance sheet; however, the unemployment internal service fund is included in the statement of net position.	<u>147,581</u>
Net position, as reflected on the statement of net position	<u><u>\$ 17,039,812</u></u>

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*See accompanying notes to financial statements.*

**Concordia Parish Police Jury**  
**Statement of Revenues, Expenditures, and Changes in Fund**  
**Balances – Governmental Funds**  
**For the Year Ended December 31, 2018**

	General Fund	Drainage Fund	Highway Maintenance Fund	Solid Waste Fund	Sales Tax Fund	Debt Service Fund	Nonmajor Governmental Funds	Total
<b>Revenues</b>								
Taxes								
Ad valorem taxes	\$ 630,217	\$ 976,614	\$ -	\$ -	\$ -	\$ -	\$ 234,990	\$ 1,841,821
Sales and use taxes	-	-	-	-	2,564,998	-	-	2,564,998
Other taxes	5,431	-	-	-	-	-	-	5,431
	<u>635,648</u>	<u>976,614</u>	<u>-</u>	<u>-</u>	<u>2,564,998</u>	<u>-</u>	<u>234,990</u>	<u>4,412,250</u>
Intergovernmental revenues								
Federal grants	175,300	-	-	-	-	-	198,071	373,371
State funds								
Grants	26,251	-	-	-	-	-	-	26,251
Parish transportation funds	-	-	245,321	-	-	-	-	245,321
State revenue sharing	22,146	34,822	-	-	-	-	3,431	60,399
Severance taxes	644,633	-	-	-	-	-	-	644,633
Fire insurance premium tax	79,719	-	-	-	-	-	-	79,719
Parish royalty	33,016	-	-	-	-	-	-	33,016
	<u>981,065</u>	<u>34,822</u>	<u>245,321</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>201,502</u>	<u>1,462,710</u>
Licenses and permits	228,745	-	-	-	-	-	-	228,745
Fines and forfeitures	-	-	-	-	-	-	139,791	139,791
Other revenues	21,084	1,603	8,320	39	-	-	24,411	55,457
	<u>1,866,542</u>	<u>1,013,039</u>	<u>253,641</u>	<u>39</u>	<u>2,564,998</u>	<u>-</u>	<u>600,694</u>	<u>6,298,953</u>

See accompanying notes to financial statements.

**Concordia Parish Police Jury**  
**Statement of Revenues, Expenditures, and Changes in Fund**  
**Balances – Governmental Funds (Continued)**  
**For the Year Ended December 31, 2018**

	General Fund	Drainage Fund	Highway Maintenance Fund	Solid Waste Fund	Sales Tax Fund	Road Debt Service Fund	Nonmajor Governmental Funds	Total
<b>Expenditures</b>								
General government								
Legislative	\$ 203,412	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 203,412
Judicial	461,751	-	-	-	-	-	128,831	590,582
Elections	38,308	-	-	-	-	-	-	38,308
Finance and administration	260,500	-	-	-	73,196	-	-	333,696
Other general government	422,035	-	-	-	-	-	-	422,035
	<u>1,386,006</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>73,196</u>	<u>-</u>	<u>128,831</u>	<u>1,588,033</u>
Public safety	293,381	-	-	-	-	-	-	293,381
Public works	18,247	854,706	348,591	772,717	122,569	-	-	2,116,830
Health and welfare	48,530	-	-	-	-	-	224,859	273,389
Culture and recreation	9,830	-	-	-	-	-	-	9,830
Economic development	77,921	-	-	-	-	-	-	77,921
Debt service								
Principal	-	-	-	-	-	427,000	-	427,000
Interest	-	-	-	-	-	156,291	-	156,291
Other service costs	-	-	-	-	-	1,000	-	1,000
Capital outlay	88,144	47,871	139,614	-	-	-	19,560	295,189
	<u>1,922,059</u>	<u>902,577</u>	<u>488,205</u>	<u>772,717</u>	<u>195,765</u>	<u>584,291</u>	<u>373,250</u>	<u>5,238,864</u>
Excess(deficiency) of operating revenues over expenses	<u>(55,517)</u>	<u>110,462</u>	<u>(234,564)</u>	<u>(772,678)</u>	<u>2,369,233</u>	<u>(584,291)</u>	<u>227,444</u>	<u>1,060,089</u>

See accompanying notes to financial statements.

**Concordia Parish Police Jury**  
**Statement of Revenues, Expenditures, and Changes in Fund**  
**Balances – Governmental Funds (Continued)**  
**For the Year Ended December 31, 2018**

	General Fund	Drainage Fund	Highway Maintenance Fund	Solid Waste Fund	Sales Tax Fund	Road Debt Service Fund	Nonmajor Governmental Funds	Total
<b>Excess(deficiency) of operating revenues over expenses</b>	\$ (55,517)	\$ 110,462	\$ (234,564)	\$ (772,678)	\$ 2,369,233	\$ (584,291)	\$ 227,444	\$ 1,060,089
<b>Nonoperating Revenues(Expenditures)</b>								
Interest	23,552	10,410	2,645	609	16,062	3,860	5,178	62,316
Federal grants	-	-	-	-	-	-	307,072	307,072
Grants to subrecipients	-	-	-	-	-	-	(307,072)	(307,072)
	<u>23,552</u>	<u>10,410</u>	<u>2,645</u>	<u>609</u>	<u>16,062</u>	<u>3,860</u>	<u>5,178</u>	<u>62,316</u>
	(31,965)	120,872	(231,919)	(772,069)	2,385,295	(580,431)	232,622	1,122,405
<b>Other financing sources (uses)</b>								
Proceeds from asset disposition	-	-	13,629	-	-	-	-	13,629
Transfers in	280,528	138,713	224,704	802,145	-	718,000	115,047	2,279,137
Transfers (out)	(115,047)	(52,000)	(24,000)	(27,500)	(2,010,328)	-	(50,262)	(2,279,137)
	<u>165,481</u>	<u>86,713</u>	<u>214,333</u>	<u>774,645</u>	<u>(2,010,328)</u>	<u>718,000</u>	<u>64,785</u>	<u>13,629</u>
<b>Net change in fund balances</b>	133,516	207,585	(17,586)	2,576	374,967	137,569	297,407	1,136,034
Fund balances, beginning of year	4,039,502	2,530,779	1,004,364	304,095	2,507,568	1,603,017	1,214,821	13,204,146
<b>Fund balances, end of year</b>	<u>\$ 4,173,018</u>	<u>\$ 2,738,364</u>	<u>\$ 986,778</u>	<u>\$ 306,671</u>	<u>\$ 2,882,535</u>	<u>\$ 1,740,586</u>	<u>\$ 1,512,228</u>	<u>\$ 14,340,180</u>

See accompanying notes to financial statements.

**Concordia Parish Police Jury**  
**Reconciliation of the Statement of Revenues, Expenditures, and Changes**  
**in Fund Balances of Governmental Funds to the Statement of Activities**  
**For the Year Ended December 31, 2018**

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Net change in fund balances as reflected on the statement of revenues, expenditures, and changes in fund balances \$ 1,136,034

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

Capital asset additions	238,591
Depreciation expense	(868,351)

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

Change in unavailable ad valorem tax revenues	(24,037)
Change in unavailable interest revenues	12,535

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

Change in accrued interest payable on sales tax bonds	3,027
Change in net pension liability	408,965
Change in deferred inflows/outflows of pension resources/expenses	(407,427)

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

428,815

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

31,917

Change in net position as reflected on the statement of activities	<u>\$ 960,069</u>
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*Internal Service Fund Financial Statements*

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**Concordia Parish Police Jury  
Statement of Net Position  
Unemployment Self Insurance  
December 31, 2018**

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**ASSETS**

**Current Assets**

Cash and cash equivalents	\$	131,076
Accrued interest receivable		702
Due from other funds		15,803
		<hr/>
	\$	147,581
		<hr/> <hr/>

**LIABILITIES AND NET POSITION**

**Current Liabilities**

Accounts payable	\$	-
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**Net Position**

Unrestricted		147,581
		<hr/>
	\$	147,581
		<hr/> <hr/>

**Concordia Parish Police Jury**  
**Statement of Revenues, Expenses, and Changes in Fund Net Position**  
**Unemployment Self Insurance**  
**For the Year Ended December 31, 2018**

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<b>Revenues</b>	
Fees, charges, and commissions for services	\$ 34,913
Investment earnings	777
	<hr/>
	35,690
<b>Expenses</b>	
Fees and charges	<hr/>
	3,773
<b>Change in net position</b>	31,917
Net position, beginning of year	<hr/>
	115,664
<b>Net position, end of year</b>	<hr/>
	\$ 147,581
	<hr/>

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*See accompanying notes to financial statements.*

**Concordia Parish Police Jury  
Statement of Cash Flows  
Unemployment Self Insurance  
For the Year Ended December 31, 2018**

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**Cash Flows From Operating Activities**

Receipts	
Fees, charges, and commissions for services	\$ 19,110
Disbursements	
Fees and charges	3,773
Net cash provided by operating activities	<u>15,337</u>

**Cash Flows From Investing Activities**

Interest earned	642
	<u>15,979</u>
Cash, beginning of year	<u>115,097</u>
<b>Cash, end of year</b>	<u><u>\$ 131,076</u></u>

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

Change in net position	\$ 31,140
(Increase) decrease in balance due from other funds	(15,803)
Increase(decrease) in accounts payable	<u>-</u>
Net cash provided by operating activities	<u><u>\$ 15,337</u></u>

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*Notes to Financial Statements*

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# Concordia Parish Police Jury

## Notes to Financial Statements

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### 1. History and Summary of Significant Accounting Policies

#### *History and Nature of Operations*

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

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

#### *Financial Reporting Entity*

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

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

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

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

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

# Concordia Parish Police Jury

## Notes to Financial Statements

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### *Financial Statement Presentation*

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

- Government-Wide Financial Statements

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

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

- Fund Financial Statements

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

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

# Concordia Parish Police Jury

## Notes to Financial Statements

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Additionally, the government reports the following fund type:

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

### ***Basis of Accounting and Measurement Focus***

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

- Accrual

Governmental-type activities in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

- Modified Accrual

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

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

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

# Concordia Parish Police Jury

## Notes to Financial Statements

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### ***Net Position***

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

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

### ***Fund Balance***

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

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

# **Concordia Parish Police Jury**

## **Notes to Financial Statements**

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

### ***Restricted Resources***

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

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

### ***Use of Estimates***

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

### ***Budget Policies***

Budgets - Preliminary budgets for the ensuing year are prepared by the secretary-treasurer prior to December 31 of each year. The availability of the proposed budgets for public inspection and the date of the public hearing on the proposed budgets are then advertised in the official journal. During its regular December meeting, the Police Jury holds a public hearing on the proposed budgets in order to receive comments from residents of the Parish. Changes are made to the proposed budgets based on the public hearing and the desires of the Police Jury as a whole. The budgets are then adopted during the Police Jury's regular December meeting, and a notice of the adoption is then published in the official journal.

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

During a regular meeting, the Police Jury reviews the proposed amendments, makes changes as it deems necessary, and formally adopts the amendments. The adoption of the amendments is included in Police Jury minutes published in the official journal.

The Police Jury exercises budgetary control at the functional level. Within functions the secretary-treasurer has the discretion to make changes as he/she deems necessary for proper control. Unexpended appropriations lapse at year end and must be re-appropriated in the next year's budget to be expended.

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

### ***Pensions***

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# Concordia Parish Police Jury

## Notes to Financial Statements

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

### ***Cash and Cash Equivalents***

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

### ***Receivables***

All receivables are reported net of estimated uncollectible amounts. The allowance for uncollectible ad valorem tax amounts was \$3,035 in the general funds, \$4,772 in the drainage fund, and \$1,152 in the public health fund for the year ended December 31, 2018. This estimate is based on the Police Jury's history of collections within this revenue stream.

### ***Prepaid Expenses***

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

### ***Capital Assets***

Capital assets are reported in the government-wide financial statements and are capitalized at historical cost. Donated assets are recorded at their estimated fair market value at the date of donation. The Police Jury maintains a threshold level of \$5,000 or more for capitalizing capital assets. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

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

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

# Concordia Parish Police Jury

## Notes to Financial Statements

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### ***Compensated Absences***

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

### ***Long-Term Obligations***

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

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

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

### ***Deferred Outflows of Resources***

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

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

### ***Deferred Inflows of Resources***

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

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

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

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

# Concordia Parish Police Jury

## Notes to Financial Statements

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### *Ad Valorem Taxes*

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

	Authorized Millage	Levied Millage	Expiration Date
Parish	4.00	2.27	Indefinite
Health unit	1.81	1.81	2020
Drainage	10.00	10.00	2027

Assessed values are established by the Concordia Parish Assessor's Office and the State Tax Commission at percentages of actual value as specified by Louisiana law. All land and residential improvements are assessed at 10% of its fair market value, and other property at 15% of its fair market value. The tax rate for the year ended December 31, 2018 was \$14.08 per \$1,000 of assessed valuation on property within Concordia Parish. For the year ended December 31, 2018, gross appraisal value was \$159,576,850; homestead exemption totaled \$28,099,990; and net appraisal value was \$131,476,860.

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

The following schedule presents the Parish's principal taxpayers and related ad valorem tax revenue for the year ended December 31, 2018:

	Type of Business	Assessed Valuation	Ad Valorem Tax Revenue for Police Jury	Percentage of Total Tax
Catalyst Old River	Power plant	\$ 40,750,670	\$ 573,769	25%

### *Sales Tax*

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

	Levied Percent	Expiration Date
Solid waste disposal	1.00%	2033
Roads, county agent, and council on aging	1.50%	2037

Sales taxes are collected by the Concordia Parish School Board, and the Police Jury paid \$65,240 for sales tax collections for the year ended December 31, 2018 which is recorded as an expense within the sales tax fund.

# Concordia Parish Police Jury

## Notes to Financial Statements

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### ***Fire Insurance Premium Tax***

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

### ***Parish Royalty Program***

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

### ***State Revenue Sharing***

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

### ***Interfund Transactions***

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

### ***Accounting Pronouncements***

The Government Accounting Standards Board (GASB) has issued the following Statements which will become effective in future years as shown below:

Statement No. 87, "*Leases*" 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. Management has not yet determined the effect of this Statement on the financial statements.

# Concordia Parish Police Jury

## Notes to Financial Statements

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Statement No. 88, “*Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*” improves the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. The Statement clarifies which liabilities governments should include when disclosing information related to debt. 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 30, 2018. Management has not yet determined the effect of this Statement on the financial statements.

### 2. Deposits with Financial Institutions

For reporting purposes, bank accounts and certificates of deposit are included as deposits. Deposits in bank accounts and certificates of deposit are stated at cost, which approximate market. Under Louisiana law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent. The Police Jury’s deposits consisted of the following at December 31, 2018:

	<u>Cash</u>	<u>Certificates of Deposit</u>	<u>Total</u>
Deposits per Statement of Net position (reconciled bank balance)	<u>\$ 6,315,940</u>	<u>\$ 6,285,007</u>	<u>\$ 12,600,947</u>
Deposits in bank accounts per bank	<u>\$ 6,431,485</u>	<u>\$ 6,309,518</u>	<u>\$ 12,741,003</u>
Category 3 bank balances:			
a. Uninsured and uncollateralized	\$ -	\$ -	\$ -
b. Uninsured and collateralized with securities held by the pledging institution	-	-	-
c. Uninsured and collateralized with securities held by the pledging institution's trust department or agent, but not in the Police Jury's name	<u>6,181,485</u>	<u>6,059,518</u>	<u>12,241,003</u>
Total category 3 bank balances	<u>\$ 6,181,485</u>	<u>\$ 6,059,518</u>	<u>\$ 12,241,003</u>

# Concordia Parish Police Jury

## Notes to Financial Statements

### *Custodial Risk*

In the case of deposits, this is the risk that in the event of a bank failure, the deposits may not be returned to the Police Jury. At December 31, 2018, \$12,241,003 of the Police Jury's bank balance was exposed to custodial credit risk because the deposits were uninsured and collateralized with securities held by the pledging institution's trust department or agent but not in the Police Jury's name. Management evaluates the Police Jury's deposits with financial institutions on an ongoing basis and believes the risk of incurring material losses related to this risk is remote.

### 3. Capital Assets

Property and equipment consists of the following at December 31:

	Balance 12/31/17	Additions	Reclassifications	Dispositions	Balance 12/31/18
<b>Capital Assets Not Being Depreciated</b>					
Land	\$ 7,038	\$ -	\$ -	\$ -	\$ 7,038
Construction in progress	569,577	-	(39,074)	-	530,503
	<u>576,615</u>	<u>-</u>	<u>(39,074)</u>	<u>-</u>	<u>537,541</u>
<b>Capital Assets Being Depreciated</b>					
Buildings and improvements	6,264,216	81,041	39,074	-	6,384,331
Drainage, water treatment	947,194	-	-	-	947,194
Furniture and fixtures	436,844	-	-	-	436,844
Machinery and equipment	2,707,289	157,550	-	-	2,864,839
Transportation equipment	1,114,826	-	-	(31,000)	1,083,826
Roads and bridges	12,195,458	-	-	-	12,195,458
	<u>23,665,827</u>	<u>238,591</u>	<u>39,074</u>	<u>(31,000)</u>	<u>23,912,492</u>
Accumulated depreciation	<u>(14,597,993)</u>	<u>(868,351)</u>	<u>-</u>	<u>31,000</u>	<u>(15,435,344)</u>
	<u>9,067,834</u>	<u>(629,760)</u>	<u>39,074</u>	<u>-</u>	<u>8,477,148</u>
	<u>\$ 9,644,449</u>	<u>\$ (629,760)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,014,689</u>

Depreciation expense recognized in the statement of activities for the year ended December 31, 2018 is as follows:

General government	\$ 119,133
Public works	702,878
Health and welfare	18,077
Culture and recreation	28,263
	<u>\$ 868,351</u>

**Concordia Parish Police Jury**  
**Notes to Financial Statements**

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**4. Noncurrent Liabilities**

Noncurrent liabilities consisted of the following at December 31, 2018:

	Balance at 12/31/17	Additions	Payments and Reductions	Balance at 12/31/18	Due Within One Year
General obligation bonds					
Series 2015	\$ 2,662,000	\$ -	\$ (257,000)	\$ 2,405,000	\$ 267,000
Series 2016	4,270,000	-	(170,000)	4,100,000	175,000
Series 2016, bond premium	34,481	-	(1,815)	32,666	1,815
	<u>\$ 6,966,481</u>	<u>\$ -</u>	<u>\$ (428,815)</u>	<u>\$ 6,537,666</u>	<u>\$ 443,815</u>

***Sales Tax Refunding Bond, Series 2015***

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

***Sales Tax Refunding Bond, Series 2016***

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

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

Year Ending December 31	Sales Tax Bonds, Series 2015		Sales Tax Bonds, Series 2016	
	Principal	Interest	Principal	Interest
2019	\$ 267,000	\$ 50,200	\$ 175,000	\$ 96,825
2020	277,000	44,189	180,000	93,275
2021	287,000	37,957	185,000	89,625
2022	295,000	31,526	190,000	85,875
2023	304,000	24,907	195,000	82,025
Thereafter	975,000	32,719	3,175,000	597,888
	<u>\$ 2,405,000</u>	<u>\$ 221,498</u>	<u>\$ 4,100,000</u>	<u>\$ 1,045,513</u>

# Concordia Parish Police Jury

## Notes to Financial Statements

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### 5. Interfund Transfers

The following is a summary of operating transfers for the year ended December 31, 2018:

<u>Fund</u>	<u>Transfers In</u>	<u>Fund</u>	<u>Transfers Out</u>
General fund	\$ 24,000	Highway maintenance fund	\$ 24,000
General fund	27,500	Solid waste fund	27,500
General fund	4,786	Public health fund	4,786
General fund	52,000	Drainage fund	52,000
General fund	7,893	Criminal court fund	7,893
General fund	73,099	Sales tax fund	73,099
General fund	91,250	Sales tax fund	91,250
Solid waste fund	802,145	Sales tax fund	802,145
Highway maintenance fund	224,704	Sales tax fund	224,704
Debt service fund	718,000	Sales tax fund	718,000
Drainage fund	101,130	Sales tax fund	101,130
Drainage fund	37,583	Grant Fund	37,583
Witness and juror fund	6,047	General fund	6,047
Grant fund	109,000	General fund	109,000
	<u>\$ 2,279,137</u>		<u>\$ 2,279,137</u>

Interfund receivables and payables at December 31, 2018 are as follows:

<u>Receivable</u>	<u>Amount</u>	<u>Payable</u>	<u>Amount</u>
General fund	\$ 112,775	General fund	\$ 5,569
Drainage fund	9,350	Drainage fund	106,202
Highway maintenance fund	20,500	Highway maintenance fund	1,780
Solid waste fund	73,000	Sales tax fund	173,625
Road debt service fund	58,000	Criminal court fund	1,689
Unemployment claims account	15,803	Public health fund	563
	<u>\$ 289,428</u>		<u>\$ 289,428</u>

# Concordia Parish Police Jury

## Notes to Financial Statements

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### 6. Defined Benefit Pension Plans

#### *Change in Net Pension Liability (Asset)*

The change in the total net pension liability (asset) is presented in the schedule below:

	Balance at 12/31/17	Additions	Payments and Reductions	Balance at 12/31/18
Net pension liability(asset)	\$ 348,493	\$ 3,649	\$ (412,614)	\$ (60,472)

#### Parochial Employees' Retirement System

##### *Plan Description*

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

##### *Significant Accounting Policies*

PERS's employer schedules were prepared using the accrual basis of accounting. Members' earnable compensation, for which the employer allocations are based, is recognized in the period in which the employee is compensated for services performed. The members' earnable compensation is attributed to the employer for which the member is employed as of December 31, 2017.

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

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

# Concordia Parish Police Jury

## Notes to Financial Statements

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### ***Benefits Provided***

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

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

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

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

### ***Contributions***

State statute has the authority to establish and amend the contribution requirements of the Police Jury and active employees. According to state statute, the Plan also receives 1/4 of 1% of ad valorem taxes collected within the respective Parishes, except for Orleans and East Baton Rouge Parishes. The Plan also receives revenue sharing funds each year as appropriated by the State Legislature. These additional sources of income are used as additional employer contributions and are considered support from non-employer contributing entities. The Police Jury's contractually required contribution rate was 12.50% for Plan A and 8.0% for Plan B for the period from January 01, 2018 through December 31, 2018. The employee contribution rate for Plan A was 9.35% while the employee rate for Plan B was 6.75%.

The employer contribution is actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Police Jury's contributions to PERS for the year ended December 31, 2018 were approximately \$123,480. The State also made on-behalf contributions to the Plan, of which \$10,475 was recognized by the Police Jury for the year ended December 31, 2018; these on-behalf payments did not meet the criteria of a special funding situation.

# Concordia Parish Police Jury

## Notes to Financial Statements

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

At December 31, 2018, the Police Jury reported an asset of \$104,577 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2017, and the total pension asset used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017. The Police Jury's proportion of the net pension asset was based on a projection of the Police Jury's projected contribution effort to the pension plan for the next fiscal year as compared to the total of all participating employers' contribution effort to the Plan for the next fiscal year, actuarially determined.

Per the measurement date of December 31, 2017, the Police Jury's proportion was 0.14089%, which was a decrease of 0.00868% from its proportion measured at December 31, 2016. Per the valuation report dated December 31, 2017, the Police Jury's proportionate share of pension expense was \$129,280. At December 31, 2018, the Police Jury reported deferred outflows or resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u>                    </u>	<u>                    </u>
Differences between expected and actual experience	\$ -	\$ 67,695
Net difference between projected and actual actual earnings on pension plan investments	-	241,602
Changes in proportion & assumptions	131,991	3,471
Employer contributions subsequent to the measurement date	123,480	-
	<u>\$ 255,471</u>	<u>\$ 312,768</u>

At December 31, 2018, the Police Jury reported \$123,480 as deferred outflows of resources related to pensions resulting from Police Jury contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ended December 31, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources at December 31, 2018, related to pensions will be recognized in pension expense as follows:

<u>Period Ended:</u>	<u>Amount</u>
12/31/19	\$ 14,265
12/31/20	(17,014)
12/31/21	(82,270)
12/31/22	(95,758)
	<u>\$ (180,777)</u>

# Concordia Parish Police Jury

## Notes to Financial Statements

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### *Actuarial Assumptions*

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

Valuation date:	December 31, 2017
Actuarial Cost Method:	Entry age normal cost
Estimated remaining service life ("ERSL"):	4 years
Investment rate of return	6.75% per annum
Inflation rate	2.50% per annum
Salary increases, including inflation and merit increases:	5.25%, including inflation
Cost of living adjustments:	Only those previously granted
Mortality rate	
Non-disabled members:	Mortality rates based on the RP-2000 Combined Healthy Mortality Table
Disabled members:	Mortality rates based on the RP-2000 Disabled Retiree Mortality Table

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building block model (bottom-up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best-estimates of future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Long-term Target Asset Allocation	Expected Portfolio Real Rate of Return
Fixed income	35%	1.24%
Equity	52%	3.57%
Alternatives	11%	0.69%
Other	2%	0.12%
	100%	

# Concordia Parish Police Jury

## Notes to Financial Statements

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### ***Discount Rate***

The discount rate used to measure the total pension liability was 6.75% for the valuation date of December 31, 2017. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that participating employer contributions will be made at contractually required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

	<u>1.0% Decrease (5.75%)</u>	<u>Current Discount Rate (6.75%)</u>	<u>1.0% Increase (7.75%)</u>
Employer's proportionate share of the net pension liability	\$ 515,601	\$ (104,577)	\$ (656,803)

### ***Pension Plan Fiduciary Net Position***

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

### ***Payable to Pension Plan***

At December 31, 2018 \$6,707 was due to the plan and reported as accrued payroll and benefits within the criminal court fund.

## **District Attorneys' Retirement System**

### ***Plan Description***

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

### ***Significant Accounting Policies***

DARS's employer schedules are prepared using the accrual basis of accounting. Members' earnable compensation, for which the employer allocations are based, is recognized in the period in which the employee is compensated for services performed. The member's earnable compensation is attributed to the employer for which the member is employed as of June 30, 2018.

## Concordia Parish Police Jury

### Notes to Financial Statements

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

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

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

#### ***Benefits Provided***

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

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

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

## **Concordia Parish Police Jury**

### **Notes to Financial Statements**

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

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

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

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

## Concordia Parish Police Jury

### Notes to Financial Statements

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

#### ***Contributions***

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ended December 31, 2018, the employee contribution rate was 8% and the employer's contribution rate was 0%; therefore, the Police Jury made no contributions to DARS.

In accordance with state statute, DARS receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities. The State also made on-behalf contributions to the Plan, of which \$3,528 was recognized as revenue for the year ended December 31, 2018. These on-behalf payments did not meet the criteria of a special funding situation.

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

At December 31, 2018, the Police Jury reported a liability of \$12,991 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 June 30, 2018. The Police Jury's proportion of the net pension liability was based on a projection of the Police Jury's projected contribution effort to the pension plan for the next fiscal year as compared to the total of all participating employers' contribution effort to the Plan for the next fiscal year, actuarially determined.

At June 30, 2018, the Police Jury's proportion was 0.04037%, which was a decrease of 0.00093% from its proportion measured as of June 30, 2017.

## Concordia Parish Police Jury

### Notes to Financial Statements

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Per the valuation report dated June 30, 2018, the Police Jury's proportionate share of pension expense was \$4,739. At December 31, 2018, the Police Jury reported deferred outflows or resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u>                    </u>	<u>                    </u>
Differences between expected and actual experience	\$ -	\$ 1,887
Net difference between projected and actual actual earnings on pension plan investments	1,158	-
Changes in proportion & assumptions	8,431	1,878
Employer contributions subsequent to the measurement date	-	-
	<u>\$ 9,589</u>	<u>\$ 3,765</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources at December 31, 2018, related to pensions will be recognized in pension expense as follows:

<u>Period Ended:</u>	<u>Amount</u>
12/31/19	\$ 2,885
12/31/20	1,092
12/31/21	140
12/31/22	342
12/31/23	1,365
	<u>\$ 5,824</u>

# Concordia Parish Police Jury

## Notes to Financial Statements

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### *Actuarial Assumptions*

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

Valuation date:	June 30, 2018
Actuarial Cost Method:	Entry age normal cost
Estimated remaining service life ("ERSL"):	6 years
Investment rate of return	6.50% per annum
Inflation rate	2.40% per annum
Salary increases, including inflation and merit increases:	5.50%, including inflation
Cost of living adjustments:	Only those previously granted
Mortality rate	
Non-disabled members:	Mortality rates based on the RP-2000 Combined Healthy Mortality Table
Disabled members:	Mortality rates based on the RP-2000 Disabled Retiree Mortality Table

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The resulting long-term rate of return is 6.82% for the year ended June 30, 2016. The best estimates of arithmetic real rates of return for each major asset class based on DARS's target asset allocation as of June 30, 2016 were as follows:

Asset Class	Long-term Target Asset Allocation	Expected Portfolio Real Rate of Return
Fixed income	28.95%	6.36%
Equity	61.72%	10.82%
Alternatives	8.85%	10.50%
Other	0.48%	0.50%
	100.00%	

# Concordia Parish Police Jury

## Notes to Financial Statements

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### ***Discount Rate***

The discount rate used to measure the total pension liability was 6.50% for the valuation date of June 30, 2018. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that participating employer contributions will be made at contractually required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following presents the employer's proportionate share of the net pension liability using the discount rate of 6.50%, as well as what the employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (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 the net pension liability	\$ 34,977	\$ 12,991	\$ (5,714)

### ***Pension Plan Fiduciary Net Position***

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

### ***Payable to Pension Plan***

At December 31, 2018 there were no payables due to the plan.

## **Registrar of Voters Employees' Retirement System**

### ***Plan Description***

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

### ***Significant Accounting Policies***

ROVERS' employer schedules are prepared using the accrual basis of accounting. Members' earnable compensation, for which the employer allocations are based, is recognized in the period in which the employee is compensated for services performed. The member's earnable compensation is attributed to the employer for which the member is employed as of June 30, 2018.

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

## **Concordia Parish Police Jury**

### **Notes to Financial Statements**

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

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

#### ***Benefits Provided***

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

Any member hired on or after January 1, 2013 is eligible for normal retirement after he has attained 30 years of creditable service and is age 55; has attained 20 years of creditable service and is age 60; or has attained 10 years of creditable service and is age 62. Regular retirement benefits for members hired on or after January 1, 2013 are calculated at 3.00% of the average annual earned compensation for the highest consecutive 60 months multiplied by the number of years of creditable service, not to exceed 100% of average annual compensation. Retirement benefits for members hired on or after January 1, 2013 that have attained 30 years of creditable service with at least 20 years of creditable service in ROVERS are calculated at 3.33% of the average annual compensation for the highest consecutive 60 months multiplied by the number of years of creditable service, not to exceed 100% of average annual compensation. Any member whose withdrawal from service occurs prior to attaining the age of sixty years, who shall have completed ten or more years of creditable service and shall not have received a refund of the member's accumulated contributions, shall become eligible for a deferred allowance beginning upon the member attaining the age of sixty years.

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

## **Concordia Parish Police Jury**

### **Notes to Financial Statements**

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

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

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

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

#### ***Contributions***

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ending December 31, 2018, the actual employer contribution rate was 17.00% and the employee rate was 7%. The Police Jury's contributions to ROVERS for the year ended December 31, 2018 was \$3,109. In accordance with state statute, the Police Jury also received ad valorem taxes and state revenue sharing funds in the amount of \$3,864. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations. Non-employer contributions are recognized as revenue and excluded from pension expense for the year ended December 31, 2018.

# Concordia Parish Police Jury

## Notes to Financial Statements

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

At December 31, 2018, the Police Jury reported a liability of \$31,114 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 June 30, 2018. The Police Jury's proportion of the net pension liability was based on a projection of the Police Jury's projected contribution effort to the pension plan for the next fiscal year as compared to the total of all participating employers' contribution effort to the Plan for the next fiscal year, actuarially determined.

Per the measurement date of June 30, 2018, the Police Jury's proportion was 0.13181%, which was a decrease of 0.00173% from its proportion measured as of June 30, 2017.

Per the valuation report dated June 30, 2018, the Police Jury's proportionate share of pension expense was \$6,277. At December 31, 2018, the Police Jury reported deferred outflows or resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u>                    </u>	<u>                    </u>
Differences between expected and actual experience	\$ -	\$ 4,747
Net difference between projected and actual actual earnings on pension plan investments	1,869	-
Changes in proportion & assumptions	5,154	1,254
Employer contributions subsequent to the measurement date	<u>1,555</u>	<u>-</u>
	<u>\$ 8,578</u>	<u>\$ 6,001</u>

At December 31, 2018, the Police Jury reported \$1,555 as deferred outflows of resources related to pensions resulting from Police Jury contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ended December 31, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources at December 31, 2018, related to pensions will be recognized in pension expense as follows:

<u>Period Ended:</u>	<u>Amount</u>
12/31/19	\$ 1,100
12/31/20	453
12/31/21	(962)
12/31/22	<u>431</u>
	<u>\$ 1,022</u>

# Concordia Parish Police Jury

## Notes to Financial Statements

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### *Actuarial Assumptions*

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

Valuation date:	June 30, 2018
Actuarial Cost Method:	Entry age normal cost
Estimated remaining service life ("ERSL"):	5 years
Investment rate of return	6.50% per annum
Inflation rate	2.40% per annum
Salary increases, including inflation and merit increases:	6.00%, including inflation
Cost of living adjustments:	Only those previously granted
Mortality rate	
Non-disabled members:	Mortality rates based on the RP-2000 Combined Healthy Mortality Table
Disabled members:	Mortality rates based on the RP-2000 Disabled Retiree Mortality Table

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The resulting long-term rate of return is 6.33% as of the measurement date of June 30, 2018. The best estimates of arithmetic real rates of return for each major asset class based on ROVERS's target asset allocation as of June 30, 2018 were as follows:

Asset Class	Long-term Target Asset Allocation	Expected Portfolio Real Rate of Return
Domestic equities	40%	3.00%
International equities	20%	1.70%
Domestic fixed income	12.5%	0.31%
International fixed income	10%	0.35%
Alternative investments	10%	0.63%
Real estate	7.5%	0.34%
	100%	

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# Concordia Parish Police Jury

## Notes to Financial Statements

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### ***Discount Rate***

The discount rate used to measure the total pension liability was 6.50% for the valuation date of June 30, 2018. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that participating employer contributions will be made at contractually required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following presents the employer's proportionate share of the net pension liability using the discount rate of 6.50%, as well as what the employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (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 the net pension liability	\$ 47,719	\$ 31,114	\$ 16,870

### ***Pension Plan Fiduciary Net Position***

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

### ***Payable to Pension Plan***

At December 31, 2018 there were no payables due to the plan.

## **7. Operating Lease**

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

For the Year Ended December 31	Amount
2019	34,320
2020	14,300
	<u>\$ 48,620</u>

Rental expense under this agreement was \$34,320 for the year ended December 31, 2018 and is reported as public works expenses within the drainage fund.

# Concordia Parish Police Jury

## Notes to Financial Statements

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### 8. Component Units

The following schedule summarizes the balances due from component units at December 31, 2018:

Component Unit	Fund	Amount
Concordia Parish Sheriff's Office	General	\$ 7,327
Concordia Parish Airport Authority	General	1,064
Concordia Parish Recreation District No. 1	General	60
Concordia Parish Sewerage District No. 1	General	7,056
Concordia Parish Library	General	2,476
		17,983
Concordia Parish Sheriff's Office	Drainage	11,520
Concordia Parish Sheriff's Office	Public Health	1,137
Concordia Parish Sheriff's Office	Witness & Juror	1,175
Seventh Judicial District Criminal Court of Concordia Parish	Criminal Court	36,345
		\$ 68,160

The following schedule summarizes the balance due to a component unit at December 31, 2018:

Component Unit	Fund	Amount
Concordia Parish Sheriff's Office	General	\$ 9,865
Concordia Parish Waterworks District	General	18,248
		\$ 28,113

### 9. Contingency

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

# Concordia Parish Police Jury

## Notes to Financial Statements

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### 10. Litigation and Claims / Risk Management

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

### 11. Commitments

The Police Jury was committed to construction and engineering contracts during 2018. The significant commitments are as follows:

	Contract Amount	Cumulative Expenses Incurred	Reimbursed by	Reimbursement Percentage
Brushy Bayou drainage project	\$ 763,265	\$ 736,128	FEMA HMGP	96%
Front Street drainage project	707,328	625,271	FEMA HMGP	88%
Courtroom renovations	420,000	119,550	FP&C	28%
Sewer Project	404,665	-	HUD LCDBG	0%

#### ***Brushy Bayou Drainage Project***

The Police Jury was awarded a two-phase grant by the Federal Emergency Management Agency Hazard Mitigation Grant Program which is passed through the Louisiana Governor’s Office of Homeland Security and Emergency Preparedness. The grant is to fund the drainage improvements made to and around Brushy Bayou. The Police Jury has incurred expenses totaling \$763,128 through December 31, 2018 for Phase I of the project. The budget and funding for Phase II of the project is being reworked due to increased costs as Phase I is being completed.

#### ***Front Street Drainage Project***

The Police Jury acts as intermediary for Town of Vidalia’s grant awarded by the Federal Emergency Management Agency Hazard Mitigation Grant Program which is passed through the Louisiana Governor’s Office of Homeland Security and Emergency Preparedness (“GOSHEP”). The Town of Vidalia was awarded \$707,328 to make drainage improvements along Front Street in Vidalia, Louisiana.

For the year ended December 31, 2018, the Police Jury reported federal grant revenues and grants expenses of \$307,072 as non-operating revenues and expenses within the grant fund on the statement of revenues, expenditures, and changes in fund balances. The project is complete and awaiting close-out by FEMA offices.

# Concordia Parish Police Jury

## Notes to Financial Statements

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### ***Courtroom Renovations***

The Police Jury was awarded a capital outlay grant through a cooperative endeavor agreement under the Capital Outlay Act through Facility Planning & Control (“FP&C”) for \$315,000 with a required match of \$105,000 by the Police Jury. The purpose of the project is to renovate both the interior courtroom, exterior of the courthouse, and construct a vertical lift compliant with the American with Disabilities Act. For the year ended December 31, 2018, the Police Jury incurred \$119,550 of expenses. The construction of the vertical lift was completed in during 2018 and the renovations of the courtroom and exterior of the courthouse are expected to be completed in 2019.

### ***Sewer Improvements***

In 2017, the Police Jury was awarded a \$404,665 Community Development Block Grant from the U.S. Department of Housing and Urban Development. The grant includes a new lift station, force main upgrades, rehab to the waste water collection site, and new sewer lines and connections to the residents of the Washington Heights Subdivision. For the year ending December 31, 2018, the Police Jury has not incurred any expenses toward the utilization of the grant. Efforts are being made to award a contractor to implement the design of the project within the scope of the grant funding.

## **12. Police Juror Compensation**

The following schedule presents compensation paid to the Police Jurors for the year ended December 31, 2018:

<u>Juror</u>	<u>Amount</u>
Jimmy K. Wilkinson	\$ 24,000
Whest Shirley	19,200
Jerry Beatty	19,200
Carey Cook	19,200
Willie Dunbar	19,200
Joseph Parker	19,200
Adam Probst	19,200
Tommy Tiffie	19,200
James Jernigan	19,200
	<u>\$ 177,600</u>

## **13. Subsequent Events**

Management has evaluated subsequent events through August 7, 2019, which is the date the financial statements were available to be issued.

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***Required Supplementary Information***

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**Concordia Parish Police Jury  
Budgetary Comparison Schedule  
General Fund  
For the Year Ended December 31, 2018**

	Original Budget	Revised Budget	Actual Amounts	Adjustments to Budgetary Basis	Budgetary Basis	Variance Favorable (Unfavorable)
<b>Revenues</b>						
Taxes						
Ad valorem taxes	\$ 620,295	\$ 668,820	\$ 630,217	\$ 34,945	\$ 665,162	\$ (3,658)
Other taxes	4,500	5,395	5,431	-	5,431	36
Federal grants	30,024	104,107	175,300	(14,394)	160,906	56,799
State funds						
Grants	412,934	80,040	26,251	-	26,251	(53,789)
State revenue sharing	18,525	15,728	22,146	-	22,146	6,418
Severance taxes	575,250	606,635	644,633	(38,969)	605,664	(971)
Fire insurance premium tax	83,000	79,719	79,719	-	79,719	-
Parish royalty	21,000	20,789	33,016	-	33,016	12,227
Licenses and permits	237,750	238,770	228,745	-	228,745	(10,025)
Interest	12,500	26,564	23,552	1,159	24,711	(1,853)
Other revenues	216,114	97,351	21,084	(5,785)	15,299	(82,052)
	<u>2,231,892</u>	<u>1,943,918</u>	<u>1,890,094</u>	<u>(23,044)</u>	<u>1,867,050</u>	<u>(76,868)</u>
<b>Expenditures</b>						
General government						
Legislative	219,425	211,411	203,412	-	203,412	7,999
Judicial	460,363	453,396	461,751	(2,904)	458,847	(5,451)
Elections	50,170	33,712	38,308		38,308	(4,596)
Finance and administration	267,100	249,095	260,500	28,755	289,255	(40,160)
Other general government	1,118,461	585,365	422,035	(8,951)	413,084	172,281
Public safety	223,900	203,115	293,381	(15,389)	277,992	(74,877)
Public works	99,574	-	18,247	(12,379)	5,868	(5,868)
Health and welfare	46,952	45,691	48,530		48,530	(2,839)
Culture and recreation	11,500	4,643	9,830		9,830	(5,187)
Economic development	77,260	75,787	77,921		77,921	(2,134)
Capital outlay	-	-	88,144		88,144	(88,144)
	<u>2,574,705</u>	<u>1,862,215</u>	<u>1,922,059</u>	<u>(10,868)</u>	<u>1,911,191</u>	<u>(48,976)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(342,813)</u>	<u>81,703</u>	<u>(31,965)</u>	<u>(33,912)</u>	<u>(44,141)</u>	<u>(125,844)</u>
<b>Other Financings Sources (Uses)</b>						
Transfers in	204,875	217,875	280,528	(61,905)	218,623	748
Transfers (out)	(6,050)	(115,050)	(115,047)	-	(115,047)	3
	<u>198,825</u>	<u>102,825</u>	<u>165,481</u>	<u>(61,905)</u>	<u>103,576</u>	<u>751</u>
<b>Net change in fund balances</b>	<u>(143,988)</u>	<u>184,528</u>	<u>133,516</u>		<u>59,435</u>	<u>(125,093)</u>
Fund balances, beginning of year	1,117,126	3,398,601	4,039,502		3,963,362	
<b>Fund balances, end of year</b>	<u>\$ 973,138</u>	<u>\$ 3,583,129</u>	<u>\$ 4,173,018</u>		<u>\$ 4,022,797</u>	

See independent auditor's report.

**Concordia Parish Police Jury  
Budgetary Comparison Schedule  
Drainage Fund  
For the Year Ended December 31, 2018**

	Original Budget	Revised Budget	Actual Amounts	Adjustments to Budgetary Basis	Budgetary Basis	Variance Favorable (Unfavorable)
<b>Revenues</b>						
Taxes						
Ad valorem taxes	\$ 965,000	\$ 1,051,655	\$ 976,614	\$ 42,124	\$ 1,018,738	\$ (32,917)
Intergovernmental revenues						
State funds						
Grants	100,000	-	-	-	-	-
State revenue sharing	34,250	24,731	34,822	(11,345)	23,477	(1,254)
Interest	4,000	9,522	10,410	(5,506)	4,904	(4,618)
Other revenues	500	38,193	1,603	51,470	53,073	14,880
	<u>1,103,750</u>	<u>1,124,101</u>	<u>1,023,449</u>	<u>76,743</u>	<u>1,100,192</u>	<u>(23,909)</u>
<b>Expenditures</b>						
Public works	923,542	835,764	854,706	(10,436)	844,270	(8,506)
Capital outlay	112,500	17,368	47,871	-	47,871	(30,503)
	<u>1,036,042</u>	<u>853,132</u>	<u>902,577</u>	<u>(10,436)</u>	<u>892,141</u>	<u>(39,009)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>67,708</u>	<u>270,969</u>	<u>120,872</u>	<u>87,179</u>	<u>208,051</u>	<u>(62,918)</u>
<b>Other Financings Sources (Uses)</b>						
Transfers in	112,000	112,000	138,713	39,819	178,532	66,532
Transfers (out)	(52,000)	(52,000)	(52,000)	-	(52,000)	-
	<u>60,000</u>	<u>60,000</u>	<u>86,713</u>	<u>39,819</u>	<u>126,532</u>	<u>66,532</u>
<b>Net change in fund balances</b>	127,708	330,969	207,585		334,583	3,614
Fund balances, beginning of year	606,360	1,658,396	2,530,779		2,799,342	
<b>Fund balances, end of year</b>	<u>\$ 734,068</u>	<u>\$ 1,989,365</u>	<u>\$ 2,738,364</u>		<u>\$ 3,133,925</u>	

See independent auditor's report.

**Concordia Parish Police Jury  
 Budgetary Comparison Schedule  
 Highway Maintenance Fund  
 For the Year Ended December 31, 2018**

	Original Budget	Revised Budget	Actual Amounts	Adjustments to Budgetary Basis	Budgetary Basis	Variance Favorable (Unfavorable)
<b>Revenues</b>						
State funds						
Parish transportation funds	\$ 249,450	\$ 224,560	\$ 245,321	\$ (20,761)	\$ 224,560	\$ -
Interest	1,225	2,645	2,645	-	2,645	-
Other revenues	3,575	20,689	8,320	3,010	11,330	(9,359)
	<u>254,250</u>	<u>247,894</u>	<u>256,286</u>	<u>(17,751)</u>	<u>238,535</u>	<u>(9,359)</u>
<b>Expenditures</b>						
Public works	375,594	343,113	348,591	(12,122)	336,469	6,644
Capital outlay	12,700	139,614	139,614	-	139,614	-
	<u>388,294</u>	<u>482,727</u>	<u>488,205</u>	<u>(12,122)</u>	<u>476,083</u>	<u>6,644</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(134,044)</u>	<u>(234,833)</u>	<u>(231,919)</u>	<u>(5,629)</u>	<u>(237,548)</u>	<u>(2,715)</u>
<b>Other Financings Sources (Uses)</b>						
Proceeds from disposition of asset	-	-	13,629	(13,629)	-	-
Transfers in	245,000	245,000	224,704	20,344	245,048	48
Transfers (out)	(24,000)	(24,000)	(24,000)	-	(24,000)	-
	<u>221,000</u>	<u>221,000</u>	<u>214,333</u>	<u>6,715</u>	<u>221,048</u>	<u>48</u>
<b>Net change in fund balances</b>	<u>86,956</u>	<u>(13,833)</u>	<u>(17,586)</u>		<u>(16,500)</u>	<u>(2,667)</u>
Fund balances, beginning of year	712,329	928,802	1,004,364		636,008	
<b>Fund balances, end of year</b>	<u>\$ 799,285</u>	<u>\$ 914,969</u>	<u>\$ 986,778</u>		<u>\$ 619,508</u>	

See independent auditor's report.

**Concordia Parish Police Jury  
 Budgetary Comparison Schedule  
 Solid Waste Fund  
 For the Year Ended December 31, 2018**

	Original Budget	Revised Budget	Actual Amounts	Adjustments to Budgetary Basis	Budgetary Basis	Variance Favorable (Unfavorable)
<b>Revenues</b>						
Interest	\$ 400	\$ 610	\$ 609	\$ -	\$ 609	\$ (1)
Other revenues	-	39	39	-	39	-
	<u>400</u>	<u>649</u>	<u>648</u>	<u>-</u>	<u>648</u>	<u>(1)</u>
<b>Expenditures</b>						
Public works	826,974	773,811	772,717	(19,957)	752,760	21,051
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(826,574)</u>	<u>(773,162)</u>	<u>(772,069)</u>	<u>19,957</u>	<u>(752,112)</u>	<u>(21,052)</u>
<b>Other Financings Sources (Uses)</b>						
Transfers in	875,000	875,000	802,145	72,834	874,979	(21)
Transfers (out)	(27,500)	(27,500)	(27,500)	-	(27,500)	-
	<u>847,500</u>	<u>847,500</u>	<u>774,645</u>	<u>72,834</u>	<u>847,479</u>	<u>(21)</u>
<b>Net change in fund balances</b>	20,926	74,338	2,576		95,367	(21,073)
Fund balances, beginning of year	172,114	198,803	304,095		636,008	
<b>Fund balances, end of year</b>	<u>\$ 193,040</u>	<u>\$ 273,141</u>	<u>\$ 306,671</u>		<u>\$ 731,375</u>	

*See independent auditor's report.*

**Concordia Parish Police Jury  
Budgetary Comparison Schedule  
Sales Tax Fund  
For the Year Ended December 31, 2018**

	Original Budget	Revised Budget	Actual Amounts	Adjustments to Budgetary Basis	Budgetary Basis	Variance Favorable (Unfavorable)
<b>Revenues</b>						
Taxes						
Sales and use taxes	\$ 2,439,037	\$ 2,667,064	\$ 2,564,998	\$ 102,066	\$ 2,667,064	\$ -
Interest	6,000	16,092	16,062	(2,132)	13,930	(2,162)
	<u>2,445,037</u>	<u>2,683,156</u>	<u>2,581,060</u>	<u>99,934</u>	<u>2,680,994</u>	<u>(2,162)</u>
<b>Expenditures</b>						
General government						
Finance and administration	160,725	146,446	73,196	78,074	151,270	(4,824)
Public works	127,000	133,702	122,569	18,955	141,524	(7,822)
	<u>287,725</u>	<u>280,148</u>	<u>195,765</u>	<u>97,029</u>	<u>292,794</u>	<u>(12,646)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>2,157,312</u>	<u>2,403,008</u>	<u>2,385,295</u>	<u>2,905</u>	<u>2,388,200</u>	<u>(14,808)</u>
<b>Other Financings Sources (Uses)</b>						
Transfers in	-	-	-	-	-	-
Transfers (out)	(2,108,000)	(2,108,000)	(2,010,328)	(97,672)	(2,108,000)	-
	<u>(2,108,000)</u>	<u>(2,108,000)</u>	<u>(2,010,328)</u>	<u>(97,672)</u>	<u>(2,108,000)</u>	<u>-</u>
<b>Net change in fund balances</b>	49,312	295,008	374,967		280,200	(14,808)
Fund balances, beginning of year	1,752,131	2,291,877	2,507,568		2,364,260	
<b>Fund balances, end of year</b>	<u>\$ 1,801,443</u>	<u>\$ 2,586,885</u>	<u>\$ 2,882,535</u>		<u>\$ 2,644,460</u>	

See independent auditor's report.

**Concordia Parish Police Jury  
 Budgetary Comparison Schedule  
 Road Debt Service Fund  
 For the Year Ended December 31, 2018**

	Original Budget	Revised Budget	Actual Amounts	Adjustments to Budgetary Basis	Budgetary Basis	Variance Favorable (Unfavorable)
<b>Revenues</b>						
Interest	\$ 4,500	\$ 3,860	\$ 3,860	\$ -	\$ 3,860	\$ -
Other revenues	-	-	-	-	-	-
	<u>4,500</u>	<u>3,860</u>	<u>3,860</u>	<u>-</u>	<u>3,860</u>	<u>-</u>
<b>Expenditures</b>						
Debt service	591,000	584,291	584,291	-	584,291	-
	<u>591,000</u>	<u>584,291</u>	<u>584,291</u>	<u>-</u>	<u>584,291</u>	<u>-</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(586,500)</u>	<u>(580,431)</u>	<u>(580,431)</u>	<u>-</u>	<u>(580,431)</u>	<u>-</u>
<b>Other Financings Sources (Uses)</b>						
Transfers in	795,255	792,000	718,000	74,000	792,000	-
Transfers (out)	(3,750)	-	-	-	-	-
	<u>791,505</u>	<u>792,000</u>	<u>718,000</u>	<u>74,000</u>	<u>792,000</u>	<u>-</u>
<b>Net change in fund balances</b>	205,005	211,569	137,569		211,569	-
Fund balances, beginning of year	3,068,748	1,437,842	1,603,017		1,555,119	
<b>Fund balances, end of year</b>	<u>\$ 3,273,753</u>	<u>\$ 1,649,411</u>	<u>\$ 1,740,586</u>		<u>\$ 1,766,688</u>	

*See independent auditor's report.*

**Concordia Parish Police Jury**  
**Schedules of Employer's Proportionate Share of Net Pension Liability**  
**For the Year Ended December 31, 2018**

**Parochial Employees' Retirement System**

<u>Measurement Date</u>	<u>Proportion of the Net Pension Liability</u>	<u>Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Covered Employee Payroll</u>	<u>Proportionate Share of the Net Pension Liability (Assets) as a Percentage of Covered Employee Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
December 31, 2017	0.14089%	\$ (104,577)	\$ 887,706	-11.78%	101.98%
December 31, 2016	0.14957%	308,037	908,950	33.89%	94.15%
December 31, 2015	0.15852%	417,257	843,068	49.49%	92.23%
December 31, 2014	0.14881%	40,685	843,068	4.83%	99.15%

*\*The information above is presented as of the pension plan measurement dates of December 31, 2017, 2016, 2015, and 2014.*

**District Attorneys' Retirement System**

<u>Measurement Date</u>	<u>Proportion of the Net Pension Liability</u>	<u>Proportionate Share of the Net Pension Liability</u>	<u>Covered Employee Payroll</u>	<u>Proportionate Share of the Net Pension Liability as a Percentage of Covered Employee Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
June 30, 2018	0.04037%	\$ 12,991	\$ 17,300	75.09%	92.92%
June 30, 2017	0.04130%	11,141	25,100	44.39%	93.57%
June 30, 2016	0.04145%	7,935	30,033	26.42%	95.09%
June 30, 2015	0.05116%	2,756	30,033	9.18%	98.56%

*\*The information above is presented as of the pension plan measurement dates of June 30, 2018, 2017, 2016, and 2015.*

*See independent auditor's report.*

**Concordia Parish Police Jury**  
**Schedules of Employer's Proportionate Share of Net Pension Liability (Continued)**  
**For the Year Ended December 31, 2018**

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**Registrar of Voters Employees' Retirement System**

<u>Measurement Date</u>	<u>Proportion of the Net Pension Liability</u>	<u>Proportionate Share of the Net Pension Liability</u>	<u>Covered Employee Payroll</u>	<u>Proportionate Share of the Net Pension Liability as a Percentage of Covered Employee Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
June 30, 2018	0.13181%	\$ 31,114	\$ 18,288	170.13%	80.57%
June 30, 2017	0.13355%	29,315	18,288	160.30%	80.51%
June 30, 2016	0.13314%	37,780	18,288	206.58%	73.98%
June 30, 2015	0.13482%	33,018	18,288	180.54%	76.86%

\* The information above is presented as of the pension plan measurement dates of June 30, 2018, 2017, 2016, and 2015.

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

**Concordia Parish Police Jury**  
**Schedules of Employer's Pension Contributions**  
**For the Year Ended December 31, 2018**

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**Parochial Employees' Retirement System**

Year Ended	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
December 31, 2018	\$ 123,480	\$ 123,480	\$ -	\$ 1,073,856	11.50%
December 31, 2017	111,006	111,006	-	887,706	12.50%
December 31, 2016	131,785	131,785	-	908,950	14.50%
December 31, 2015	134,891	137,367	(2,476)	843,068	16.29%

**District Attorneys' Retirement System**

Year Ended	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
December 31, 2018	\$ -	\$ -	\$ -	\$ 25,100	0.00%
December 31, 2017	-	-	-	17,300	0.00%
December 31, 2016	878	878	-	25,100	3.50%
December 31, 2015	1,318	1,318	-	30,033	4.39%

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*See independent auditor's report.*

**Concordia Parish Police Jury**  
**Schedules of Employer's Pension Contributions (Continued)**  
**For the Year Ended December 31, 2018**

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**Registrar of Voters Employees' Retirement System**

Year Ended	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
December 31, 2018	\$ 3,109	\$ 3,109	\$ -	\$ 18,288	17.00%
December 31, 2017	3,658	3,658	-	18,288	20.00%
December 31, 2016	4,115	4,115	-	18,288	22.50%
December 31, 2015	4,457	4,275	182	18,288	23.38%

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

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*Other Supplementary Information*

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**Concordia Parish Police Jury**  
**Combining Balance Sheet of Nonmajor Governmental Funds**  
**December 31, 2018**

	Public Health Fund	Witness and Juror Fund	Section 8 Housing Fund	Criminal Court Fund	Grants Fund	Total
<b>Assets</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ 316,615	\$ 132,037	\$ -	\$ 49,639	\$ -	\$ 498,291
Certificates of deposit	700,000	-	-	-	-	700,000
Grants receivable	-	-	-	-	-	-
Ad valorem taxes receivable, net	197,572	-	-	-	-	197,572
Accrued interest receivable	4,353	-	-	-	-	4,353
Due from other funds	-	1,175	-	-	-	1,175
Due from component units	1,137	-	-	36,345	-	37,482
Prepaid expenses	255	6	-	8,233	-	8,494
	<u>1,219,932</u>	<u>133,218</u>	<u>-</u>	<u>94,217</u>	<u>-</u>	<u>1,447,367</u>
<b>Restricted assets</b>						
Cash and cash equivalents	-	-	5,503	-	123,374	128,877
	<u>\$ 1,219,932</u>	<u>\$ 133,218</u>	<u>\$ 5,503</u>	<u>\$ 94,217</u>	<u>\$ 123,374</u>	<u>\$ 1,576,244</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>						
<b>Liabilities</b>						
Accounts payable	\$ 8,825	\$ -	\$ 62	\$ 17,174	\$ -	\$ 26,061
Accrued payroll and benefits	276	-	-	20,700	-	20,976
Due to other funds	563	-	-	1,689	-	2,252
	<u>9,664</u>	<u>-</u>	<u>62</u>	<u>39,563</u>	<u>-</u>	<u>49,289</u>
<b>Deferred Inflows of Resources</b>						
Unavailable						
Ad valorem taxes	10,374	-	-	-	-	10,374
Interest	4,353	-	-	-	-	4,353
	<u>14,727</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,727</u>
	<u>24,391</u>	<u>-</u>	<u>62</u>	<u>39,563</u>	<u>-</u>	<u>64,016</u>
<b>Fund Balances</b>						
Nonspendable: prepaid expense	255	6	-	8,233	-	8,494
Restricted	-	-	5,441	-	123,374	128,815
Committed	1,195,286	133,212	-	46,421	-	1,374,919
Unassigned	-	-	-	-	-	-
	<u>1,195,541</u>	<u>133,218</u>	<u>5,441</u>	<u>54,654</u>	<u>123,374</u>	<u>1,512,228</u>
	<u>\$ 1,219,932</u>	<u>\$ 133,218</u>	<u>\$ 5,503</u>	<u>\$ 94,217</u>	<u>\$ 123,374</u>	<u>\$ 1,576,244</u>

See independent auditor's report.

**Concordia Parish Police Jury**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances of Nonmajor Governmental Funds**  
**For the Year Ended December 31, 2018**

	Public Health Fund	Witness and Juror Fund	Section 8 Housing Fund	Criminal Court Fund	Grants Fund	Total
<b>Revenues</b>						
Taxes						
Ad valorem taxes	\$ 234,990	\$ -	\$ -	\$ -	\$ -	\$ 234,990
Intergovernmental revenues						
Federal grants	-	-	114,946	-	83,125	198,071
State funds						
State revenue sharing	3,431	-	-	-	-	3,431
Fines and forfeitures	-	-	-	139,791	-	139,791
Other revenues	354	22,677	101	1,279	-	24,411
	<u>238,775</u>	<u>22,677</u>	<u>115,047</u>	<u>141,070</u>	<u>83,125</u>	<u>600,694</u>
<b>Expenditures</b>						
General government						
Judicial	-	6,387	-	122,444	-	128,831
Health and welfare	111,657	-	113,202	-	-	224,859
Capital outlay	5,839	-	-	-	13,721	19,560
	<u>117,496</u>	<u>6,387</u>	<u>113,202</u>	<u>122,444</u>	<u>13,721</u>	<u>373,250</u>
Excess (deficiency) of operating revenues over expenditures	121,279	16,290	1,845	18,626	69,404	227,444
<b>Nonoperating Revenues (Expenditures)</b>						
Interest	4,774	272	28	104	-	5,178
Federal grants	-	-	-	-	307,072	307,072
Grants to subrecipients	-	-	-	-	(307,072)	(307,072)
	<u>4,774</u>	<u>272</u>	<u>28</u>	<u>104</u>	<u>-</u>	<u>5,178</u>
	126,053	16,562	1,873	18,730	69,404	232,622
<b>Other Financings Sources (Uses)</b>						
Transfers in	-	6,047	-	-	109,000	115,047
Transfers (out)	(4,786)	-	-	(7,893)	(37,583)	(50,262)
	<u>(4,786)</u>	<u>6,047</u>	<u>-</u>	<u>(7,893)</u>	<u>71,417</u>	<u>64,785</u>
<b>Net change in fund balances</b>	121,267	22,609	1,873	10,837	140,821	297,407
Fund balances, beginning of year	1,074,274	110,609	3,568	43,817	(17,447)	1,214,821
<b>Fund balances, end of year</b>	<u>\$ 1,195,541</u>	<u>\$ 133,218</u>	<u>\$ 5,441</u>	<u>\$ 54,654</u>	<u>\$ 123,374</u>	<u>\$ 1,512,228</u>

See independent auditor's report.

**Concordia Parish Police Jury**  
**Schedule of Compensation, Benefits, and Other Payments to Police Jury President**  
**For the Year Ended December 31, 2018**

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Agency Head: Jimmy Wilkinson

Position: President

<b>Purpose</b>	<b>Amount</b>
Salary	\$ 24,000
Registration fees	216
Conference travel	35
	<u>\$ 24,251</u>

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***Reports Required by  
Government Accounting Standards***

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**Independent Auditor’s Report on Internal Control Over Financial Reporting and  
on Compliance and Other Matters Based on an Audit of Financial Statements  
Performed in Accordance with *Government Auditing Standards***

To the Police Jurors  
Concordia Parish Police Jury  
Vidalia, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Concordia Parish Police Jury (the “Police Jury”) as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Police Jury’s basic financial statements, and have issued our report thereon dated August 7, 2019.

**Internal Control Over Financial Reporting**

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

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

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

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Police Jury's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instances of noncompliance that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings as item **2018-1**.

## **Concordia Parish Police Jury's Response to Findings**

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

## **Purpose of this Report**

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



Covington, Louisiana  
August 7, 2019

**Concordia Parish Police Jury  
 Summary of Auditor’s Results and Schedule of Findings  
 For the Year Ended December 31, 2018**

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**A. Summary of Auditor’s Results**

*Financial Statements*

a. Type of auditors' report issued:

The Police Jury issues primary government financial statements. The auditor's report expresses unmodified 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.

b. Internal control over financial reporting:

Material weaknesses identified	_____	yes	_____	✓	no
Significant deficiencies identified that are not considered to be material weaknesses	_____	yes	_____	✓	none noted

c. Noncompliance material to financial statements noted

_____	✓	yes	_____	no
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**B. Findings Relating to the Financial Statements Reported in Accordance with Government Auditing Standards**

**2018-1 Compliance: Timely Submission of Report**

*Criteria*

Louisiana Revised Statute 24:513 requires the Police Jury’s audited financial statements to be submitted to the Louisiana Legislative Auditor no later than six months after the auditee’s fiscal year-end.

*Condition*

The December 31, 2018 audited financial statements were submitted to the Louisiana Legislative Auditor after the June 30, 2018 due date.

*Cause*

The accounting records were not closed in a timely manner after year-end.

*Effect*

The Police Jury was not in compliance with Louisiana R.S. 24:513.

*Management Recommendation*

Obtain all necessary information needed to close the accounting records within 90 days after year-end.

*Management Response and Corrective Action Plan*

Management has implemented policies and procedures to streamline the accounting close process.

**Concordia Parish Police Jury  
Summary Schedule of Prior Year Findings  
For the Year Ended December 31, 2018**

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

**2017-1 Compliance –Public Funds**

***Criteria***

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

***Condition***

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

***Cause***

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

***Effect***

Public funds were expended for costs that are unreasonable.

***Update***

This finding has been resolved.

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***Statewide Agreed-Upon Procedures***

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## **Independent Accountant's Report on Applying Agreed-Upon Procedures**

To the Police Jurors  
Concordia Parish Police Jury  
Vidalia, Louisiana

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

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

The procedures and associated findings are as follows:

### **Written Policies and Procedures**

1. Obtain and inspect the Police Jury's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the Police Jury's operations):
  - a) *Budgeting*, including preparing, adopting, monitoring, and amending the budget
  - b) *Purchasing*, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.
  - c) *Disbursements*, including processing, reviewing, and approving
  - d) *Receipts/Collections*, 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).

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- e) *Payroll/Personnel*, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
  - f) *Contracting*, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process
  - g) *Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)*, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases)
  - h) *Travel and expense reimbursement*, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers
  - i) *Ethics*, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the Police Jury's ethics policy.
  - j) *Debt Service*, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

**Results**

No exceptions noted.

**Board or Finance Committee**

- 2. Obtain and inspect the Police Jurors' minutes for the fiscal period, as well as the Police Jury's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
  - a) Observe that the Police Jurors met with a quorum at least monthly, or on a frequency in accordance with the Police Jury's enabling legislation, charter, bylaws, or other equivalent document.
  - 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.
  - 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.

**Results**

No exceptions noted.

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## 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 Police Jury's main operating account. Select the Police Jury'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:
  - 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);
  - b) Bank reconciliations include evidence that a member of management who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
  - 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.

### *Results*

No exceptions noted.

## 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).
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:
  - a) Employees that are responsible for cash collections do not share cash drawers/registers.
  - 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.
  - 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.
  - 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.
6. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.

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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:
    - a) Observe that receipts are sequentially pre-numbered.
    - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
    - c) Trace the deposit slip total to the actual deposit per the bank statement.
    - 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).
    - e) Trace the actual deposit per the bank statement to the general ledger.

**Results**

No exceptions noted.

**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 5 locations (or all locations if less than 5).
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:
  - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
  - b) At least two employees are involved in processing and approving payments to vendors.
  - 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.
  - 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.
10. For each location selected under #8 above, obtain the Police Jury’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:
  - a) Observe that the disbursement matched the related original invoice/billing statement.
  - b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

**Results**

No exceptions noted.

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## **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.
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:
  - 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; these instances should not be reported.
  - b) Observe that finance charges and late fees were not assessed on the selected statements.
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).

### ***Results***

No exceptions noted.

## **Travel and Travel-Related Expense Reimbursements (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:
  - 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.
  - b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
  - 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).
  - d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

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**Results**

No exceptions noted.

**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:
- 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.
  - b) Observe that the contract was approved by the governing body, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).
  - c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.
  - 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.

**Results**

No exceptions noted.

**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.
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:
- 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.)
  - b) Observe that supervisors approved the attendance and leave of the selected employees/officials.
  - c) Observe that any leave accrued or taken during the pay period is reflected in the Police Jury's cumulative leave records.

- 
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.
  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.

***Results***

No exceptions noted.

**Ethics**

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above obtain ethics documentation from management, and:
  - a. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
  - b. Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the Police Jury's ethics policy during the fiscal period.

***Results***

No exceptions noted.

**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.
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.

***Results***

No exceptions noted.

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## 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 Police Jury reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the Police Jury is domiciled.
24. Observe that the Police Jury 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.

### *Results*

No exceptions noted.

## Results

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

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

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



Covington, Louisiana  
August 7, 2019