

WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA

*Basic Financial
Statements, Independent Auditors' Reports, and
Supplemental Information*

Year Ended June 30, 2018



Postlethwaite & Netterville

A Professional Accounting Corporation

www.pncpa.com

INDEPENDENT AUDITORS' REPORT

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Independent Auditors' Report

Honorable President and Council
of the West Feliciana Parish Government
St. Francisville, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the West Feliciana Parish Government (Government) as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Government's basic financial statements 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.

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

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



Summary of Opinions

<u>Opinion Unit</u>	<u>Type of Opinion</u>
Governmental Activities	Unmodified
Business-Type Activities	Unmodified
Aggregate Discretely Presented Component Units	Adverse
General	Unmodified
Solid Waste	Unmodified
Recreation	Unmodified
Road Improvement	Unmodified
Economic Development	Unmodified
Buildings and Grounds	Unmodified
Aggregate remaining fund information	Unmodified
Waterworks District No. 13	Unmodified
Solitude Sewer	Unmodified
Independence Sewer	Unmodified
Non-Major Sewer Funds	Unmodified

Basis for Adverse Opinion on Aggregate Discretely Presented Component Units

The financial statements referred to above do not include financial data for most of the Government’s legally separate discretely presented 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 Government’s primary government unless the Government also issues financial statements for the financial reporting entity that include the financial data for its component units. The Government has not issued such reporting entity financial statements. The impact on the aggregate discretely presented component units is unknown.

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” paragraph, the financial statements referred to above do not present fairly the financial position of the aggregate discretely presented component units of the Government, as of June 30, 2018, or the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions

In our opinion, based on our audit, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the primary government of the Government, as of June 30, 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.

Emphasis of Matter

As described in Note 1 to the financial statements, the Government adopted Governmental Accounting Standards Board (GASB) Statement Number 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* for the year ended June 30, 2018. This new standard requires the Government to recognize and report its total other post-employment benefit liability, measured according to actuarial methods and approaches prescribed within the standard along with certain disclosures. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Information, the Schedule of Changes in Total OPEB Liability and Related Ratios, Schedule of the Proportionate Share of the Net Pension Liability, and Schedule of Contributions to Each Retirement System and the related notes, presented on pages 5 through 14, 70 through 75, page 76, page 77, and pages 78 through 79, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



Postlethwaite & Netterville

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Government's basic financial statements. The combining non-major governmental fund financial statements and the schedule of compensation, benefits, and other payments to the parish president, and schedule of west feliciana parish government council members, schedule of insurance in force, and schedule of information required by rural development are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining non-major fund financial statements, the schedule of compensation, benefits, and other payments to the parish president and the schedule of west feliciana parish government council members are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The schedule of Insurance in force and the schedule of information required by rural development are presented for additional analysis and are not a required part of the basic financial statements. That information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2018 on our consideration of the Government'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 Government's internal control over financial reporting and compliance.

Postlethwaite & Netterville

Baton Rouge, Louisiana
December 21, 2018

**WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Our analysis of financial performance of the West Feliciana Parish Government (the Government) provides an overview of the Government's financial activities for the year ended June 30, 2017. Please read it in conjunction with the Government's financial statements. The Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes, and currently known facts.

FINANCIAL HIGHLIGHTS

The Government adopted a Home Rule Charter on November 26, 2012, that became effective on January 1, 2014. The Charter provided for a mayor-council form of government.

In the year ended June 30, 2018, the Government's total revenues increased relative to the prior period by approximately \$444,000. Government's total expenses increased by approximately \$310,000 which is also attributable to an increase in spending related to salaries and benefits during the fiscal year. The major financial highlights for the year ended June 30, 2018 are as follows:

- Assets and deferred outflows of the primary government exceeded its liabilities and deferred inflows at the close of the year by approximately \$37.1 million (net position). Of this amount, approximately \$6.7 million (unrestricted net position) may be used without restrictions to meet the primary government's ongoing obligations to citizens and creditors.
- The primary government's total net position increased by approximately \$901,000 during the year ended June 30, 2018, indicating an increase over the prior period.
- Governmental activities' net position had an increase of approximately \$1,315,000.
- Business-type total net position had a decrease of approximately \$414,000.
- As of the end of the 2018 period, the primary government's governmental funds reported combined fund balances of approximately \$10.8 million, an increase of approximately \$917,000 in comparison to the prior period balance. This is predominantly due to decreases in expenditures in the General Fund.

Significant aspects of the Government's financial well-being, as of and for the year ended June 30, 2018, is detailed throughout this analysis.

**WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

USING THIS ANNUAL REPORT

Governmental Accounting Standards Board Statement No. 34 focuses on the government as a whole and on major individual funds. Both perspectives allow the reader to address relevant questions, broaden a basis for comparison from year to year and should enhance the Government's accountability.

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the Government as a whole and present a longer-term view of the Government's finances.

For governmental activities, fund financial statements depict how services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Government's operations in more detail than the government-wide statements by providing information about the Government's most significant funds.

Reporting on the Government as a Whole

The Statement of Net Position and the Statement of Activities report information about the Government as a whole and about its activities in a way to determine if the Government is in better condition as a result of the year's financial results. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to accounting methods used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. Thus, revenues and expenses are reported in these statements for some items that will only result in cash flows in future periods.

These two statements report the Government's net position and related changes. You can think of the Government's net position—the difference between assets and liabilities—as one way to measure the Government's financial health, or financial position. Over time, increases or decreases in the Government's net position is one indicator of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the Government's property and sales tax base and the condition of the Government's roads and buildings, to assess the overall health of the Government.

In the Statement of Net Position and the Statement of Activities, we divide the Government into two kinds of activities:

Governmental activities - Most of the Government's basic services are reported here, including public safety, streets and sanitation, culture and recreation, economic development and general administration. Property and sales taxes, charges for services, and state and federal grants finance most of these activities.

Business-type activities - The Government charges a fee to customers to help it cover the cost of certain services it provides. The Government operates four sewer systems, water and wastewater treatment system which are reported here.

**WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

The analysis below of the primary government focuses on the net position and change in net position of the Government's governmental and business-type activities.

West Feliciana Parish Government
Statements of Net Position
June 30, 2018 and June 30, 2017
(in thousands)

	Governmental Activities		Business-type Activities		Primary Government Total	
	2018	2017 (*)	2018	2017 (*)	2018	2017 (*)
Current and other assets	\$12,322	\$ 11,718	\$ 1,488	\$ 1,553	\$13,810	\$13,271
Capital assets	22,282	22,089	8,602	9,041	30,884	31,130
Total assets	<u>34,604</u>	<u>33,807</u>	<u>10,090</u>	<u>10,594</u>	<u>44,694</u>	<u>44,401</u>
Deferred outflows of resources	223	358	66	108	289	466
Current and other liabilities	1,293	1,820	209	241	1,502	2,061
Long-term liabilities	3,070	3,495	2,812	3,012	5,882	6,507
Total Liabilities	<u>4,363</u>	<u>5,315</u>	<u>3,021</u>	<u>3,253</u>	<u>7,384</u>	<u>8,568</u>
Deferred inflows of resources	385	85	122	22	507	107
Net Position:						
Net investments in capital assets	19,507	19,132	5,858	6,172	25,365	25,304
Restricted	4,646	4,316	384	207	5,030	4,523
Unrestricted	5,927	5,317	771	1,048	6,698	6,365
Total net position	<u>\$30,080</u>	<u>\$ 28,765</u>	<u>\$ 7,013</u>	<u>\$ 7,427</u>	<u>\$37,093</u>	<u>\$36,192</u>

* Net position and long-term liabilities as of June 20, 2017 has been restated to reflect the adopting of the new accounting standard regarding the reporting of other post-employment benefit obligation.

At June 30, 2018, the Government's net position was approximately \$37.1 million, of which approximately \$6.7 million was unrestricted. Restricted net position of \$5.0 million is reported separately to show legal constraints from debt covenants and enabling legislation that limits the Government's ability to use that net position for day-to-day operations.

Total net position of the Government's governmental activities increased by approximately \$1,315,000 during the year ended June 30, 2018. Unrestricted net position represents the portion of the Government's resources that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements.

**WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

The Government operates utility systems for its constituents. The principal focus of this activity is to operate on a profitable basis or to at least cover the costs. The net position of the Government's business activities decreased by approximately \$414,000 during the year ended June 30, 2018.

The results of this period's operations for the primary government as a whole as reported in the Statement of Activities, are as follows for the year ended June 30, 2018 and June 30, 2017 (in thousands):

West Feliciana Parish Government
St. Francisville, Louisiana
Statements of Activities
For the year ended June 30, 2018 and the ended June 30, 2017
(in thousands)

	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Revenues:						
Program revenues:						
Fees and charges for services	\$ 644	\$ 612	\$ 1,798	\$ 1,854	\$ 2,442	\$ 2,466
Operating grants	755	720	-	-	755	720
Capital grants/contributions	310	285	-	-	310	285
General revenues:						
Ad valorem taxes	4,592	4,770	-	-	4,592	4,770
Sales taxes	2,208	1,982	-	-	2,208	1,982
Video poker	158	176	-	-	158	176
Other taxes	9	4	-	-	9	4
Other general revenues	774	385	23	39	797	424
Total revenues	<u>9,450</u>	<u>8,934</u>	<u>1,821</u>	<u>1,893</u>	<u>11,271</u>	<u>10,827</u>
Functions/Program Expenses:						
General government	1,974	1,880	-	-	1,974	1,880
Culture and recreation	1,780	1,691	-	-	1,780	1,691
Economic development	207	237	-	-	207	237
Health and welfare	466	489	-	-	466	489
Public safety	233	230	-	-	233	230
Public works	3,439	3,437	-	-	3,439	3,437
Business type-expenses	-	-	2,195	2,016	2,195	2,016
Interest expense	76	80	-	-	76	80
Total expenses	<u>8,175</u>	<u>8,044</u>	<u>2,195</u>	<u>2,016</u>	<u>10,370</u>	<u>10,060</u>
Increase (decrease) in net position						
before transfers	1,275	890	(374)	(123)	901	767
Transfers	40	40	(40)	(40)	-	-
Change in net position	1,315	930	(414)	(163)	901	767
Beginning net position, restated	<u>28,765</u>	<u>27,551</u>	<u>7,427</u>	<u>7,356</u>	<u>36,192</u>	<u>34,907</u>
Ending net position	<u>\$ 30,080</u>	<u>\$ 28,481</u>	<u>\$ 7,013</u>	<u>\$ 7,193</u>	<u>\$ 37,093</u>	<u>\$ 35,674</u>

**WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Component units – The government-wide financial statements include not only the Government, but also legally separate entities for which the Government is financially accountable. Financial information for these component units is reported separately from the financial information for the Government.

Fund Financial Statements

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

Reporting the Government's Most Significant Funds

The fund financial statements provide detailed information about the most significant funds and not the Government as a whole. Some funds are required to be established by State law or by bond covenants. However, the Government establishes other funds to control and manage financial resources for particular purposes or meeting legal responsibilities for using certain taxes, grants, and other assets. The Government's two kinds of funds, governmental and proprietary, use different accounting bases.

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

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

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

Other information - In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning original and final budgetary comparisons to actual results for the year for the Government's major funds. These schedules are included for additional information and analysis and do not constitute a part of the basic financial statements.

**WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Financial Analysis of the Government's Funds

The government operations of the Government are accounted for in the General, Special Revenue, Debt Service, and Capital Project Funds. The focus of these funds, as noted earlier, is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Government's financing requirements. The following is a summary of general governmental operations for the year ended June 30, 2018 by fund type (in thousands):

	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Fund	Total
Revenues & other financing sources	\$ 4,767	\$ 10,472	\$ 421	\$ -	\$ 15,660
Expenditures & other financing uses	4,118	10,275	350	-	14,743
Surplus (deficit)	649	197	71	-	917
 Fund Balance					
June 30, 2017	5,549	3,705	661	8	9,923
 Fund Balance					
June 30, 2018	<u>\$ 6,198</u>	<u>\$ 3,902</u>	<u>\$ 732</u>	<u>\$ 8</u>	<u>\$ 10,840</u>

The Government's governmental funds experienced a surplus of approximately \$917,000 during the year ended June 30, 2018. This was predominantly due to less improvements projects and an increased effort by the Government to limit spending. At June 30, 2018, fund balances were approximately \$10.8 million. Approximately \$3.6 million is unassigned and available for utilization at the Government's discretion. The remainder of the fund balance has been restricted, committed, or classified as nonspendable. These restrictions are for debt service, infrastructure and maintenance, and public improvements. Committed funds are primarily to be used for emergency and Government designated capital projects.

The General Fund is the chief operating fund of the Government. Fund balance of the General Fund was approximately \$6.2 million and \$5.5 million at the end of June 2018 and June 2017, respectively. The fund balance increased approximately \$649,000 as there was an increased effort to limit spending.

The Government's other major governmental funds are the Solid Waste Fund, Recreation Fund, Road Improvement Fund, Economic Development Fund, and Buildings and Grounds Fund. The Solid Waste Fund operated at a surplus of approximately \$170,000. The Recreation Fund operated at a surplus of approximately \$165,000. This was due to additional community events held during the year. The Road Improvement Fund operated at a surplus of approximately \$93,000 due to less planned capital outlay for various road projects. The Economic Development Fund operated at a surplus of approximately \$199,000 as received ad valorem taxes exceeded fund expenditures. The Buildings and Grounds Fund operated at a deficit of approximately \$497,000 due to the cost of projects for public works.

**WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Sources of governmental revenues, excluding transfers, are summarized below for the year ended June 30, 2018 and the year ended June 30, 2017.

<u>Source of Revenue</u>	(in thousands)			
	2018		2017	
	Revenue	Percent	Revenue	Percent
Taxes	\$ 6,966	73%	\$ 6,931	78%
Intergovernmental	1,056	11%	974	11%
Licenses and permits	207	2%	178	2%
Charges for services	437	5%	435	5%
Other	830	9%	386	4%
Total	\$ 9,496	100%	\$ 8,904	100%

Revenues of the primary government for governmental fund types for the 2018 year totaled \$9.5 million, compared with \$8.9 million for the previous period. The increase is predominantly due to the increase in other income as the Government sold a portion of land for approximately \$304,000.

The expenditures of the primary government decreased by approximately \$420,000 for the 2018 year. The decrease in expenditures is due to a decrease in public works expenses and less capital outlay additions when compared to the prior period.

General governmental expenditures for each major function are summarized in the following table.

<u>Function</u>	(in thousands)			
	2018		2017	
	Expenditure	Percent	Expenditure	Percent
General government	\$ 1,726	20%	\$ 1,871	21%
Culture and recreation	1,547	18%	1,465	16%
Economic development	180	2%	207	2%
Health and welfare	405	5%	427	5%
Public safety	199	2%	200	2%
Public works	2,861	33%	3,022	33%
Capital outlay	1,440	17%	1,590	18%
Debt service	261	3%	257	3%
Total	\$ 8,619	100%	\$ 9,039	100%

**WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

VARIATIONS BETWEEN ORIGINAL AND FINAL BUDGET

Budget amendments were adopted during the year ended June 30, 2018 for the General Fund, Solid Waste Fund, Recreation Fund, Road Improvement Fund, Economic Development Fund, and Buildings and Grounds to better reflect actual operations as they evolve through the fiscal year. The various funds' amendments were a result of anticipated variance in revenues compared to originally budgeted amounts and increases to expenditures.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of the 2018 year, the Government had approximately \$31.0 million invested in a broad range of capital assets, including land, construction in progress, buildings, utility systems, equipment, furniture and fixtures, library collection, building improvements, infrastructure, and vehicles. This amount represents an approximate \$245,000 decrease in overall capital investment balance from the prior period.

(in thousands)

	Governmental Activities		Business-type Activities		Totals	
	2018	2017	2018	2017	2018	2017
Land	\$ 3,072	\$ 2,588	\$ -	\$ -	\$ 3,072	\$ 2,588
Construction in progress	1,518	1,410	-	-	1,518	1,410
Buildings	13,567	13,955	-	-	13,567	13,955
Utility systems	-	-	8,419	8,820	8,419	8,820
Equipment	966	988	102	133	1,068	1,121
Furniture and fixtures	9	9	-	-	9	9
Library collection	22	43	-	-	22	43
Building improvements	53	70	-	-	53	70
Infrastructure	2,971	2,916	-	-	2,971	2,916
Vehicles	104	110	82	88	186	198
Total assets, net of depreciation	<u>\$ 22,282</u>	<u>\$ 22,089</u>	<u>\$ 8,603</u>	<u>\$ 9,041</u>	<u>\$ 30,885</u>	<u>\$ 31,130</u>

More detailed information about the Government's capital assets as well as information on the Government's capital projects is presented in Note 5 to the financial statements. The Government had approximately \$1.3 million in net capital additions and disposals of approximately \$296,000 during the 2018 year. These capital outlays were predominantly related to the purchase of land and property and various recreation and road improvement projects. Depreciation expense of the Government's assets of approximately \$1,536,000 offset additions and resulted in a net decrease in capital assets of approximately \$245,000.

**WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Debt and long term obligations

At June 30, 2018, the Government had \$5.7 million in bonds and long-term obligations versus \$6.0 million at June 30, 2017 — as shown below:

	(in thousands)			
	Governmental Activities			
	6/30/2017	Additions	Deletions	6/30/2018
Bonds payable	\$ 2,958	\$ -	\$ 183	\$ 2,775
Compensated absences	<u>174</u>	<u>2</u>	<u>14</u>	<u>162</u>
Total governmental activities	<u>\$ 3,132</u>	<u>\$ 2</u>	<u>\$ 197</u>	<u>\$ 2,937</u>
	Business-Type Activities			
	6/30/2017	Additions	Deletions	6/30/2018
Bonds payable	\$ 2,736	\$ -	\$ 105	\$ 2,631
Notes payable	132	-	19	113
Compensated absences	<u>48</u>	<u>1</u>	<u>5</u>	<u>44</u>
Total business-type activities	<u>\$ 2,916</u>	<u>\$ 1</u>	<u>\$ 129</u>	<u>\$ 2,788</u>

The Government remained current on all bonds and notes outstanding and retired approximately \$307,000 in bonds and notes during the year ended June 30, 2018.

More detailed information about the Government's long-term liabilities is presented in Notes 11 and 12 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The Government's elected and appointed officials considered many factors when setting the budget and tax rates. One of those factors is the economy. With ad valorem tax and sales tax being the largest sources of income to support the general governmental operations of the Government, local business activities can have a significant impact on the Government.

For the 2018-2019 year, total revenues and other financing sources are budgeted to remain stable with current year fiscal amounts.

The majority of the Government's revenue is derived from ad valorem taxes. In recent years, the Government has experienced lower ad valorem tax receipts due to a declining tax base. The Government expects this trend to continue in the 2018-2019 period.

**WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Contacting the Government's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Government's finances and to show accountability for the money it receives. If you have questions about this report or need additional financial information, contact Nakia Anderson with the Government's Finance Department at (225) 635-3864, or P.O. Box 1921, St. Francisville, Louisiana 70775.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

WEST FELICIANA PARISH GOVERNMENT
STATEMENT OF NET POSITION
JUNE 30, 2018

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS:			
Cash and cash equivalents	\$ 841,104	\$ 267,438	\$ 1,108,542
Investments	10,013,846	555,764	10,569,610
Taxes receivable	205,937	-	205,937
Due from other governments	84,859	-	84,859
Accounts receivable (net)	98,406	84,573	182,979
Prepaid expenses	203,521	25,813	229,334
Restricted assets:			
Cash and cash equivalents	-	169,665	169,665
Investments	660,487	312,664	973,151
Net Pension Asset	213,903	71,301	285,204
Capital assets:			
Land and construction in progress	4,590,148	-	4,590,148
Depreciable capital assets, net	17,692,314	8,602,393	26,294,707
TOTAL ASSETS	34,604,525	10,089,611	44,694,136
DEFERRED OUTFLOWS OF RESOURCES -			
Net pension liability	219,131	63,686	282,817
Post employment benefit	4,259	2,579	6,838
Total deferred outflows of resources	223,390	66,265	289,655
LIABILITIES:			
Cash in excess of bank balance	895,787	-	895,787
Accounts payable	117,835	73,526	191,361
Accrued expenses and other liabilities	197,515	47,452	244,967
Customer deposits	-	169,665	169,665
Internal balances	81,507	(81,507)	-
Long-term liabilities:			
Due within one year (bonds and compensated absences)	269,430	138,309	407,739
Due beyond one year	2,668,249	2,650,068	5,318,317
Post-employment benefit	75,882	23,376	99,258
Net pension liability	56,815	-	56,815
TOTAL LIABILITIES	4,363,020	3,020,889	7,383,909
DEFERRED INFLOWS OF RESOURCES -			
Net pension liability	383,189	121,352	504,541
Post employment benefit	1,502	909	2,411
Total deferred inflows of resources	384,691	122,261	506,952
NET POSITION:			
Net investment in capital assets	19,507,462	5,857,950	25,365,412
Restricted for:			
Debt service	732,150	312,664	1,044,814
Capital improvements	1,087,333	-	1,087,333
Health unit	295,931	-	295,931
Library	763,009	-	763,009
Other	1,767,297	71,301	1,838,598
Unrestricted	5,927,022	770,811	6,697,833
TOTAL NET POSITION	\$ 30,080,204	\$ 7,012,726	\$ 37,092,930

The accompanying notes are an integral part of this financial statement.

WEST FELICIANA PARISH GOVERNMENT
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2018

	Primary Government				Net (Expense) Revenue and Changes in Net Position	
	Expenses	Program Revenues				Governmental Activities
		Fees and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		
Function/Programs						
Primary Government						
Governmental activities:						
General government	\$ 1,973,642	\$ 524,061	\$ 716,660	\$ -	\$ (732,921)	
Culture and recreation	1,780,208	-	-	-	(1,780,208)	
Economic development	206,968	-	-	-	(206,968)	
Health and welfare	466,477	-	38,805	-	(427,672)	
Public safety	232,560	120,087	-	85,120	(27,353)	
Public works	3,439,006	-	-	225,131	(3,213,875)	
Interest on long-term debt	76,234	-	-	-	(76,234)	
Total governmental activities	8,175,095	644,148	755,465	310,251	(6,465,231)	
Business-type activities:						
Enterprise - Waterworks District No. 13	1,765,347	1,643,387	-	-	-	
Enterprise - Solitude sewer	178,110	63,040	-	-	-	
Enterprise - Independence sewer	186,024	56,919	-	-	-	
Remaining sewers	65,711	35,140	-	-	-	
Total business-type activities	2,195,192	1,798,486	-	-	-	
Total primary government	\$ 10,370,287	\$ 2,442,634	\$ 755,465	\$ 310,251	(6,465,231)	

General revenues:	
Ad valorem taxes	4,591,623
Sales taxes	2,208,451
Video poker	158,079
Other taxes	8,086
Other	773,819
Transfers (to) from other funds	40,229
Total general revenues and transfers	<u>7,780,287</u>
Change in net position	1,315,056
Net position, June 30, 2017, restated	<u>28,765,148</u>
Net position, June 30, 2018	<u>\$ 30,080,204</u>

The accompanying notes are an integral part of this financial statement.

Net (Expense) Revenue and Changes in Net Position	
Business-type Activities	Total
\$ -	\$ (732,921)
-	(1,780,208)
-	(206,968)
-	(427,672)
-	(27,353)
-	(3,213,875)
-	(76,234)
-	<u>(6,465,231)</u>
(121,960)	(121,960)
(115,070)	(115,070)
(129,105)	(129,105)
(30,571)	(30,571)
<u>(396,706)</u>	<u>(396,706)</u>
(396,706)	(6,861,937)
-	4,591,623
-	2,208,451
-	158,079
-	8,086
22,998	796,817
(40,229)	-
<u>(17,231)</u>	<u>7,763,056</u>
(413,937)	901,119
<u>7,426,663</u>	<u>36,191,811</u>
<u>\$ 7,012,726</u>	<u>\$ 37,092,930</u>

FUND FINANCIAL STATEMENTS

WEST FELICIANA PARISH GOVERNMENT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2018

	General	Solid Waste	Recreation	Road Improvement	Economic Development	Building and Grounds	Non-Major Governmental Funds	Total Governmental Funds
ASSETS								
Cash and cash equivalents	\$ -	\$ 584,075	\$ 12,526	\$ 91,326	\$ -	\$ 13,346	\$ 139,831	\$ 841,104
Investments	3,918,858	101,116	604,287	1,198,022	894,697	1,535,057	1,761,809	10,013,846
Prepaid expenses	61,839	-	46,158	51,288	247	27,905	16,084	203,521
Receivables, net:								
Accounts	48,697	2,000	540	37,273	-	-	9,896	98,406
Taxes	45,483	108,154	52,300	-	-	-	-	205,937
Due from other funds	3,614,619	190,000	-	14,347	-	33,000	423,609	4,275,575
Due from other governments	43,235	-	-	33,655	-	-	7,969	84,859
Restricted assets:								
Cash and cash equivalents	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	660,487	660,487
TOTAL ASSETS	\$ 7,732,731	\$ 985,345	\$ 715,811	\$ 1,425,911	\$ 894,944	\$ 1,609,308	\$ 3,019,685	\$ 16,383,735
LIABILITIES								
Cash in excess of bank balance	895,787	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 895,787
Accounts payable	50,370	1,667	18,038	994	2,438	25,662	18,666	117,835
Accrued expenses and liabilities	85,429	1,426	26,874	37,026	683	8,225	13,052	172,715
Due to other funds	503,415	-	555,654	904,319	504,322	901,623	987,749	4,357,082
TOTAL LIABILITIES	1,535,001	3,093	600,566	942,339	507,443	935,510	1,019,467	5,543,419
FUND BALANCES								
Nonspendable	61,839	-	46,158	51,288	247	27,905	16,084	203,521
Restricted	-	982,252	-	432,284	387,254	645,893	1,984,134	4,431,817
Committed	2,569,266	-	-	-	-	-	-	2,569,266
Unassigned (deficit)	3,566,625	-	69,087	-	-	-	-	3,635,712
TOTAL FUND BALANCES	6,197,730	982,252	115,245	483,572	387,501	673,798	2,000,218	10,840,316
TOTAL LIABILITIES AND FUND BALANCES	\$ 7,732,731	\$ 985,345	\$ 715,811	\$ 1,425,911	\$ 894,944	\$ 1,609,308	\$ 3,019,685	\$ 16,383,735

The accompanying notes are an integral part of this financial statement.

WEST FELICIANA PARISH GOVERNMENT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2018

Fund balance, June 30, 2018 - governmental funds	\$	10,840,316
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds:		
Cost of capital assets at June 30, 2018		32,850,308
Less: accumulated depreciation as of June 30, 2018		<u>(10,567,846)</u>
		22,282,462
Accrued interest on long-term debt		(24,800)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental fund liabilities:		
Bonds payable		(2,775,000)
Compensated absences		<u>(162,679)</u>
Net pension obligation balances in accordance with GASB 68:		
Deferred outflow of resources - deferred pension contributions		69,071
Deferred outflow of resources - related to net pension liability		150,060
Net pension asset		213,903
Net pension liability		(56,815)
Deferred inflow of resources - related to net pension liability		<u>(383,189)</u>
Other post-employment benefit obligation balances in accordance with GASB 75:		
Deferred outflow of resources - related to post employment benefit		4,259
Post-employment benefit		(75,882)
Deferred inflow of resources - related to post employment benefit		<u>(1,502)</u>
Total net position at June 30, 2018 - governmental activities	\$	<u><u>30,080,204</u></u>

The accompanying notes are an integral part of this financial statement.

WEST FELICIANA PARISH GOVERNMENT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2018

	<u>General</u>	<u>Solid Waste</u>	<u>Recreation</u>	<u>Road Improvement</u>	<u>Economic Development</u>	<u>Building and Grounds</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES:								
Intergovernmental revenues	\$ 339,277	\$ -	\$ 20,099	\$ 557,974	\$ -	\$ -	\$ 138,585	\$ 1,055,935
Taxes:								
Ad valorem	978,052	-	414,040	1,217,765	273,965	803,725	904,076	4,591,623
Beer	2,623	-	-	-	-	-	-	2,623
Sales	133,141	1,320,841	754,469	-	-	-	-	2,208,451
Video poker	158,079	-	-	-	-	-	-	158,079
Franchise fees	5,463	-	-	-	-	-	-	5,463
Licenses and permits	207,064	-	-	-	-	-	-	207,064
Charges for services	45,764	-	258,789	-	-	-	132,531	437,084
Other revenues	455,016	13,388	6,377	26,186	87,786	184,688	55,900	829,341
TOTAL REVENUES:	<u>2,324,479</u>	<u>1,334,229</u>	<u>1,453,774</u>	<u>1,801,925</u>	<u>361,751</u>	<u>988,413</u>	<u>1,231,092</u>	<u>9,495,663</u>
EXPENDITURES:								
General government	1,476,481	-	13,903	28,082	-	38,562	169,004	1,726,032
Culture and recreation	-	-	1,166,416	-	-	-	380,742	1,547,158
Economic development	22,367	-	-	-	157,308	-	-	179,675
Health and welfare	118,953	-	-	-	-	-	286,010	404,963
Public safety	199,026	-	-	-	-	-	-	199,026
Public works	-	1,014,009	-	1,159,773	-	687,239	-	2,861,021
Capital outlay	394,453	-	78,272	601,562	1,229	278,437	86,150	1,440,103
Debt service:								
Principal	38,000	-	-	-	-	-	145,000	183,000
Interest	2,177	-	-	-	-	-	75,475	77,652
TOTAL EXPENDITURES:	<u>2,251,457</u>	<u>1,014,009</u>	<u>1,258,591</u>	<u>1,789,417</u>	<u>158,537</u>	<u>1,004,238</u>	<u>1,142,381</u>	<u>8,618,630</u>
Excess (deficiency) of revenues over expenditures	73,022	320,220	195,183	12,508	203,214	(15,825)	88,711	877,033
Other financing sources (uses):								
Transfers out	(1,867,207)	(150,000)	(283,275)	(1,386,587)	(221,587)	(1,469,603)	(745,622)	(6,123,881)
Transfers in	2,442,995	-	253,274	1,466,586	217,587	988,492	795,176	6,164,110
Total other financing sources (uses)	<u>575,788</u>	<u>(150,000)</u>	<u>(30,001)</u>	<u>79,999</u>	<u>(4,000)</u>	<u>(481,111)</u>	<u>49,554</u>	<u>40,229</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)	648,810	170,220	165,182	92,507	199,214	(496,936)	138,265	917,262
Fund balance, beginning	<u>5,548,920</u>	<u>812,032</u>	<u>(49,937)</u>	<u>391,065</u>	<u>188,287</u>	<u>1,170,734</u>	<u>1,861,953</u>	<u>9,923,054</u>
Fund balance, ending	<u>\$ 6,197,730</u>	<u>\$ 982,252</u>	<u>\$ 115,245</u>	<u>\$ 483,572</u>	<u>\$ 387,501</u>	<u>\$ 673,798</u>	<u>\$ 2,000,218</u>	<u>\$ 10,840,316</u>

The accompanying notes are an integral part of this financial statement.

WEST FELICIANA PARISH GOVERNMENT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2018

Net change in fund balances - governmental funds \$ 917,262

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

Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay and other capitalized purchases	1,294,232	
Loss on disposal of land	(55,522)	
Depreciation expense	<u>(1,046,366)</u>	192,344

Some expenses reported in the Statement of Activities do not require the use of current financial resources and are not reported as expenditures in the governmental funds, or reported as expenditures in the governmental funds, but recorded as a payout of a liability in the governmental activity.

Bond principal payments	183,000	
Compensated absences	11,613	
Change in accrued interest on long-term debt	<u>1,418</u>	196,031

Change in net pension liability and deferred inflows and outflows in accordance with GASB 68 11,009

Change in post employment benefit and deferred inflows and outflows in accordance with GASB 75 (1,590)

Change in net position of governmental activities \$ 1,315,056

WEST FELICIANA PARISH GOVERNMENT
STATEMENT OF NET POSITION
ENTERPRISE FUNDS
JUNE 30, 2018

	Waterworks District No. 13	Independence Sewer	Solitude Sewer	Non-Major Sewer Funds	Total
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 236,035	\$ -	\$ 652	\$ 30,751	\$ 267,438
Investments	555,764	-	-	-	555,764
Receivables, net					
Accounts	63,431	8,065	8,347	4,730	84,573
Net pension asset	71,301	-	-	-	71,301
Due from other funds	486,676	-	-	-	486,676
Prepaid items	25,741	-	-	72	25,813
Total current assets	1,438,948	8,065	8,999	35,553	1,491,565
Restricted assets					
Cash and cash equivalents	169,665	-	-	-	\$ 169,665
Investments	312,664	-	-	-	312,664
Total restricted assets	482,329	-	-	-	482,329
Noncurrent assets					
Capital assets:					
Capital assets, net of depreciation	4,413,905	3,230,339	899,958	58,191	\$ 8,602,393
Total noncurrent assets	4,413,905	3,230,339	899,958	58,191	8,602,393
TOTAL ASSETS	6,335,182	3,238,404	908,957	93,744	10,576,287
DEFERRED OUTFLOWS OF RESOURCES -					
Net pension liability	63,686	-	-	-	63,686
Post employment benefit	2,579	-	-	-	2,579
Total deferred outflow of resources	66,265	-	-	-	66,265
LIABILITIES					
Current liabilities:					
Accounts payable	71,710	750	151	915	73,526
Accrued expenses and other liabilities	39,864	2,887	3,644	1,057	47,452
Compensated absences	43,316	-	-	-	43,316
Customer deposits	169,665	-	-	-	169,665
Due to other funds	143,551	31,189	222,513	7,916	405,169
Bonds payable	61,397	3,842	10,821	-	76,060
Notes payable	18,933	-	-	-	18,933
Total current liabilities	548,436	38,668	237,129	9,888	834,121
DEFERRED INFLOWS OF RESOURCES -					
Net pension liability	121,352	-	-	-	121,352
Post employment benefit	909	-	-	-	909
Total deferred inflows of resources	122,261	-	-	-	122,261
Long-term liabilities:					
Compensated absences	618	-	-	-	618
Net post-employment benefit obligation	23,376	-	-	-	23,376
Bonds payable	1,758,462	235,021	561,308	-	2,554,791
Notes payable	94,659	-	-	-	94,659
Total long-term liabilities	1,877,115	235,021	561,308	-	2,673,444
TOTAL LIABILITIES	2,425,551	273,689	798,437	9,888	3,507,565
NET POSITION					
Net investment in capital assets	2,480,454	2,991,476	327,829	58,191	5,857,950
Debt service	312,664	-	-	-	312,664
Net pension asset	71,301	-	-	-	71,301
Unrestricted (deficit)	989,216	(26,761)	(217,309)	25,665	770,811
TOTAL NET POSITION	\$ 3,853,635	\$ 2,964,715	\$ 110,520	\$ 83,856	\$ 7,012,726

The accompanying notes are an integral part of this financial statement.

WEST FELICIANA PARISH GOVERNMENT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
ENTERPRISE FUNDS
YEAR ENDED JUNE 30, 2018

	<u>Waterworks District No. 13</u>	<u>Independence Sewer</u>	<u>Solitude Sewer</u>	<u>Non-Major Sewer Funds</u>	<u>Total</u>
OPERATING REVENUES:					
Charges for services	\$ 1,514,624	\$ 56,919	\$ 63,040	\$ 35,140	\$ 1,669,723
Connection and other fees	128,763	-	-	-	128,763
Total operating revenues	<u>1,643,387</u>	<u>56,919</u>	<u>63,040</u>	<u>35,140</u>	<u>1,798,486</u>
OPERATING EXPENSES:					
Salaries and employee benefits	716,082	31,825	45,307	41,866	835,080
Depreciation	348,352	91,641	44,767	5,446	490,206
Repairs and maintenance	209,160	38,658	53,320	11,611	312,749
Professional services	102,016	-	-	-	102,016
Insurance expense	25,932	3,227	4,739	4,483	38,381
Utilities	167,794	12,437	5,181	2,305	187,717
Supplies	16,714	-	-	-	16,714
Bad debt	-	-	-	-	-
Office supplies	16,682	-	-	-	16,682
Rent	8,400	-	-	-	8,400
Fuel	37,250	-	-	-	37,250
Regulatory fees	37,539	-	-	-	37,539
Other operating expenses	20,535	116	-	-	20,651
Total operating expenses	<u>1,706,456</u>	<u>177,904</u>	<u>153,314</u>	<u>65,711</u>	<u>2,103,385</u>
INCOME (LOSS) FROM OPERATIONS	<u>(63,069)</u>	<u>(120,985)</u>	<u>(90,274)</u>	<u>(30,571)</u>	<u>(304,899)</u>
NON-OPERATING REVENUES (EXPENSES):					
Other revenues	22,098	-	-	900	22,998
Interest expense	(58,891)	(8,120)	(24,796)	-	(91,807)
Total nonoperating revenues (expenses)	<u>(36,793)</u>	<u>(8,120)</u>	<u>(24,796)</u>	<u>900</u>	<u>(68,809)</u>
INCOME (LOSS) BEFORE TRANSFERS	<u>(99,862)</u>	<u>(129,105)</u>	<u>(115,070)</u>	<u>(29,671)</u>	<u>(373,708)</u>
Transfers in	-	-	204	-	204
Transfers out	(40,000)	-	(433)	-	(40,433)
	<u>(40,000)</u>	<u>-</u>	<u>(229)</u>	<u>-</u>	<u>(40,229)</u>
CHANGE IN NET POSITION	<u>(139,862)</u>	<u>(129,105)</u>	<u>(115,299)</u>	<u>(29,671)</u>	<u>(413,937)</u>
NET POSITION					
Balance, beginning of year, restated	3,993,497	3,093,820	225,819	113,527	7,426,663
Balance, end of year	<u>\$ 3,853,635</u>	<u>\$ 2,964,715</u>	<u>\$ 110,520</u>	<u>\$ 83,856</u>	<u>\$ 7,012,726</u>

The accompanying notes are an integral part of this financial statement.

WEST FELICIANA PARISH GOVERNMENT
STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS
YEAR ENDED JUNE 30, 2018

	<u>Waterworks District No. 13</u>	<u>Independence Sewer</u>	<u>Solitude Sewer</u>	<u>Non-Major Sewer Funds</u>	<u>Total</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>					
Receipts from customers and others	\$ 1,616,659	\$ 54,508	\$ 66,048	\$ 37,252	\$ 1,774,467
Payments to suppliers for goods and services	(686,380)	(53,530)	(61,503)	(18,131)	(819,544)
Payments to employees for services and benefits	(650,003)	(31,825)	(45,307)	(41,866)	(769,001)
Net cash provided by operating activities	<u>280,276</u>	<u>(30,847)</u>	<u>(40,762)</u>	<u>(22,745)</u>	<u>185,922</u>
<u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</u>					
Grants and other contributions	22,098	-	-	900	22,998
Transfers out to other funds	(40,000)	-	(229)	-	(40,229)
Change in due (from) to other funds	(70,142)	12,140	67,355	-	9,353
Net cash provided by noncapital financing activities	<u>(88,044)</u>	<u>12,140</u>	<u>67,126</u>	<u>900</u>	<u>(7,878)</u>
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</u>					
Acquisition of capital assets	(54,173)	-	-	-	(54,173)
Principal payments on debt	(110,047)	(3,714)	(10,365)	-	(124,126)
Interest paid on debt	(58,891)	(8,120)	(24,796)	-	(91,807)
Net cash used in capital and related financing activities	<u>(223,111)</u>	<u>(11,834)</u>	<u>(35,161)</u>	<u>-</u>	<u>(270,106)</u>
<u>CASH FLOW FROM INVESTING ACTIVITIES:</u>					
Proceeds (purchases) of investments	93,626	-	-	-	93,626
Net cash provided by (used in) investing activities	<u>93,626</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>93,626</u>
Net increase (decrease) in cash and cash equivalents	62,747	(30,541)	(8,797)	(21,845)	1,564
Cash and cash equivalents, beginning of the year	342,953	30,541	9,449	52,596	435,539
Cash and cash equivalents, end of the year	<u>\$ 405,700</u>	<u>\$ -</u>	<u>\$ 652</u>	<u>\$ 30,751</u>	<u>\$ 437,103</u>
Reconciliation of operating income to net cash provided by (used in) operating activities:					
Operating income (loss)	\$ (63,069)	\$ (120,985)	\$ (90,274)	\$ (30,571)	\$ (304,899)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	348,352	91,641	44,767	5,446	490,206
Bad debts	-	-	-	-	-
Loss on disposal of assets	2,298	-	-	-	2,298
(Increase) decrease in accounts receivable	40,116	(2,411)	3,008	2,112	42,825
(Increase) decrease in postemployment benefit asset	(71,301)	-	-	-	(71,301)
(Increase) decrease in prepaid items	656	5	516	992	2,169
(Increase) decrease in deferred outflows related to net pension liability	43,937	-	-	-	43,937
(Increase) decrease in deferred outflows related to post employment benefits	(2,579)	-	-	-	(2,579)
Increase (decrease) in accounts payable	(39,071)	(1,244)	(667)	(1,078)	(42,060)
Increase (decrease) in accrued expenses and other liabilities	(5,943)	2,147	1,888	354	(1,554)
Increase (decrease) in customer deposits	2,159	-	-	-	2,159
Increase (decrease) in compensated absences	(3,649)	-	-	-	(3,649)
Increase (decrease) in net post-employment benefit obligation	3,145	-	-	-	3,145
(Increase) decrease in deferred outflows related to post employment benefits	909	-	-	-	909
(Increase) decrease in net pension liability	(75,117)	-	-	-	(75,117)
(Increase) decrease in deferred inflows related to net pension liability	99,433	-	-	-	99,433
Total adjustments	<u>343,345</u>	<u>90,138</u>	<u>49,512</u>	<u>7,826</u>	<u>490,821</u>
Net cash provided by operating activities	<u>\$ 280,276</u>	<u>\$ (30,847)</u>	<u>\$ (40,762)</u>	<u>\$ (22,745)</u>	<u>\$ 185,922</u>

The accompanying notes are an integral part of this financial statement.

WEST FELICIANA PARISH GOVERNMENT
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2018

	Hospital Maintenance	Sales Tax	Total
<u>ASSETS</u>			
Cash and cash equivalents	\$ 22,437	\$ -	\$ 22,437
Taxes receivable	169,682	165,013	334,695
TOTAL ASSETS	\$ 192,119	\$ 165,013	\$ 357,132
 <u>LIABILITIES</u>			
Due to other governmental agencies	\$ 192,119	\$ 165,013	\$ 357,132
TOTAL LIABILITIES	\$ 192,119	\$ 165,013	\$ 357,132

The accompanying notes are an integral part of this financial statement.

NOTES TO THE FINANCIAL STATEMENTS

WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

INTRODUCTION

The West Feliciana Parish Government (hereafter referred to as the Government) is the governing authority for West Feliciana Parish and is a political subdivision of the State of Louisiana.

Louisiana Revised Statute 33:1236 gives the Government various powers in regulating and directing the affairs of the Parish and its inhabitants. The more notable of these are the power to make regulations for its own governments; to regulate the construction and maintenance of roads, bridges and drainage systems; to regulate the sale of alcoholic beverages; and to provide for the health and welfare of the poor, disadvantaged and unemployed in the Parish.

The West Feliciana Parish Government was originally governed by the provisions of the Lawrason Act, La. Revised Statute 33:321-481. The electorate adopted a Home Rule Charter (the Charter) on November 26, 2012, that became effective on January 1, 2014. The Charter provided for a mayor-council form of government. The Council is elected to member districts. There are currently seven council members serving four year terms and they are compensated for their services. The Charter also required a change in accounting period end from December 31st to June 30th.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the West Feliciana Parish Government have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. Private Sector Standards of Accounting issued on or prior to November 30, 1989 generally are followed in both the government wide financial statements and the proprietary fund type financial statements as made applicable through GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*

A. Financial Reporting Entity

The financial reporting entity consists of the primary government and organizations for which the primary government is financially accountable and a financial benefit/burden relationship exists.

Governmental accounting standards establishes the criteria for determining which component units should be considered part of the consolidated government for financial reporting purposes. The basic criteria are as follows:

1. Legal status of the potential component unit
2. Financial accountability
 - a. The primary government appoints a voting majority of the potential component units governing body and the primary government is able to impose its will on the potential component unit or
 - b. When a potential component unit is fiscally dependent on the primary government regardless of whether the organization has separately elected officials or boards.

WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. Financial Reporting Entity (continued)

3. Financial benefit/burden relationship between the Government and the potential component unit.
4. Misleading to exclude due to the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading.

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

Blended Component Units – Governmental Activities

The West Feliciana Library – The West Feliciana Parish Library (the Library) provides resources and services to individuals for informational needs for day-to-day living and pleasure, and for cultural, educational, and leisurely pursuits. The Library was established by the West Feliciana Parish Government, under the provisions of Louisiana Revised Statute 25:211. The Library does not possess all the corporate powers necessary to make it a legally separate entity from the West Feliciana Parish Government. The Library's financial statements for the year ended June 30, 2018 are presented in this report.

20th Judicial District Criminal Court Fund – 20th Judicial District Criminal Court Fund (Criminal Court Fund) was established for the purpose of payment of expenses the Court deemed necessary by the Judges for efficient operations of the Court. Although the district court judges are independently elected officials, the Criminal Court Fund is fiscally dependent on the Government and exclusion would create misleading or incomplete financial statements of the Government.

Blended Component Unit – Business Type Activities

Waterworks District No. 13 – The Waterworks District No. 13 (the District) was created by the Government as allowed under Louisiana Revised Statute Section 33:7702. The District accounts for the operations and provisions of water services to the residents and boundaries of the District as described in Louisiana Revised Statute Section 33:3381. The councilmen of the Government act as the governing body of the District. The District's financial statements for the year ended June 30, 2018 are presented in this report. Separately issued financial statements for the Waterworks District No. 13 can be obtained at Waterworks District No. 13; Nakia Anderson, Director of Accounting; P.O. Box 1921; St. Francisville, Louisiana 70775 or (225) 635-3864.

WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. Financial Reporting Entity (continued)

Related Organizations

Related organizations of the Government which do not meet the definition of component units and issue their own financial statements separately from the Government include (1) Gas Utility District No.1; (2) West Feliciana Parish 911 Communications District; (3) West Feliciana Parish Clerk of Court; (4) West Feliciana Parish Sheriff; (5) the West Feliciana Parish Assessor; (6) West Feliciana Parish Tourist Commission; and (7) West Feliciana Parish District Attorney.

B. Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the non-fiduciary activities of the primary government. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Fund Financial Statements

Emphasis of fund financial reporting is on the major fund level in either the governmental or business-type categories. Major funds are presented alone in a separate column, while non-major funds are summarized into a single column in the basic financial statements.

The daily accounts and operations of the Government are organized on the basis of individual funds, each of which is considered a separate accounting entity. The operations of each fund, both major and non-major, are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The various funds of the primary government are grouped into generic fund types and broad fund categories as presented below, along with identification of major funds.

Governmental activities presented as governmental funds in the fund financial statements are as follows:

General Fund – The General Fund is the general operating fund of the Government. The General Fund accounts for all financial resources except those required to be accounted for in other funds. The General Fund is always a major fund.

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted or committed to expenditures for specified purposes. Special Revenue funds that are considered to be major funds are the Solid Waste Fund, Recreation Fund, Road Improvement Fund, the Buildings and Grounds Fund and the Economic Development Fund.

Debt Service Funds – Debt Service Funds are used to account for the accumulation of resources for and the payment of general long-term debt principal, interest and related costs.

Capital Project Funds – Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Enterprise funds are used to account for operations (1) that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs and expenses, including depreciation, of providing goods or services to the public on a continuing basis be financed or recovered primarily through user charges; or (2) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. Enterprise funds are presented in the business-type activities column in the government wide financial statements. The enterprise funds reported as major funds include Waterworks District No. 13, Solitude Sewer, and Independence Sewer.

WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Fund Financial Statements (continued)

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

Fiduciary funds account for resources held in trust for other parties. As such, the Government has no equity in these funds. They utilize the flow of economic resources measurement focus and the accrual basis of accounting. Fiduciary funds of the Government include:

Agency Funds - Agency Funds accounts for assets that do not belong to Government and cannot be used to finance the Government's own operating programs. They include the Hospital Maintenance and Sales Tax Funds.

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Government considers tax revenues to be available if they are collected within 60 days of the end of the current fiscal period, while intergovernmental (grant) revenues are considered available if received within one year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

E. Activity Between Funds

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds".

Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. Cash and Investments

The Government's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State law and the Government's investment policy allow the Government to invest in collateralized certificates of deposits, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government-backed securities.

G. Ad Valorem Taxes and Sales Tax

Ad valorem taxes are collected by the West Feliciana Parish Tax Collector's Office and remitted to the Government on a monthly basis. Values are established by the West Feliciana Parish Assessor's Office each year.

Ad valorem taxes are assessed and levied on a calendar year basis, based on the assessed value on January 1 of the assessment year. However, before taxes can be levied, the tax rolls must be submitted to the State Tax Commission for approval. Taxes are due and payable by November 15. An enforceable lien attaches on the property as of November 15. As of December 31, taxes become delinquent and interest and penalty accrue. Taxes are generally collected in January, February and March of the fiscal year.

Total assessed value was \$301,800,237 in 2017. Louisiana state law exempts the first \$75,000 of assessed value of a tax payer's primary residence from parish property taxes. This homestead exemption was \$17,487,696 of the assessed value in calendar year 2017.

The following are the Government authorized and levied ad valorem taxes for 2017:

	<u>Expiration Date</u>	<u>Authorized Millage</u>	<u>Levied Millage</u>
General Fund	N/A	3.57	3.57
Improvement Fund	2026	8.89	8.89
Health Service	2026	1.00	1.00
Economic Development	2017	1.00	1.00
Hospital	2026	0.50	0.50
Library (Bond)	2031	1.15	0.80
Library	2031	1.50	1.50

The Government is authorized to levy a one percent sales and use tax for all sales within the incorporated area of the Town of St. Francisville. The Government is authorized to levy a two percent sales and use tax for all sales outside the incorporated area of the Town of St. Francisville.

WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

H. Prepaid Expenses

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

I. Restricted Assets

Certain proceeds for customer deposits, capital and merchandise, grants, road improvement, construction projects, and debt service are classified as restricted assets on the statement of net position because their use is limited.

J. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (roads, bridges, sidewalks, sewer infrastructure, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Government maintains a threshold level of \$5,000 or more for capitalizing capital assets.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and improvements	10-40 years
Equipment	3-10 years
Furniture and fixtures	7-10 years
Library collection	3-5 years
Vehicles	5 years
Infrastructure	20-40 years
Utility systems	20-40 years

WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

K. Compensated Absences

Regular full-time employees earn a certain amount of sick leave each year, depending upon the length and their employment status. Sick leave can be accumulated without limitation. Upon separation of employment, excluding retirement, no sick leave shall be paid to employees. The balance of the sick leave shall be kept on the schedule for a period of five years and reinstated if the employee is rehired.

Regular full-time employees may also accrue compensatory time in lieu of overtime payment. Compensatory time may be carried over to the next calendar year. There is no limit on the amount of compensatory time an employee may accumulate during the term of his/her employment, but is with an understanding that only a maximum of 40 hours will be paid to employees upon retirement or separation.

In the government-wide financial statements and the propriety fund types fund statements, the total compensated absences liability is recorded as an expense and a long-term obligation and allocated on a functional basis. In accordance with GASB Interpretation No.6 *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*, (issued in March of 2000), no compensated absences liability is recorded at June 30, 2017, in the governmental fund financial statements. The liquidation of the compensated absence liabilities will be paid proportional to funds in which the compensation was paid, primarily the general and proprietary funds.

L. Pension Plans

The West Feliciana Parish Government is a participating employer in three defined benefit pension plans (plans) as described in Note 13. 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 position of each of the plans, and additions to/deductions from each plans' fiduciary net position have been determined on the same basis as they are reported by each of the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments have been reported at fair value within each plan.

M. Fund Balance

The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable fund balance – amounts that are not in a spendable form (such as inventory or prepaid items) or are required to be maintained intact;
- Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantor, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- Committed fund balance – amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority by a vote of the Council; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;

WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

M. Fund Balance (continued)

- Assigned fund balance – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governmental body delegates the authority such as the Government's management;
- Unassigned fund balance – amounts that are available for any purpose.

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

N. Net Position

The Government has implemented GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. This standard provides guidance for reporting the financial statement elements of deferred outflows of resources and deferred inflows of resources. Deferred outflows represent the consumption of the Government's net position that is applicable to a future reporting period. A deferred inflow represents the acquisition of net position that is applicable to a future reporting period.

Because deferred outflows and deferred inflows are, by definition, neither assets nor liabilities, the statement of net assets title is referred to as the statement of net position. The statement of net position reports net position as the difference between all other elements in a statement of net position and should be displayed in three components—net investment in capital assets, restricted net position (distinguishing between major categories of restrictions), and unrestricted net position.

Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of borrowings for capital asset acquisition, construction, or improvement of those assets, increased by deferred outflows of resources attributable to capital asset acquisition, construction or improvement, and deferred inflows of resources attributable to either capital asset acquisition, construction, or improvement or to capital asset related debt. Capital-related debt or deferred inflows equal to unspent capital asset related debt proceeds or deferred inflows of resources is included in calculating either restricted or unrestricted net position, depending upon whether the unspent amounts are restricted.

Restricted net position reflects net position when there are limitations imposed on a net position's use by external parties such as creditors, grantors, laws or regulations of other governments. Restricted net position consists of restricted assets less liabilities related to restricted assets less deferred inflows related to restricted assets. Liabilities and deferred inflows related to restricted assets include liabilities and deferred inflows to be liquidated with restricted assets and arising from the same resource flow that results in restricted assets. When both restricted and unrestricted resources are available for use, it is the Government's policy to use restricted resources first, then unrestricted resources as they are needed.

WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

N. Net Position (continued)

Unrestricted net position is the balance (deficit) of all other elements in a statement of net position remaining after net investment in capital assets and restricted net position.

The Government has implemented GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. This standard provides guidance for reporting the financial statement elements of deferred outflows of resources and deferred inflows of resources, required by GASB Statement No. 63, as applied to the governmental fund statements. In addition to identifying which items should be reported in these new categories in proprietary fund, fiduciary fund, government-wide statements of net position and governmental fund balance sheets, GASB Statement No. 65 also identifies certain items previously reported as assets and liabilities that the GASB determined should be recognized as revenues, expenses, or expenditures when incurred and not reported in statements of net position/balance sheets.

O. Estimates

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

P. Current year adoption of new accounting standard and restatement of net position

The Entity adopted Government Accounting Standards Board (GASB) Statement Number 75 - *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The net effect to the District's Statement of Net Position for the prior year that resulted from the adoption of GASB 75 is as follows:

	<u>Governmental Activities</u>	<u>Business Type Activities</u>
Total Net Position, June 30, 2017 as previously reported	\$ 28,822,157	\$ 7,435,631
Reverse post-employment benefit obligation June 30, 2017	14,526	11,263
Record total post-employment benefit liability June 30, 2017	(71,535)	(20,231)
Net effect	(57,009)	(8,968)
Total Net Position, June 30, 2017, Restated	<u>\$ 28,765,148</u>	<u>\$ 7,426,663</u>

WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

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

- a. A letter of request is sent on or about April 1 to each department head requesting submission of operating budget along with the capital outlay budget request. Each department head is encouraged to seek help from the finance department and have their final budget requests in the main office by May 1.
- b. The Parish President submits to the Council a proposed operating budget at least forty-five days prior to the beginning of each fiscal year. The operating budget includes proposed expenditures and total anticipated revenues.
- c. At the meeting of the Council at which the operating budget is submitted, the Council orders a public hearing on it. At least ten days prior to the date of such hearing, the council publishes in the official journal a general summary of the proposed budget.
- d. At least ten days prior to the date of such hearing, the Government publishes in the official journal a general summary of the proposed budget.
- e. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is legally enacted through passage of an ordinance, no later than the fifteenth day of the last month of the fiscal year.
- f. Budgetary amendments involving the transfer of funds from one department, office, or agency to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the adoption of an ordinance by the Council.
- g. Every appropriation, except an appropriation for a capital expenditure, lapses at the close of the fiscal year to the extent that it has not been expended.
- h. Budgets for the General and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as amended from time to time by the Council.

3. DEPOSITS, CASH EQUIVALENTS, AND INVESTMENTS

At June 30, 2018, the Government had cash and cash equivalents (book balances) totaling \$404,857 consisting of deposits with financial institutions. These deposits were stated at cost, which approximates market. Deposits in financial institutions can be exposed to custodial credit risk. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

Custodial risk is the risk that in the event of bank failure, the government's deposits may not be returned. Under the state law, all deposits are required to be secured by federal depository insurance or the pledge of securities held by the pledging banks agent in the Government's name. At June 30, 2018, the primary government's bank balances amounted to \$1,073,583. Of the bank balances, \$250,000 was covered by federal depository insurance and the remaining balance are required to be protected against custodial credit risk by collateral held by the pledging banks' trust department or agent in the Government's name.

WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

3. DEPOSITS, CASH EQUIVALENTS, AND INVESTMENTS (continued)

Investments:

As of June 30, 2018, the primary government had the following investments:

<u>Investment Type</u>	<u>Fair Value</u>
-------------------------------	--------------------------

**Investments measured at
the net asset value (NAV)**

External investment pool	<u>\$ 11,542,761</u>
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The \$11,542,761 invested in LAMP are investment in money market instruments. LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-R.S. 33:2955.

- Credit risk: LAMP is rated AAAM by Standard & Poor's.
- Interest rate risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 60 days and consists of no securities with a maturity in excess of 397 days.
- Concentration of credit risk: The Government does not have a limit on the amount the Government may invest in one issuer. One hundred percent of the Government's investments are in LAMP funds.
- Foreign currency risk: Not applicable. LAMP complies with the provisions of Louisiana Law concerning permissible investments for municipalities, parishes and other political subdivisions set for in La R.S. 33:2955 and the investment policy does not provide for investment in foreign obligations.

The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

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

An annual audit of LAMP is conducted by an independent certified public accountant. The Legislative Auditor of the State of Louisiana has full access to the records of LAMP.

LAMP issues financial reports which can be obtained by writing: LAMP, Inc., 228 St. Charles Avenue, Suite 1123, New Orleans, LA 70130.

WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

4. ACCOUNTS RECEIVABLE AND DUE FROM OTHER GOVERNMENTS

Accounts receivable and due from other governments consists of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts are based upon historical trends, period aging and prior write-offs of similar accounts receivable, receivables balances, ad valorem, sales, and franchise tax collections. Accounts receivable and due from other governments for the primary government at June 30, 2018 were as follows:

Governmental Activities:

	<u>Various Taxes</u>	<u>Sales Taxes</u>	<u>Service Fees and Other</u>	<u>Total</u>
General	\$ 36,254	\$ 9,229	\$ 91,932	\$ 137,415
Solid Waste	-	108,154	2,000	110,154
Recreation	-	52,300	540	52,840
Road Improvement	-	-	70,928	70,928
Non-Major Governmental Funds	-	-	17,865	17,865
Total	\$ 36,254	\$ 169,683	\$ 183,265	\$ 389,202

Business-type Activities:

	<u>Waterworks District No. 13</u>	<u>Combined Sewer Funds</u>	<u>Total</u>
Operating fund	\$ 64,931	\$ 21,142	\$ 86,073
Allowance for uncollectible accounts	(1,500)	-	(1,500)
Total	\$ 63,431	\$ 21,142	\$ 84,573

WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

5. CAPITAL ASSETS

A. Governmental Activities

The following is a summary of the changes in capital assets for the primary government for the year ended June 30, 2018:

	<u>Balance 6/30/2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 6/30/2018</u>
Capital Assets Not Depreciated				
Land	\$ 2,587,767	\$ 540,000	\$ (55,522)	\$ 3,072,245
Construction in Progress	1,409,919	107,984	-	1,517,903
Subtotal	<u>3,997,686</u>	<u>647,984</u>	<u>(55,522)</u>	<u>4,590,148</u>
Depreciated				
Buildings	17,827,707	85,713	-	17,913,420
Equipment	3,273,946	301,593	(98,993)	3,476,546
Furniture & Fixtures	89,364	2,423	-	91,787
Library Collections	214,899	-	-	214,899
Infrastructure	5,584,917	224,369	-	5,809,286
Building improvements (Library)	108,088	-	-	108,088
Vehicle	702,532	32,150	(88,548)	646,134
Subtotal	<u>27,801,453</u>	<u>646,248</u>	<u>(187,541)</u>	<u>28,260,160</u>
Accumulated Depreciation				
Buildings - A/D	(3,870,922)	(475,248)	-	(4,346,170)
Equipment - A/D	(2,285,916)	(324,067)	98,993	(2,510,990)
Furniture & Fixtures - A/D	(80,132)	(2,231)	-	(82,363)
Library Collections - A/D	(172,389)	(20,399)	-	(192,788)
Infrastructure - A/D	(2,668,714)	(169,780)	-	(2,838,494)
Building improvements (Library) - AD	(37,751)	(17,403)	-	(55,154)
Vehicle - A/D	(593,197)	(37,238)	88,548	(541,887)
Subtotal	<u>(9,709,021)</u>	<u>(1,046,366)</u>	<u>187,541</u>	<u>(10,567,846)</u>
Net capital assets being depreciated	<u>18,092,432</u>	<u>(400,118)</u>	<u>-</u>	<u>17,692,314</u>
Total capital assets, net	<u>\$ 22,090,118</u>	<u>\$ 247,866</u>	<u>\$ (55,522)</u>	<u>\$ 22,282,462</u>

WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

5. **CAPITAL ASSETS** (continued)

A. **Governmental Activities** (continued)

Depreciation expense totaling \$1,046,366 for the year ended June 30, 2018 was charged to the following government functions:

General government	\$ 261,072
Culture and recreation	234,016
Economic development	27,177
Health and welfare	61,253
Public safety	30,104
Public works	<u>432,744</u>
Total	<u>\$ 1,046,366</u>

B. **Business-type Activities**

The following is a summary of the changes in capital assets for the primary government for the year ended June 30, 2018:

<u>Cost</u>	Balance				6/30/2018
	06/30/2017	Additions	Deletions	Transfers	
Utility Systems	\$ 15,839,137	\$ -	\$ -	\$ -	\$ 15,839,137
Equipment	369,464	25,967	-	-	395,431
Vehicles	208,104	28,206	(53,400)	-	182,910
	<u>16,416,705</u>	<u>54,173</u>	<u>(53,400)</u>	<u>-</u>	<u>16,417,478</u>
<u>Less: accumulated depreciation</u>					
Utility Systems	(7,019,492)	(400,687)	-	-	(7,420,179)
Equipment	(236,080)	(57,507)	-	-	(293,587)
Vehicles	(120,411)	(32,012)	51,104	-	(101,319)
	<u>(7,375,983)</u>	<u>(490,206)</u>	<u>51,104</u>	<u>-</u>	<u>(7,815,085)</u>
Net capital assets being depreciated	<u>9,040,722</u>	<u>(436,033)</u>	<u>(2,296)</u>	<u>-</u>	<u>8,602,393</u>
Total capital assets, net	<u>\$ 9,040,722</u>	<u>\$ (436,033)</u>	<u>\$ (2,296)</u>	<u>\$ -</u>	<u>\$ 8,602,393</u>

WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

6. DEDICATED REVENUE

Sales and Use Tax

The Government has a one per cent sales and use tax approved for an indefinite term by the voters on October 9, 1984. The tax, after all necessary costs for collection and administration, is to be used for purposes in the percentages assigned as follows.

- Dedicated for maintaining, operating, acquiring and/or improving solid waste collection and disposal facilities in and for the parish
- Dedicated for maintaining, operating and/or improving the West Feliciana Parish Hospital
- Dedicated for maintain and improving roads in the Parish

An additional ½ of one percent sales and use tax was approved by voters on November 6, 2012 for 7 years for the purpose of acquiring, constructing, maintaining, operating and/or improving buildings, facilities and equipment for the West Feliciana Parish Hospital.

7. TAX REVENUES ABATED

The Louisiana Industrial Ad Valorem Tax Exemption program (Louisiana Administrative Code, Title 13, Chapter 5) is a state incentive program which abates, up to ten years, local ad valorem taxes on a manufacturer's new investment and annual capitalized additions related to the manufacturing site. Applications to exempt qualified property for five years are approved by the Board of Commerce and Industry. The exemption may be renewed for an additional five years. For the fiscal year ending June 30, 2018, \$670,028 in West Feliciana Parish Government ad valorem tax revenues were abated by the state of Louisiana through the Louisiana Industrial Ad Valorem Tax Exemption program.

WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

8. INTERFUND BALANCES

From time to time, cash may be borrowed between funds or costs may be fronted by one fund for another fund resulting in interfund balances. The amounts are not expected to be repaid within one year as they depend on the timing of receipts in other funds. The following inter-fund balances existed at June 30, 2018.

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
Governmental Activities:		
General	\$ 3,614,619	\$ 503,415
Solid Waste	190,000	-
Recreation	-	555,654
Road Improvement	14,347	904,319
Economic Development	-	504,322
Buildings and Grounds	33,000	901,623
Non-Major Governmental Funds	<u>423,609</u>	<u>987,749</u>
	<u>4,275,575</u>	<u>4,357,082</u>
Business-Type Activities:		
Waterworks District No. 13	486,676	143,551
Independence Sewer	-	31,189
Solitude Sewer	-	222,513
Non-Major Sewer Funds	<u>-</u>	<u>7,916</u>
	<u>486,676</u>	<u>405,169</u>
Total	<u>\$ 4,762,251</u>	<u>\$ 4,762,251</u>

9. INTERFUND TRANSFERS

Transfers between funds occur to provide reimbursement of certain operating costs and are not expected to be repaid. Transfers between funds during the year ended June 30, 2018 occurred as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
Governmental Activities:		
General	\$ 2,442,995	\$ 1,867,207
Solid Waste	-	150,000
Recreation	253,274	283,275
Road Improvement	1,466,586	1,386,587
Economic Development	217,587	221,587
Buildings and Grounds	988,492	1,469,603
Non-Major Governmental Funds	<u>795,176</u>	<u>745,622</u>
	<u>6,164,110</u>	<u>6,123,881</u>
Business-Type Activities:		
Waterworks District No. 13	-	40,000
Solitude Fund	<u>204</u>	<u>433</u>
	<u>204</u>	<u>40,433</u>
Total	<u>\$ 6,164,314</u>	<u>\$ 6,164,314</u>

WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

10. DISAGGREGATION OF ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Governmental activities accounts payables and accrued liabilities as of June 30, 2018, were as follows:

Vendors		\$	117,835
Salaries and benefits payable			<u>197,515</u>
Total governmental fund encumbrances			<u>\$ 315,350</u>

Business-type accounts payable and accrued liabilities as of June 30, 2018, were as follows:

Vendors		\$	73,526
Salaries and benefits payable			43,318
Interest payable			<u>4,134</u>
Total governmental fund encumbrances			<u>\$ 120,978</u>

11. GOVERNMENTAL ACTIVITIES LONG-TERM OBLIGATIONS

A. Activities

Long-term liability activity of governmental activities for the year ended June 30, 2018 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due within One Year</u>
Bonds Payable	\$ 2,958,000	\$ -	\$ (183,000)	\$ 2,775,000	\$190,000
Compensated Absences	174,292	2,387	(14,000)	162,679	79,430
	<u>\$ 3,132,292</u>	<u>\$ 2,387</u>	<u>\$ (197,000)</u>	<u>\$ 2,937,679</u>	<u>\$269,430</u>

B. Bonds Payable

For the purpose of acquiring property to be used for public purposes, the Government issued \$340,000 in general obligation bonds during the year ended December 31, 2008.

For the purpose of constructing a public library building, acquiring furniture and fixtures, and acquiring equipment, the Government issued \$3,500,000 in general obligation bonds during the year ended December 31, 2012.

WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

11. GOVERNMENTAL ACTIVITIES LONG-TERM OBLIGATIONS (continued)

B. Bonds Payable (continued)

Bonds outstanding were as follows at June 30, 2018:

	<u>Date of Issue</u>	<u>Original/Notional Balance</u>	<u>Ending Balance</u>
General Obligation Bonds, Series 2008, 3.69%	11/13/2008	\$ 340,000	\$ 40,000
General Obligation Bonds, Series 2012, 2.0% to 3.25%	8/01/2012	3,500,000	2,735,000
		<u>\$ 3,840,000</u>	<u>\$ 2,775,000</u>

Principal and interest payments are due as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 190,000	\$ 72,188	\$ 262,188
2020	160,000	68,425	228,425
2021	165,000	65,199	230,199
2022	170,000	61,689	231,689
2023	180,000	57,888	237,888
2024- 2028	985,000	223,008	1,208,008
2029-2033	925,000	76,307	1,001,307
	<u>\$ 2,775,000</u>	<u>\$ 624,704</u>	<u>\$ 3,399,704</u>

C. Legal Debt Margin

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

Ad valorem tax – Assessed valuation, 2017 tax rolls	<u>\$ 301,800,237</u>
Debt limit: 10% of assessed valuation (for any purpose)	<u>\$ 30,180,024</u>
Debt limit: 15% of assessed valuation (for sewerage purposes)	<u>\$ 45,270,036</u>
Debt limit: 35% of assessed valuation (aggregate, all purposes)	<u>\$ 105,630,083</u>

WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

12. BUSINESS-TYPE ACTIVITIES LONG-TERM OBLIGATIONS

A. Activities

Long-term debt activity of business-type activities for the year ended June 30, 2018 was as follows:

	<u>Beginning</u> <u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending</u> <u>Balance</u>	<u>Amounts</u> <u>Due within</u> <u>One Year</u>
Bonds Payable	\$ 2,736,041	\$ -	\$ (105,190)	\$ 2,630,851	\$ 76,060
Notes Payable	132,525	-	(18,933)	113,592	18,933
Compensated Absences	47,583	1,351	(5,000)	43,934	43,316
	<u>\$ 2,916,150</u>	<u>\$ 1,351</u>	<u>\$ (129,123)</u>	<u>\$ 2,788,377</u>	<u>\$ 138,309</u>

B. Bonds and Notes Payable

For the purpose of paying a portion of the costs of constructing and acquiring improvements and renovations to the Solitude sewer system, the Government issued \$429,000 in sewer revenue bonds during the year ended December 31, 2006. The bonds were borrowed on the credit of the income and revenues derived or to be derived from the operation of the Solitude sewer system. The bonds' collateral is a pledge of the Solitude sewer system's revenue.

For the purpose of paying a portion of the costs of constructing and acquiring improvements and renovations to the Solitude sewer system, the Government issued \$236,000 in sewer revenue bonds during the year ended December 31, 2006. The bonds were borrowed on the credit of the income and revenues derived or to be derived from the operation of the Solitude sewer system. The bonds' collateral is a pledge of the Solitude sewer system's revenue.

For the purpose of paying a portion of the costs of constructing and acquiring improvements and renovations to the Independence sewer system, the Government issued \$253,000 in sewer revenue bonds during the year ended December 31, 2012. The bonds were borrowed on the credit of the income and revenues derived or to be derived from the operation of the Independence sewer system. The bonds' collateral is a pledge of the Independence sewer system's revenue.

For the purpose of improving and extending the waterworks system, the Consolidated Waterworks District No.13 of West Feliciana Parish issued \$2,600,000 in water revenue bonds during the year ended December 31, 1997. The bonds were borrowed on the credit of the income and revenues derived or to be derived from the operation of the waterworks system. The bonds' collateral is a pledge of the water system's revenue.

WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

12. BUSINESS-TYPE ACTIVITIES LONG-TERM OBLIGATIONS (continued)

B. Bonds and Notes Payable (continued)

Based on an agreement with the Louisiana Department of Transportation and Development executed on March 9, 1999, and pursuant to the provisions of La RS 48:381 (C), the District owed \$98,097 for its share of line relocation costs on the Bains Project. The total project cost \$356,456 which was paid by the La DOTD, but the District was responsible for 27.52% of it. An agreement was made with the La DOTD to repay 10% per year beginning with the fiscal year ending June 30, 2015. With installments of \$9,810 paid annually, this loan will be fully paid during the fiscal year ending June 30, 2024. The balance at June 30, 2018, was \$58,857.

Based on an agreement with the Louisiana Department of Transportation and Development executed on March 19, 2007, and pursuant to the provisions of La RS 48:381 (C), the District owed \$91,228 for its share of line relocation costs on the Thompson Creek Project. The total project costs \$656,786 which was paid by the La DOTD, but the District was responsible for 13.89% of it. An agreement was made with the La DOTD to repay 10% per year beginning with the fiscal year ending June 30, 2015. With installments of \$9,123 paid annually, this loan will be fully paid during the fiscal year ending June 30, 2024. The balance at June 30, 2018, was \$54,735.

Bonds and Notes outstanding were as follows at June 30, 2018:

	<u>Date of Issue</u>	<u>Original/Notional Balance</u>	<u>Ending Balance</u>
Sewer Revenue Bonds, Series 2006, 4.25%	6/15/2006	\$ 429,000	\$ 368,623
Sewer Revenue Bonds, Series 2006, 4.75%	6/15/2006	236,000	203,505
Sewer Revenue Bonds, Series 2012, 2.0% to 3.25%	6/01/2012	253,000	238,864
Water Revenue Bonds, Series 1997, 5.0%	3/20/1997	2,600,000	1,819,859
Utility Relation Agreement, No. 09069	3/9/1999	98,097	58,857
Utility Relation Agreement, No. 08947	3/19/2007	91,228	54,735
		<u>\$ 3,707,325</u>	<u>\$ 2,744,443</u>

WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

12. BUSINESS-TYPE ACTIVITIES LONG-TERM OBLIGATIONS (continued)

B. Bonds and Notes Payable (continued)

Principal and interest payments are due as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 94,993	\$ 121,659	\$ 216,652
2020	98,740	117,912	216,652
2021	102,673	113,979	216,652
2022	106,801	109,851	216,652
2023	111,133	105,519	216,652
2024 – 2028	552,851	454,671	1,007,522
2029 – 2033	679,540	309,055	988,595
2034 – 2038	629,794	133,252	763,046
2039– 2043	179,556	55,559	235,115
2044 – 2048	145,479	17,964	163,443
2049 – 2052	42,883	2,918	45,801
	<u>\$ 2,744,443</u>	<u>\$ 1,542,339</u>	<u>\$ 4,286,782</u>

13. PENSION PLANS

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

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

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

DARS:
1645 Nicholson Drive.
Baton Rouge, LA 70802-
8143
(225) 267-4824
www.ladars.org

ROVERS:
PO Box 57.
Jennings, LA
70546
(800) 510-8515
www.larovers.com

WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

13. PENSION PLANS (continued)

The Government implemented Government Accounting Standards Board (GASB) Statement 68 on Accounting and Financial Reporting for Pensions and Statement 71 on Pension Transition for Contributions Made Subsequent to the Measurement Date – an Amendment of GASB 68. These standards require the Government to record its proportional share of each of the pension plans Net Pension Liability (Asset) and report the following disclosures:

Plan Descriptions:

Parochial Employees' Retirement System of Louisiana (PERS)

Parochial Employees' Retirement System of Louisiana is the administrator of a cost sharing multiple employer defined benefit pension plan. The System was established and provided for by R.S.11:1901 of the Louisiana Revised Statute (LRS). The System provides retirement benefits to employees of taxing districts of a parish or any branch or section of a parish within the State which does not have their own retirement system and which elects to become members of the system. The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to these appropriate statutes for more complete information.

Eligibility Requirements:

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

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

Retirement Benefits:

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

For employees hired prior to January 1, 2007:

1. Age 55 with thirty (30) years of creditable service.
2. Age 60 with a minimum of ten (10) years of creditable service.
3. Age 65 with a minimum of seven (7) years of creditable service.

For employees hired after January 1, 2007:

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

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

WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

13. PENSION PLANS (continued)

Survivor Benefits:

Plan B members need ten (10) years of service credit to be eligible for survivor benefits. Upon the death of any member of Plan B with twenty (20) or more years of creditable service who is not eligible for normal retirement, the plan provides for an automatic Option 2 benefit for the surviving spouse when he/she reaches age 50 and until remarriage, if the remarriage occurs before age 55.

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

Deferred Retirement Option Plan:

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

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

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

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

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

WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

13. PENSION PLANS (continued)

Disability Benefits:

For Plan B, a member shall be eligible to retire and receive a disability benefit if he/she was hired prior to January 1, 2007, and has at least five years of creditable service or if hired after January 1, 2007, has seven years of creditable service, and is not eligible for normal retirement, and has been officially certified as disabled by the State Medical Disability Board. Upon retirement caused by disability, a member of Plan B shall be paid a disability benefit equal to the lesser of an amount equal to two percent of the member's final average compensation multiplied by his years of service, not to be less than fifteen, or an amount equal to what the member's normal benefit would be based on the member's current final compensation but assuming the member remained in continuous service until his earliest normal retirement age.

District Attorneys' Retirement System (DARS)

The District Attorneys' Retirement System, State of Louisiana is the administrator of a cost sharing multiple employer defined benefit pension plan. The System was established on the first day of August, 1956 and was placed under the management of the board of trustees for the purpose of providing retirement allowances and other benefits as stated under the provisions of R.S. 11, Chapter 3 for district attorneys and their assistants in each parish.

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

The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

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

WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

13. PENSION PLANS (continued)

Members who joined the System after July 1, 1990 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 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 average final compensation multiplied by the lesser of his actual service (not to be less than fifteen years) or projected continued service to age sixty.

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

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

The Board of Trustees is authorized to grant retired members and 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, the System 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

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ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

13. PENSION PLANS (continued)

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

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 his option, a lump sum from the account equal to the payments into the account or systematic disbursements from his account in any manner approved by the board of trustees. The monthly benefits that were being paid into the DROP would then be paid to the retiree. All amounts which remain credited to the individual's sub-account after termination of participation in the plan were invested in liquid money market funds. Interest was credited thereon as actually earned.

Registrar of Voters Employees' Retirement System (ROVERS)

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

The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

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.

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ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

13. PENSION PLANS (continued)

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

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

Disability benefits are provided to active contributing members with at least 10 years of service established in the System and who have been officially certified as disabled by the State Medical Disability Board. The disabled member who has attained the age of sixty years shall be entitled to a regular retirement allowance. The disabled member who has not yet attained age sixty shall be entitled to a disability benefit equal to the lesser of three percent of his average final compensation multiplied by the number of creditable years of service (not to be less than fifteen years) or three and one third percent of average final compensation multiplied by the years of service assuming continued service to age sixty. Disability benefits may not exceed two-thirds of earnable compensation.

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

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

WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

13. PENSION PLANS (continued)

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

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

Funding Policy

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

Contributions to the plans are required and determined by State statute (which may be amended) and are expressed as a percentage of covered payroll. The contribution rates in effect for the year ended June 30, 2018, for the Government and covered employees were as follows:

	<u>Government</u>	<u>Employees</u>
Parochial Employees' Retirement System of Louisiana:		
Plan B	7.50%	3.00%
District Attorneys' Retirement System	0.00%	8.00%
Registrar of Voters Employees' Retirement System	17.00%	7.00%

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ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

13. PENSION PLANS (continued)

The contributions made to the Systems for the past three fiscal years, which equaled the required contributions for each of these years, were as follows:

	June 30,		
	2018	2017	2016
Parochial Employees' Retirement System of Louisiana:			
Plan B	\$ 176,444	\$ 185,643	\$ 191,838
District Attorneys' Retirement System	-	-	367
Registrar of Voters Employees' Retirement System	4,911	5,777	3,250

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

The following schedule lists the Government's proportionate share of the Net Pension Liability (Asset) allocated by each of the pension plans for based on the December 31, 2017 (PERS) and June 30, 2017 (DARS and ROVERS) measurement date. The Government uses this measurement to record its Net Pension Liability (Asset) and associated amounts as of June 30, 2018 in accordance with GASB Statement 68. The schedule also includes the proportionate share allocation rate used at 2017 along with the change compared to the 2016 rate. The Government's proportion of the Net Pension Liability (Asset) was based on a projection of the Agency's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

13. PENSION PLANS (continued)

	Net Pension Liability (Asset) at 2017 Valuation Date	Rate at 2016 Valuation Date	Increase (Decrease) to 2016 Rate
Governmental Activities:			
District Attorneys' Retirement System	\$ 10,519	0.031917%	0.007083%
Registrar of Voters Employees' Retirement System	<u>46,296</u>	0.210300%	0.000604%
	<u>\$ 56,815</u>		
Parochial Employees' Retirement System of Louisiana:			
Plan B	<u>\$ (213,903)</u>	2.266758%	-0.046177%
Business-type Activities:			
Parochial Employees' Retirement System of Louisiana:			
Plan B	<u>\$ (71,301)</u>	2.266758%	-0.046177%

The following schedule list each pension plan's recognized pension expense:

Governmental Activities:

Parochial Employees' Retirement System of Louisiana:	
Plan B	\$ 193,035
District Attorneys' Retirement System	3,301
Registrar of Voters Employees' Retirement System	8,919
	<u>\$ 205,255</u>

Business Type Activities:

Parochial Employees' Retirement System of Louisiana:	
Plan B	\$ 48,249
	<u>\$ 48,249</u>

WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

13. PENSION PLANS (continued)

At June 30, 2018, the Government reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (159,902)
Changes of assumptions	176,969	(2,737)
Contributions in excess (deficiency) of required amount	1,276	(2,834)
Net difference between projected and actual earnings on pension plan investments	9,430	(335,673)
Changes in proportion and differences between Employer contributions and proportionate share of contributions	4,685	(3,395)
Employer contributions subsequent to the measurement date	90,457	-
Total	\$ 282,817	\$ (504,541)

Summary totals of deferred outflows of resources and deferred inflows of resources by pension plan:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Parochial Employees' Retirement System of Louisiana: Plan B	\$ 254,747	\$ (485,407)
District Attorneys' Retirement System	9,822	(6,155)
Registrar of Voters Employees' Retirement System	18,248	(12,979)
	\$ 282,817	\$ (504,541)

The Government reported a total of \$90,457 as deferred outflow of resources related to pension contributions made subsequent to the measurement which will be recognized as a reduction in Net Pension Liability in the year ended June 30, 2019. The following schedule list the pension contributions made subsequent to the measurement period for each pension plan:

	Subsequent Contributions
Parochial Employees' Retirement System of Louisiana: Plan B	\$ 85,546
District Attorneys' Retirement System	-
Registrar of Voters Employees' Retirement System	4,911
	\$ 90,457

WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

13. PENSION PLANS (continued)

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

Year	PERS B	DARS	ROVERS	Total
2019	\$ (14,546)	\$ (226)	\$ 122	\$ (14,650)
2020	(46,300)	1,852	2,217	(42,231)
2021	(125,255)	668	255	(124,332)
2022	(130,105)	261	(2,236)	(132,080)
2023	- -	456	-	456
2024	- -	656	-	656
	<u>\$ (316,206)</u>	<u>\$ 3,667</u>	<u>\$ 358</u>	<u>\$ (312,181)</u>

Actuarial Assumptions

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

	PERS (Plan B)	DARS	ROVERS
Valuation Date	December 31, 2017	June 30, 2017	June 30, 2017
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Actuarial Assumptions:			
Expected Remaining			
Service Lives	4 years	7 years	5 years
Investment Rate of Return	6.75% net of investment expenses	6.75% net of investment expenses	6.75% net of investment expenses
Inflation Rate	2.50% per annum	2.50%	2.50%
Mortality	RP-2000 Healthy Annuitant Sex Distinct Tables projected to 2031 using Scale AA were selected for annuitant and beneficiary mortality. For employees, the RP-2000 Employees Sex Distinct Tables set back 4 years for males and 3 years for females was selected. The RP-2000 Disabled Lives Mortality Table set back 5 years for males and set back 3 years for females was selected for disabled annuitants.	RP 2000 Combined Healthy Table set back 3 years for males and 1 year for females. The RP-2000 Disabled Lives Mortality Table was selected for disabled annuitants.	RP-2000 Combined Healthy Mortality Table for active members, healthy annuitants and beneficiaries RP-2000 Disabled Lives Mortality Table for disabled annuitants
Salary Increases	5.25%	5.50%	6.00%
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

13. PENSION PLANS (continued)

The following schedule list the methods used by each of the retirement systems in determining the long term rate of return on pension plan investments:

PERS	DARS	ROVERS
<p>The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.00% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.62% and 7.66% for the year ended December 31, 2017 and 2016, respectively.</p>	<p>The estimated long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The resulting long-term rate of return is 9.06% for the year ended June 30, 2017.</p>	<p>The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The resulting long-term rate of return is 8.39% for the year ended June 30, 2017.</p>

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

Asset Class	Target Allocation			Long-Term Expected Real Rate of Return		
	PERS	DARS	ROVERS	PERS	DARS	ROVERS
Equities	52.0%	61.72%	55.0%	3.63%	11.31%	4.28%
Fixed income	35.0%	28.95%	30.0%	1.24%	6.84%	0.85%
Alternatives	11.0%	8.85%	5.0%	0.67%	10.50%	0.31%
Cash	0.0%	0.48%	0.0%	0.0%	0.50%	0.0%
Real assets	2.0%	0%	10.0%	0.12%	0.00%	0.45%
Total	100.0%	100.0%	100.0%	5.66%	29.15%	5.89%
Inflation				2.00%	2.50%	2.50%
Expected Arithmetic Nominal Return				7.66%	31.65%	8.39%

WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

13. PENSION PLANS (continued)

Discount Rate

The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, each of the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate used to measure the total pension liability for PERS, DARS and ROVERS was 6.75%, 6.75%, and 6.75% respectively for the year ended June 30, 2018.

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

The following table presents the Government's proportionate share of the Net Pension (NP) Liability (Asset) using the discount rate of each Retirement System as well as what the Government's proportionate share of the NP Liability (Asset) would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate used by each of the Retirement Systems:

	<u>1.0% Decrease</u>	<u>Current Discount Rate</u>	<u>1.0% Increase</u>
PERS Plan B			
Rates	5.75%	6.75%	7.75%
Government's Share of NP Liability (Asset)	\$ 607,723	\$ (285,204)	\$ (1,038,420)
DARS			
Rates	5.75%	6.75%	7.75%
Government's Share of NP Liability (Asset)	\$ 30,060	\$ 10,519	\$ (6,086)
ROVERS			
Rates	5.75%	6.75%	7.75%
Government's Share of NP Liability (Asset)	\$ 70,762	\$ 46,296	\$ 25,238

WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

13. PENSION PLANS (continued)

Payables to the Pension Plan

The Government recorded accrued liabilities to each of the Retirement Systems for the year ended June 30, 2018 mainly due to the accrual for payroll at the end of each of the fiscal years. The amounts due are included in liabilities under the amounts reported as accounts, salaries and other payables. The balance due to each for the retirement systems at June 30 is as follows:

	2018
Governmental Activities:	
Parochial Employees' Retirement System of Louisiana:	
Plan B	\$ 29,935
District Attorneys' Retirement System	-
Registrar of Voters Employees' Retirement System	409
	\$ 30,344
Business-type Activities:	
Parochial Employees' Retirement System of Louisiana:	
Plan B	\$ 9,832

14. RISK MANAGEMENT

Litigation and General Liability

The Government is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Government has purchased various insurance policies to cover such risks.

The Government is a defendant in various lawsuits. Management and legal counsel for the Government believe that potential claims against the Government not covered by insurance would not materially affect the Government's financial position.

WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

15. OTHER POSTEMPLOYMENT BENEFITS

General Information about the OPEB Plan

Plan description – The West Feliciana Parish (the Parish) provides certain continuing health care and life insurance benefits for its retired employees. The West Feliciana Parish’s OPEB Plan (the OPEB Plan) is a single-employer defined benefit OPEB plan administered by the Parish. The authority to establish and/or amend the obligation of the employer, employees and retirees rests with the Parish as provided by Louisiana Revised Statute Title 17 Sections 1221 through 1224. No assets are accumulated in a trust that meets the criteria in Governmental Accounting Standards Board (GASB) Codification Section P52 *Postemployment Benefits Other Than Pensions—Reporting For Benefits Not Provided Through Trusts That Meet Specified Criteria—Defined Benefit*.

Benefits Provided – Medical benefits are provided through a comprehensive medical plan and are made available to employees upon actual retirement. Most employees are covered by the Parochial Employees' Retirement System of Louisiana, whose retirement eligibility (D.R.O.P. entry) provisions are as follows: 30 years of service at any age; age 55 and 25 years of service; age 60 and 10 years of service; or, age 65 and 7 years of service. For employees hired on and after January 1, 2008, retirement eligibility (D.R.O.P. entry) provisions are as follows: age 55 and 30 years of service; age 62 and 10 years of service; or, age 67 and 7 years of service.

Employees covered by benefit terms – At July 1, 2017, the following employees were covered by the benefit terms:

Governmental Activities:

Inactive employees or beneficiaries currently receiving benefit payments	1	
Inactive employees entitled to but not yet receiving benefit payments	-	
Active employees	34	
	35	

Business-Type Activities:

Inactive employees or beneficiaries currently receiving benefit payments	-	
Inactive employees entitled to but not yet receiving benefit payments	-	
Active employees	10	
	10	

WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

15. OTHER POST EMPLOYMENT BENEFITS (continued)

Total OPEB Liability

The Parish's total OPEB liability of \$99,258 was measured as of June 30, 2018 and was determined by an actuarial valuation as of that date July 1, 2017.

Actuarial Assumptions and other inputs – The total OPEB liability as of the July 1, 2017 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary increases	3.0%, including inflation
Discount rate	3.87% annually
Healthcare cost trend rates	Flat 5.5% annually

The discount rate was based on the Bond Buyers' 20 Year General Obligation AA municipal bond index as of June 30, 2018, the end of the applicable measurement period.

Mortality rates were based on the RP-2000 Table without projection with 50%/50% unisex blend.

The actuarial assumptions used in the July 1, 2017 valuation were based on the results of ongoing evaluations of the assumptions from July 1, 2009 to June 30, 2018.

Changes in the Total OPEB Liability

	<u>Governmental Activities</u>	<u>Business - Type Activities</u>
Balance at June 30, 2017	\$ 71,535	\$ 20,231
Changes for the year:		
Service cost	1,359	554
Interest	2,821	804
Differences between expected and actual experience	4,543	2,696
Changes in assumptions	(1,502)	(909)
Benefit payments and net transfers	(2,874)	-
Net changes	<u>4,347</u>	<u>3,145</u>
Balance at June 30, 2018	<u>\$ 75,882</u>	<u>\$ 23,376</u>

The amount due within one year for the total OPEB liability is estimated to be \$ 3,000.

WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

15. OTHER POST EMPLOYMENT BENEFITS (continued)

Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of the Parish, as well as what the Parish’s total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.87%) or 1-percentage-point higher (4.87%) than the current discount rate:

	<u>1.0% Decrease (2.87%)</u>	<u>Current Discount Rate (3.87%)</u>	<u>1.0% Increase (4.87%)</u>
Total OPEB Liability – Governmental Activities	\$ 81,216	\$ 75,882	\$ 70,999
Business Type Activities	\$ 27,091	\$ 23,376	\$ 20,252

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates – The following presents the total OPEB liability of the Parish, as well as what the Parish’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.5%) or 1-percentage-point higher (6.5%) than the current healthcare trend rates:

	<u>1.0% Decrease (4.5%)</u>	<u>Current Discount Rate (5.5%)</u>	<u>1.0% Increase (6.5%)</u>
Total OPEB Liability – Governmental Activities	\$ 70,885	\$ 75,882	\$ 81,339
Business Type Activities	\$ 20,048	\$ 23,376	\$ 27,349

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2018, the Parish recognized OPEB expense of \$4,370. At June 30, 2018, the Parish reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 6,838	\$ -
Changes in assumptions		(2,411)
Total	\$ 6,838	\$ (2,411)

WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

15. OTHER POST EMPLOYMENT BENEFITS (continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Years ending June 30:</u>		
2019	\$	267
2020		267
2021		267
2022		267
2023		267
Thereafter		<u>3,092</u>
	\$	<u><u>4,427</u></u>

16. CHANGES IN FIDUCIARY FUNDS

A summary of the changes in fiduciary funds (amounts due to other governmental agencies) as follows:

	<u>Hospital Maintenance</u>	<u>Sales Tax</u>	<u>Total</u>
Balance at June 30, 2017	\$ 248,256	\$ 218,250	\$ 466,506
Additions	139,826	4,177,725	4,317,551
Reductions	<u>(195,963)</u>	<u>(4,230,962)</u>	<u>(4,426,925)</u>
Balance at June 30, 2018	<u>\$ 192,119</u>	<u>\$ 165,013</u>	<u>\$ 357,132</u>

17. SALES TAX REMITTED TO OTHER TAXING AUTHORITIES

Act 711 of the 2010 Louisiana Legislative Session amended LRS 24:513 B to provide required footnote disclosure in the financial statements of local governments that collect tax for other taxing jurisdictions. For the year ended June 30, 2018, the Government collected \$2,130,216 for the West Feliciana Parish Hospital Service District No.1. of this amount, the Government withheld \$82,708 for the taxing authority's share of audit, legal, and administrative fees. This resulted in a distribution of \$2,047,508 of sales tax collections to the West Feliciana Parish Hospital during the year ended June 30, 2018.

18. LEASES

Waterworks District No. 13 paid \$8,400 during the year ended June 30, 2018 to the Government for office space during the period on a month-to-month basis at a rate of \$700 per month.

19. COMMITMENTS AND CONTINGENCIES

The Government participates in a number of federally assisted grant programs. These programs are subject to state and federal monitoring examinations which could result in disallowed costs having to be returned to the granting agency. Management believes that further examinations would not result in material disallowed costs.

WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

19. COMMITMENTS AND CONTINGENCIES (continued)

At June 30, 2018, the Government had incurred construction contract commitments of approximately \$721,000.

20. DETAILED RESTRICTED NET POSITION AND FUND BALANCES

a. Details of restricted Net Position as reported in the entity-wide Statement of Net Position are as follows:

	<u>Governmental Activities</u>	<u>Business Type Activities</u>	<u>Total</u>
Net Position Restricted For:			
Capital improvements:			
Bond funds and dedicated property tax for Library construction	\$ 8,450	\$ -	\$ 8,450
Dedicated property taxes authorized by the electorate for specific revenue funds	<u>1,078,883</u>	<u>-</u>	<u>1,078,883</u>
Total Net Position restricted for capital projects	<u>1,087,333</u>	<u>-</u>	<u>1,087,333</u>
Debt service:			
Waterworks District No. 13 debt service	-	312,664	312,664
Debt service for obligation bonds	<u>732,150</u>	<u>-</u>	<u>732,150</u>
Total Net Position restricted for debt service	<u>732,150</u>	<u>312,664</u>	<u>1,044,814</u>
Net Pension Asset:			
Governmental activities	213,903	-	213,903
Business type activities	<u>-</u>	<u>71,301</u>	<u>71,301</u>
Total Net Pension Asset	<u>213,903</u>	<u>71,301</u>	<u>285,204</u>
External legal constraints:			
Dedicated property taxes authorized by the electorate to specific special revenue funds	1,058,940	-	1,058,940
Dedicated sales taxes authorized by the electorate for specific revenue funds	1,369,506	-	1,369,506
Court fees for juror compensation and judicial expenses	<u>183,888</u>	<u>-</u>	<u>183,888</u>
Total Net Position restricted for external legal constraints	<u>2,612,344</u>	<u>-</u>	<u>2,612,344</u>
Total Restricted Net Position	<u>\$ 4,645,720</u>	<u>\$ 383,965</u>	<u>\$ 5,029,685</u>

WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

20. DETAILED RESTRICTED NET POSITION AND FUND BALANCES (continued)

b. Details of nonspendable, restricted, committed, and unassigned fund balances at year-end are as follows:

	<u>General</u>	<u>Solid Waste</u>	<u>Recreation</u>	<u>Road Improvement</u>	<u>Economic Development</u>	<u>Building and Grounds</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
Fund balances:								
Nonspendable:								
Prepaid assets	\$ 61,839	\$ -	\$ 46,158	\$ 51,288	\$ 247	\$ 27,905	\$ 16,084	\$ 203,521
Restricted for:								
Dedicated property taxes:								
Library service and construction	-	-	-	-	-	-	771,459	771,459
Road and building improvements	-	-	-	432,284	-	645,893	-	1,078,177
Debt service	-	-	-	-	-	-	732,150	732,150
Health services	-	-	-	-	-	-	295,931	295,931
Disaster Recovery	-	-	-	-	-	-	706	706
Dedicated sales taxes:								
Solid waste maintenance and improvement	-	982,252	-	-	-	-	-	982,252
Economic development and other services	-	-	-	-	387,254	-	-	387,254
Court fees for juror compensation and judicial expenses	-	-	-	-	-	-	183,888	183,888
Total Restricted	<u>-</u>	<u>982,252</u>	<u>-</u>	<u>432,284</u>	<u>387,254</u>	<u>645,893</u>	<u>1,984,134</u>	<u>4,431,817</u>
Committed to:								
General capital improvements	2,569,266	-	-	-	-	-	-	2,569,266
Unassigned (deficit)	3,566,625	-	69,087	-	-	-	-	3,635,712
Total fund balances	<u>\$ 6,197,730</u>	<u>\$ 982,252</u>	<u>\$ 115,245</u>	<u>\$ 483,572</u>	<u>\$ 387,501</u>	<u>\$ 673,798</u>	<u>\$ 2,000,218</u>	<u>\$ 10,840,316</u>

WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

21. CURRENT ACCOUNTING STANDARDS SCHEDULED TO BE IMPLEMENTED

Following is a summary of accounting standards adopted by the Governmental Accounting Standards Board (GASB) that are scheduled to be implemented in the future that may affect the Government's financial report:

GASB Statement 83, *Certain Asset Retirement Obligations (ARO)*. This standard establishes criteria for determining the timing and pattern of recognition of an ARO liability and a corresponding deferred outflow of resources. An ARO is a legally enforceable liability associated with the sale, recycling, retirement, abandonment or disposal in some other manner of a tangible capital asset permanently removed from service. The standard is effective for annual reporting periods beginning after June 15, 2018. The Government will include the requirements of this standard, as applicable, in its June 30, 2019 financial statement. The effect of this standard or its applicability to the Government are unknown at this time.

GASB Statement 84, *Fiduciary Activities*. This standard defines and establishes criteria for identifying and reporting fiduciary activities. The focus of the criteria is on (1) whether the Government controls the assets in a fiduciary activity and (2) there are separate identifiable beneficiaries with whom a fiduciary relationship exists. The standard is effective for annual reporting periods beginning after December 15, 2018. The Government will include the requirements of this standard, as applicable, in its June 30, 2020 financial statement. The effect of this standard or its applicability to the Government are unknown at this time.

GASB Statement 87, *Leases*. This standard will require all leases to be reported on the statement of net position under a single accounting model for both lessors and lessees. The statement will require the recognition of lease assets or liabilities for leases previously reported as operating leases. Both operating and capital leases will be reported under this single accounting method and reported by lessees as an intangible right to use asset and by lessors as a receivable with both reporting a deferred inflow of resources. The standard is effective for annual reporting periods beginning after December 15, 2019. The Government will include the requirements of this standard, as applicable, in its June 30, 2021 financial statement. All of the Government lease agreements will need to be evaluated to determine the impact of implementing this standard; however, the effect of this standard or its applicability to the Government are unknown at this time.

22. SUBSEQUENT EVENTS

There were construction commitments of approximately \$2,697,000 that occurred after year end of June 30, 2018.

Except as noted above, the Government has evaluated subsequent events through the date that the financial statements were available to be issued, which was December 21, 2018. No events occurring after this date have been evaluated for inclusion in the financial statements.

Required Supplemental
Information

WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
MAJOR FUND DESCRIPTIONS

General Fund:

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

Special Revenue Funds:

Solid Waste Fund - This fund accounts for sales tax collections for the purpose of maintaining, operating, and acquiring and/or improving solid waste collection and disposal facilities in and for the Parish.

Recreation Fund - This fund accounts for designated tax levy and proceeds from sales tax collections for recreational parks around the parish.

Road Improvement Fund - This fund accounts for designated tax levy for the acquiring, constructing, improving, maintaining and operating public roads and bridges and related drainage equipment. This fund also accounts for financing provided the State of Louisiana Parish Road Fund.

Economic Development Fund - This fund accounts for designated tax levy for the purpose of economic development by promoting, encouraging, and assisting in locating, development and expansion of agricultural, industrial, manufacturing, and professional concerns in the Parish.

Buildings and Grounds Fund - This fund accounts for designated tax levy for the on-going maintenance and preservation of Government property.

WEST FELICIANA PARISH GOVERNMENT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED JUNE 30, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues:				
Intergovernmental	\$ 321,800	\$ 327,668	\$ 339,277	\$ 11,609
Taxes				
Ad valorem	968,800	968,800	978,052	9,252
Beer	3,000	3,000	2,623	(377)
Sales	100,000	100,000	133,141	33,141
Video poker	114,000	158,079	158,079	-
Franchise fees	-	-	5,463	5,463
Licenses and permits	106,200	208,264	207,064	(1,200)
Charges for services	237,800	237,800	45,764	(192,036)
Other revenues	19,400	417,670	455,016	37,346
Total revenues	<u>1,871,000</u>	<u>2,421,281</u>	<u>2,324,479</u>	<u>(96,802)</u>
Expenditures:				
General government	1,433,962	1,426,620	1,476,481	(49,861)
Economic development	25,872	25,872	22,367	3,505
Health and welfare	110,001	110,001	118,953	(8,952)
Public safety	162,704	171,319	199,026	(27,707)
Capital outlay	-	390,770	394,453	(3,683)
Debt Service	-	-	40,177	(40,177)
Total expenditures	<u>1,732,539</u>	<u>2,124,582</u>	<u>2,251,457</u>	<u>(126,875)</u>
Excess (deficiency) revenues over expenditures	<u>138,461</u>	<u>296,699</u>	<u>73,022</u>	<u>(223,677)</u>
Other financing sources (uses):				
Transfers out	(40,500)	(40,500)	(1,867,207)	(1,826,707)
Transfers in	-	162,500	2,442,995	2,280,495
	<u>(40,500)</u>	<u>122,000</u>	<u>575,788</u>	<u>453,788</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)	<u>97,961</u>	<u>418,699</u>	<u>648,810</u>	<u>230,111</u>
Fund balance, beginning	<u>5,548,920</u>	<u>5,548,920</u>	<u>5,548,920</u>	<u>-</u>
Fund balance, ending	<u>\$ 5,646,881</u>	<u>\$ 5,967,619</u>	<u>\$ 6,197,730</u>	<u>\$ 230,111</u>

WEST FELICIANA PARISH GOVERNMENT
BUDGETARY COMPARISON SCHEDULE
SOLID WASTE FUND
YEAR ENDED JUNE 30, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues:				
Taxes:				
Sales	\$ 1,044,000	\$ 1,212,687	\$ 1,320,841	\$ 108,154
Other	81,684	12,000	13,388	1,388
Total revenues	<u>1,125,684</u>	<u>1,224,687</u>	<u>1,334,229</u>	<u>109,542</u>
Expenditures:				
Public works	1,107,240	1,160,185	1,014,009	146,176
Total expenditures	<u>1,107,240</u>	<u>1,160,185</u>	<u>1,014,009</u>	<u>146,176</u>
Excess (deficiency) of revenues over expenditures	18,444	64,502	320,220	255,718
Other financing sources (uses):				
Transfers out	-	-	(150,000)	(150,000)
	<u>-</u>	<u>-</u>	<u>(150,000)</u>	<u>(150,000)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)	18,444	64,502	170,220	105,718
Fund balance, beginning	<u>812,032</u>	<u>812,032</u>	<u>812,032</u>	<u>-</u>
Fund balance, ending	<u>\$ 830,476</u>	<u>\$ 876,534</u>	<u>\$ 982,252</u>	<u>\$ 105,718</u>

See accompanying independent auditors' report.

WEST FELICIANA PARISH GOVERNMENT
BUDGETARY COMPARISON SCHEDULE
RECREATION FUND
YEAR ENDED JUNE 30, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 20,099	\$ 20,099
Local sources:				
Ad valorem	400,000	414,040	414,040	-
Sales	537,996	635,670	754,469	118,799
Charges for services	283,400	283,400	258,789	(24,611)
Other	504	504	6,377	5,873
Total revenues	<u>1,221,900</u>	<u>1,333,614</u>	<u>1,453,774</u>	<u>120,160</u>
Expenditures:				
General government	-	-	13,903	(13,903)
Capital outlay	56,000	56,000	78,272	(22,272)
Culture and recreation	1,132,706	1,143,483	1,166,416	(22,933)
Total expenditures	<u>1,188,706</u>	<u>1,199,483</u>	<u>1,258,591</u>	<u>(59,108)</u>
Excess (deficiency) of revenues over expenditures	33,194	134,131	195,183	61,052
Other financing sources (uses):				
Transfers in	-	-	253,274	253,274
Transfers out	-	-	(283,275)	(283,275)
	<u>-</u>	<u>-</u>	<u>(30,001)</u>	<u>(30,001)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)	33,194	134,131	165,182	31,051
Fund balance, beginning	<u>(49,937)</u>	<u>(49,937)</u>	<u>(49,937)</u>	<u>-</u>
Fund balance, ending	<u>\$ (16,743)</u>	<u>\$ 84,194</u>	<u>\$ 115,245</u>	<u>\$ 31,051</u>

WEST FELICIANA PARISH GOVERNMENT
BUDGETARY COMPARISON SCHEDULE
ROAD IMPROVEMENT FUND
YEAR ENDED JUNE 30, 2018

	Original Budget	Final Budget	Actual	Variance - Favorable (Unfavorable)
Revenues:				
Intergovernmental	\$ 230,000	\$ 429,581	\$ 557,974	\$ 128,393
Taxes:				
Ad valorem	1,200,000	1,217,765	1,217,765	-
Other	6,825	123,349	26,186	(97,163)
Total revenues	<u>1,436,825</u>	<u>1,770,695</u>	<u>1,801,925</u>	<u>31,230</u>
Expenditures:				
General government	87,200	87,200	28,082	59,118
Capital outlay	2,500	395,544	601,562	(206,018)
Public works	1,405,908	1,383,019	1,159,773	223,246
Total expenditures	<u>1,495,608</u>	<u>1,865,763</u>	<u>1,789,417</u>	<u>76,346</u>
Excess (deficiency) of revenues over expenditures	(58,783)	(95,068)	12,508	107,576
Other financing sources (uses):				
Transfers from other funds	-	-	1,466,586	1,466,586
Transfers to other funds	90,000	140,000	(1,386,587)	(1,526,587)
Total other financing sources (uses)	<u>90,000</u>	<u>140,000</u>	<u>79,999</u>	<u>(60,001)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)	<u>31,217</u>	<u>44,932</u>	<u>92,507</u>	<u>47,575</u>
Fund balance, beginning	<u>391,065</u>	<u>391,065</u>	<u>391,065</u>	<u>-</u>
Fund balance, ending	<u>\$ 422,282</u>	<u>\$ 435,997</u>	<u>\$ 483,572</u>	<u>\$ 47,575</u>

WEST FELICIANA PARISH GOVERNMENT
BUDGETARY COMPARISON SCHEDULE
ECONOMIC DEVELOPMENT FUND
YEAR ENDED JUNE 30, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues:				
Taxes:				
Ad valorem	\$ 280,000	\$ 273,965	\$ 273,965	\$ -
Other revenues	2,400	87,801	87,786	(15)
Total revenues	<u>282,400</u>	<u>361,766</u>	<u>361,751</u>	<u>(15)</u>
Expenditures:				
Economic development	196,220	160,341	157,308	3,033
Capital outlay	-	-	1,229	(1,229)
Total expenditures	<u>196,220</u>	<u>160,341</u>	<u>158,537</u>	<u>1,804</u>
Excess (deficiency) of revenues over expenditures	86,180	201,425	203,214	1,789
Other financing sources (uses):				
Transfers from other funds	-	-	217,587	217,587
Transfers to other funds	-	-	(221,587)	(221,587)
	<u>-</u>	<u>-</u>	<u>(4,000)</u>	<u>(4,000)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)	86,180	201,425	199,214	(2,211)
Fund balance, beginning	<u>188,287</u>	<u>188,287</u>	<u>188,287</u>	<u>-</u>
Fund balance, ending	<u>\$ 274,467</u>	<u>\$ 389,712</u>	<u>\$ 387,501</u>	<u>\$ (2,211)</u>

See accompanying independent auditors' report.

WEST FELICIANA PARISH GOVERNMENT
BUDGETARY COMPARISON SCHEDULE
BUILDING AND GROUNDS FUND
YEAR ENDED JUNE 30, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues:				
Local sources:				
Ad valorem taxes	\$ 820,000	\$ 803,725	\$ 803,725	\$ -
Other	4,000	181,168	184,688	3,520
Total revenues	<u>824,000</u>	<u>984,893</u>	<u>988,413</u>	<u>3,520</u>
Expenditures:				
Public works	701,023	748,053	687,239	60,814
Capital outlay	73,000	222,230	278,437	(56,207)
General	-	38,450	38,562	(112)
Total expenditures	<u>774,023</u>	<u>1,008,733</u>	<u>1,004,238</u>	<u>4,495</u>
Excess (deficiency) of revenues over expenditures	49,977	(23,840)	(15,825)	8,015
Other financing sources:				
Transfers from other funds	-	-	988,492	988,492
Transfers to other funds	-	(162,500)	(1,469,603)	(1,307,103)
	<u>-</u>	<u>(162,500)</u>	<u>(481,111)</u>	<u>(318,611)</u>
Excess (deficiency) of revenues and other financing sources over expenditures	49,977	(186,340)	(496,936)	(310,596)
Fund balance, beginning	<u>1,170,734</u>	<u>1,170,734</u>	<u>1,170,734</u>	<u>-</u>
Fund balance, ending	<u>\$ 1,220,711</u>	<u>\$ 984,394</u>	<u>\$ 673,798</u>	<u>\$ (310,596)</u>

See accompanying independent auditors' report.

West Feliciana Parish Government
Schedule of Changes in
Total OPEB Liability and Related Ratios
For the Year Ended June 30, 2018

<u>Financial statement reporting date</u>	<u>Measurement date</u>	<u>Service cost</u>	<u>Interest</u>	<u>Difference between actual and expected experience</u>	<u>Changes of assumptions or other inputs</u>	<u>Benefit payments</u>	<u>Net change in total OPEB liability</u>	<u>Total OPEB liability - beginning</u>	<u>Total OPEB liability - ending</u>	<u>Covered payroll</u>	<u>Total OPEB liability as a percentage of covered payroll</u>
6/30/2018	6/30/2018	\$ 1,359	2,821	4,543	(1,502)	(2,874)	4,347	71,535	\$ 75,882	\$1,902,477	3.99%

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

There are no assets accumulated in a trust that meets the criteria of paragraph 4 of GASB 75 for this OPEB plan

Benefit Changes.

Measurement date

6/30/2018 There were no changes of benefit terms for the year ended June 30, 2018

Changes of Assumptions.

The changes in assumptions balance was a result of changes in the discount rate. The following are the discount rates used for in each measurement of total OPEB liability

Measurement Date	Discount Rate
6/30/2017	3.58%
6/30/2018	3.87%

**Schedule of West Feliciana Parish Government's
Schedule of the Proportionate Share of the Net Pension Liability
Cost Sharing Plans Only
For the Year Ended June 30, 2018 (*)**

Pension Plan	Year	Employer's Proportion of the Net Pension Liability (Asset)	Employer's Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
Parochial Employees' Retirement System of Louisiana Plan B						
	2018	-2.2668%	(285,204)	2,320,522	-12.2905%	104.02%
	2017	2.3129%	300,467	2,257,545	13.3095%	95.50%
	2016	2.3280%	414,494	2,231,399	18.5755%	93.48%
	2015	2.3467%	6,514	2,046,033	0.3184%	99.89%
District Attorneys' Retirement System						
	2018	0.0390%	10,519	23,950	43.9207%	93.57%
	2017	0.0319%	6,110	10,475	58.3295%	95.09%
	2016	0.0340%	1,832	20,350	9.0025%	98.56%
	2015	0.0464%	925	22,150	4.1761%	99.45%
Registrar of Voters Employees' Retirement System of Louisiana						
	2018	0.2109%	46,296	28,885	160.2770%	80.51%
	2017	0.2103%	59,666	14,443	413.1136%	73.98%
	2016	0.1861%	45,578	25,245	180.5427%	76.86%
	2015	0.1861%	44,863	25,245	177.7104%	77.68%

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

(*) The amounts presented have a measurement date as of the previous measurement date.

**West Feliciana Parish Government's
Schedule of Contributions to Each Retirement System
Cost Sharing Plans Only
For the Year Ended June 30, 2018**

<u>Pension Plan:</u>	<u>Year</u>	<u>Contractually Required Contribution¹</u>	<u>Contributions in Relation to Contractually Required Contribution²</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Payroll</u>	<u>Contributions as a % of Covered Payroll</u>
Parochial Employees' Retirement System of Louisiana Plan B						
	2018	\$ 176,444	\$ 176,444	\$ -	\$ 2,276,838	7.75%
	2017	185,642	185,642	-	2,320,522	8.00%
	2016	191,839	191,839	-	2,257,545	8.50%
	2015	198,470	198,470	-	2,231,399	8.90%
District Attorneys' Retirement System						
	2018	-	-	-	23,950	0.00%
	2017	-	-	-	23,950	0.00%
	2016	367	367	-	10,475	3.50%
	2015	1,425	1,425	-	20,350	7.00%
Registrar of Voters Employees' Retirement System of Louisiana						
	2018	4,911	4,911	-	28,885	17.00%
	2017	5,777	5,777	-	28,885	20.00%
	2016	3,250	3,250	-	14,442	22.50%
	2015	6,122	6,122	-	25,245	24.25%

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

For reference only:

- ¹ Employer contribution rate multiplied by employer's covered payroll
- ² Actual employer contributions remitted to Retirement Systems
- ³ Employer's covered payroll amount for each of the fiscal year ended June 30

WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2018

Changes of Benefit Terms include:

Parochial Employees' Retirement System of Louisiana Plan B

- No changes noted

District Attorneys' Retirement System

- No changes noted

Registrar of Voters Employees' Retirement System of Louisiana

- No changes noted

Changes of Assumptions

Parochial Employees' Retirement System of Louisiana Plan B

There were changes of assumptions for the year ended June 30, 2018. The investment rate of return changed from 7% to 6.75%.

District Attorneys' Retirement System

There were changes of assumptions for the year ended June 30, 2018. The investment rate of return changed from 7% to 6.75%.

Registrar of Voters Employees' Retirement System of Louisiana

There were changes of assumptions for the year ended June 30, 2018. The investment rate of return changed from 7% to 6.75%.

Other Supplemental
Information

WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
NON-MAJOR FUND DESCRIPTIONS

Special Revenue Funds:

Health Unit Fund - This fund accounts for designated tax levy for the purpose of acquiring maintaining, and operating public health facilities and other social services.

West Feliciana Library Fund - This fund accounts for designated tax levy for the purpose of providing resources and services to fulfill individual information needs for day-to-day living and pleasure, and for cultural, educational and leisurely pursuits.

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

Disaster Recovery Fund - This fund accounts for a federal grant, the goal of which is to assist communities in their recovery from natural disasters.

Capital Projects Fund:

Library Construction Fund – This fund accounts for funds obtained by the Government for the construction of a new parish library building.

Debt Service Fund:

Debt Service Fund – Accumulates funds for the payment of obligation bonds obtained by the Government.

WEST FELICIANA PARISH GOVERNMENT
COMBINING BALANCE SHEET
OTHER NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018

	<u>Health Unit</u>	<u>West Feliciana Library</u>	<u>Criminal Court</u>	<u>Disaster Recovery</u>	<u>Library Construction</u>	<u>Debt Service</u>	<u>Total</u>
ASSETS							
Cash and cash equivalents	\$ -	\$ -	\$ 58,706	\$ 706	\$ -	\$ 80,419	\$ 139,831
Investments	683,654	1,078,155	-	-	-	-	1,761,809
Prepaid expenses	772	15,219	93	-	-	-	16,084
Receivables:							
Accounts	850	-	9,046	-	-	-	9,896
Taxes	-	-	-	-	-	-	-
Due from other funds	-	49,989	117,689	-	39,996	215,935	423,609
Due from other governments	7,969	-	-	-	-	-	7,969
Restricted assets:							
Cash and cash equivalents	-	-	-	-	-	-	-
Investments	-	-	-	-	182,297	478,190	660,487
TOTAL ASSETS	<u>\$ 693,245</u>	<u>\$ 1,143,363</u>	<u>\$ 185,534</u>	<u>\$ 706</u>	<u>\$ 222,293</u>	<u>\$ 774,544</u>	<u>\$ 3,019,685</u>
LIABILITIES							
Cash in excess of bank balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	10,665	6,932	1,069	-	-	-	18,666
Accrued expenses and liabilities	-	11,609	484	-	-	959	13,052
Due to other funds	385,877	346,594	-	-	213,843	41,435	987,749
TOTAL LIABILITIES	<u>396,542</u>	<u>365,135</u>	<u>1,553</u>	<u>-</u>	<u>213,843</u>	<u>42,394</u>	<u>1,019,467</u>
FUND BALANCES							
Nonspendable	772	15,219	93	-	-	-	16,084
Restricted	295,931	763,009	183,888	706	8,450	732,150	1,984,134
TOTAL FUND BALANCES	<u>296,703</u>	<u>778,228</u>	<u>183,981</u>	<u>706</u>	<u>8,450</u>	<u>732,150</u>	<u>2,000,218</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 693,245</u>	<u>\$ 1,143,363</u>	<u>\$ 185,534</u>	<u>\$ 706</u>	<u>\$ 222,293</u>	<u>\$ 774,544</u>	<u>\$ 3,019,685</u>

See accompanying independent auditors' report.

WEST FELICIANA PARISH GOVERNMENT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2018

	Health Unit	West Feliciana Library	Criminal Court	Disaster Recovery	Library Construction	Debt Service	Total
Revenues:							
Intergovernmental	\$ 38,805	\$ 14,660	\$ -	\$ 85,120	\$ -	\$ -	\$ 138,585
Taxes							
Ad valorem	273,961	417,444	-	-	-	212,671	904,076
Charges for services	-	12,444	120,087	-	-	-	132,531
Other revenues	9,849	37,312	-	-	-	8,739	55,900
Total revenues	<u>322,615</u>	<u>481,860</u>	<u>120,087</u>	<u>85,120</u>	<u>-</u>	<u>221,410</u>	<u>1,231,092</u>
Expenditures:							
General government	9,600	73,844	85,560	-	-	-	169,004
Culture and recreation	-	380,742	-	-	-	-	380,742
Health and welfare	286,010	-	-	-	-	-	286,010
Capital outlay	-	1,030	-	85,120	-	-	86,150
Debt service:							
Principal	-	-	-	-	-	145,000	145,000
Interest	-	-	-	-	-	75,475	75,475
Total expenditures	<u>295,610</u>	<u>455,616</u>	<u>85,560</u>	<u>85,120</u>	<u>-</u>	<u>220,475</u>	<u>1,142,381</u>
Excess of revenues over (under) expenditures	27,005	26,244	34,527	-	-	935	88,711
Other financing sources (uses):							
Transfers to other funds	(272,587)	(343,277)	-	-	-	(129,758)	(745,622)
Transfers from other funds	257,587	338,005	-	-	(128)	199,712	795,176
	<u>(15,000)</u>	<u>(5,272)</u>	<u>-</u>	<u>-</u>	<u>(128)</u>	<u>69,954</u>	<u>49,554</u>
Excess of revenues and other sources over (under) expenditures and other uses	12,005	20,972	34,527	-	(128)	70,889	138,265
Fund balance, beginning	284,698	757,256	149,454	706	8,578	661,261	1,861,953
Fund balance, ending	<u>\$ 296,703</u>	<u>\$ 778,228</u>	<u>\$ 183,981</u>	<u>\$ 706</u>	<u>\$ 8,450</u>	<u>\$ 732,150</u>	<u>\$ 2,000,218</u>

See accompanying independent auditors' report.

WEST FELICIANA PARISH GOVERNMENT
SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS
TO THE PARISH PRESIDENT
YEAR ENDED JUNE 30, 2018

Parish President's Name: Kevin Couhig

Salary	\$ 80,000
Benefits - insurance	<u>5,736</u>
	<u>\$ 85,736</u>

WEST FELICIANA PARISH GOVERNMENT
SCHEDULE OF WEST FELICIANA PARISH GOVERNMENT COUNCIL MEMBERS
YEAR ENDED JUNE 30, 2018

Below is a listing of the West Feliciana Parish Council Members.

Term Beginning January 1, 2016

		Compensation
Sydney Picou Walker P.O. Box 516 St. Francisville, LA 70775	At Large	\$ 9,600
Melvin Young 6900 Greenwood Road St. Francisville, LA 70775	District A	9,600
John Thompson 11126 Wakefield Drive North St. Francisville, LA 70775	District B	9,600
Melville Percy 4888 Audubon Lane St. Francisville, LA 70775	District C	9,600
William "Bill" May III 10695 Firetower Road St. Francisville, LA 70775	District D	9,600
		<u>\$ 48,000</u>

WEST FELICIANA PARISH GOVERNMENT

SCHEDULE OF INSURANCE IN FORCE

JUNE 30, 2018

(UNAUDITED)

<u>Coverage</u>	<u>Insurance Company</u>	<u>Expiration</u>	<u>Liability Limits</u>
General Liability	Atlantic Speciality Insurance Co.	4/25/2019	\$2,000,000 General Aggregate \$2,000,000 Products/completed Operation Aggregate \$1,000,000 Each Occurrence \$1,000,000 Personal and Advertising \$3,000,000 Damage to Premises Rented to you Failure to Supply - \$300,000 Each Occurrence Sexual Abuse - \$1,000,000 Each Occurrence
Auto Liability	Atlantic Speciality Insurance Co.	4/25/2019	\$1,000,000 each accident - Liability
Excess Liability	Atlantic Specialty Insurance Co.	4/25/2019	\$2,000,000 Aggregate Limit \$1,000,000 Each Claim Limit
Professional Liability	Atlantic Specialty Insurance Co.	4/25/2019	Public Officials Errors & Omissions \$1,000,000 Each Wrongful Act \$2,000,000 Aggregate - Claims Made Public Officials Employment Practices \$1,000,000 Each Offense \$2,000,000 Aggregate - Claims Made Public Officials Employee Benefits Administration \$1,000,000 Each Offense \$3,000,000 Aggregate - Claims Made
Crime	Travelers Casualty and Surety Co	4/25/2019	\$500,000 Employee Theft \$100,000 Forgery or Alteration \$100,000 on premises \$100,000 in Transit \$100,000 Computer Fraud \$1,000,000 Funds Transfer Fraud
Property	EMCASCO Ins Companies	4/25/2019	\$17,530,420 Building \$2,539,402 person property \$1,817,073 contents
Inland Marine	EMCASCO Ins Companies	4/25/2019	\$1,535,659 Equipment \$217,892 electronic data \$400,000 Equipment leased
Boiler and Machinery	Hartford Steam Boiler Inspection & Insurance Company	4/25/2019	\$50,000,000 Equipment Breakdown Limit
Workers Compensation	LUBA Casualty Insurance Co	1/1/2019	\$1,000,000 Each Accident \$1,000,000 Policy Limit \$1,000,000 Each Employee

WEST FELCIANA PARISH GOVERNMENT

SCHEDULE OF INFORMATION REQUIRED BY RURAL DEVELOPMENT
YEAR ENDED JUNE 30, 2018
(UNAUDITED)

Item No. 1

The District's customers' accounts receivable at June 30, 2018, is comprised of the following:

	<u>0-30 days</u>	<u>31+ days</u>	<u>Total</u>
No.	Unknown		
Amount	\$32,127	\$ 32,804	\$64,931

Item No. 2

The District's water rates at June 30, 2018, were as follows:

<u>Residential</u>	
≤ 2,000 gallons	\$16.50 minimum
> 2,000 gallons	\$3.50 per thousand gallons
 <u>Commercial</u>	
≤ 10,000 gallons	\$56.00 minimum
> 10,000 gallons	\$3.50 per thousand gallons
 <u>School</u>	
≤ 25,000 gallons	\$56.25 minimum
> 25,000 gallons	\$3.50 per thousand gallons

Item No. 3

The number of active residential and non-residential users at June 30, 2018, is unknown.

WEST FELICIANA PARISH GOVERNMENT

SCHEDULE OF INFORMATION REQUIRED BY RURAL DEVELOPMENT
YEAR ENDED JUNE 30, 2018
(UNAUDITED)

Item No. 1

The Government's customers' accounts receivable at June 30, 2018, is comprised of the following:

Solitude	<u>0-30 days</u>	<u>31+ days</u>	<u>Total</u>
No.	Unknown		
Amount	\$1,911	\$ 6,436	\$8,347
Turner	<u>0-30 days</u>	<u>31+ days</u>	<u>Total</u>
No.	Unknown		
Amount	\$582	\$ 835	\$1,417
Hardwood	<u>0-30 days</u>	<u>31+ days</u>	<u>Total</u>
No.	Unknown		
Amount	\$913	\$ 2,400	\$3,313
Independence	<u>0-30 days</u>	<u>31+ days</u>	<u>Total</u>
No.	Unknown		
Amount	\$2,313	\$ 5,752	\$8,065

Item No. 2

The Government sewer rates at June 30, 2017, were as follows:

<u>Solitude Sewer</u>	
Fixed	\$35.00
<u>Turner Sewer</u>	
Fixed	\$24.00
<u>Hardwood Sewer</u>	
Fixed	\$18.00
<u>Independence Sewer</u>	
Fixed	\$35.00

Item No. 3

The number of active residential and non-residential users at June 30, 2018, is unknown.

Other Reports

INDEPENDENT AUDITORS' 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

The Honorable President and Council Members
of the West Feliciana Parish Government
St. Francisville, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the West Feliciana Parish Government (the Government), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Government's basic financial statements and have issued our report thereon dated December 21, 2018.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Government'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 Government's internal control. Accordingly, we do not express an opinion on the effectiveness of the Government'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 entity'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 preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and recommendations that we consider to be significant deficiencies, noted as items 2018-001, 2018-002, and 2018-003.



Postlethwaite & Netterville

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Government's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which we described in the accompanying schedule of findings and recommendations, noted as items 2018-001, 2018-002, and 2018-003.

The Government's Response to Findings

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Government's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Postlethwaite & Netterville

Baton Rouge, Louisiana
December 21, 2018

WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
SCHEDULE OF FINDINGS AND RECOMMENDATIONS

B. Findings – Financial Statement Audit

2018-001 **Noncompliance with Bond Covenants and Continuing Disclosure Agreement**

- Criteria:** The Parish Government (the Government) has ordinances authorizing the issuance of bonds and require that certain debt covenants be followed.
- Condition:** The Government did not comply with debt covenants for Series 2008 Bonds \$340,000 Certificates of Indebtedness, and Series 2012 Bonds. Also, the Government did not comply with continuing disclosures related to Series 2012, Bonds which as defined in the Continuing Disclosure Agreement, the Government must submit its annual report to the Municipal Securities Rulemaking Board’s Electronic Municipal Markets Access Center (EMMA) no later than 6 months after the end of the issuer’s fiscal year end.
- Cause:** The Government may not be fully aware of the requirements of the ordinances.
- Effect:** The Government is not in compliance with its bonds covenants as specified in the bond ordinances.
- Recommendation:** We recommend that the Government fully comply with all of the bond covenants set forth in the bond ordinances by establishing all restricted accounts and monitoring their balances to ensure compliance with the bond resolution.

View of Responsible Official and Planned Corrective Action:

The Government plans to address noncompliance with bond ordinances immediately.

2018-002 **Pledged Collateral for Deposits**

- Criteria:** According to Louisiana state law, deposits over the Federal Deposit Insurance Corporation’s (FDIC) allowed limit must be secured by securities owned by the local bank and pledged to the local government as collateral.
- Condition:** The Waterworks District No.13’s (a blended component unit) deposits at the local bank exceeded the FDIC coverage limit combined with pledged securities and were under collateralized by \$20,536.
- Cause:** Miscommunication between bank representatives and management resulted in the bank failing to properly classify the Waterworks District No. 13’s deposits as public; thus, the deposits were not secured by pledge securities as required by State law.
- Effect:** The Waterworks District No. 13’s deposits were uncollateralized resulting in a violation of Louisiana law.
- Recommendation:** Management should obtain written evidence of the local bank’s compliance with deposit collateral requirements on a monthly basis.

WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
SCHEDULE OF FINDINGS AND RECOMMENDATIONS

B. Findings – Financial Statement Audit (continued)

2018-002

Pledged Collateral for Deposits (continued)

View of Responsible Official and Planned Corrective Action:

Management relied on bank personnel to adequately collateralize the deposits. Procedures will be established to implement the recommendation of obtaining documentation monthly to ensure bank compliance in the future.

2018-003

Budget Law Violation

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

Condition: The General Fund's actual expenses exceeded budgeted expenses by 5.9% and budget was not amended to comply with Louisiana law.

Cause: The Government did not properly monitor the budgets for the aforementioned funds during the fiscal period.

Effect: The Government is non-compliant with the Louisiana budget law.

Recommendation: The Government should monitor the budget closely throughout the fiscal period and prepare and approve amendments to the budget as required by statute.

View of Responsible Official and Planned Corrective Action:

This was an oversight of the financing staff and will not be an issue going forward.

WEST FELICIANA PARISH GOVERNMENT
ST. FRANCISVILLE, LOUISIANA
SUMMARY SCHEDULE OF PRIOR YEAR

B. Findings – Financial Statement Audit

2017-001

Noncompliance with Bond Covenants

Criteria: The Consolidated Waterworks District No. 13 of West Feliciana Parish ordinances authorizing the issuance of the \$2,600,000 1997 USDA Water Revenue Bond, and Series 2007 Certificate of Indebtedness for \$268,000 bonds require that certain debt covenants be followed. The Parish Government ordinances authorizing the issuance of \$340,000 Certificates of Indebtedness, Series 2008, Series 2012, \$665,000 Solitude Sewer Revenue Bonds, Series 2006 and \$253,000 of Sewer Revenue Bonds, Series 2012 require that certain debt covenants be followed.

Condition: The Waterworks District and Parish Government are not in full compliance with its bond resolution requiring the establishment and funding of certain accounts for the 1997 USDA Water Revenue Bond to set a specific fiscal agent bank of the Issuer to have a separate account for the bond to cover principal and/or interest. The Waterworks District is not in full compliance with the bond resolution for the 2007 Certificate of Indebtedness regarding a regularly designated fiscal agent bank sinking fund specifically for the bond to cover the cost of required monthly payments. The \$268,000 Certificate of Indebtedness requires a separate bank account for the bond at the fiscal agent however there is no separate account therefore not in full compliance. The \$665,000 Sewer Revenue Bonds requires a separate bank account for the bond at the fiscal agent however there is no separate account therefore not in full compliance. The \$253,000 Sewer Revenue Bonds requires a separate bank account to cover 50% of the operations and maintenance however the required amount is not deposited in the bank account therefore not in compliance. Along with the required deposits there is not enough depreciation reserve as required for the short-lived assets of the Independence Sewer.

Cause: The Parish Government may not be fully aware of the requirements of the ordinances.

Effect: The Parish Government is not in compliance with its bonds covenants as specified in the bond ordinances.

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

View of Responsible Official:

The Parish Government plans to address noncompliance with bond ordinances immediately.

Current status: *Repeat finding. See finding 2018-001.*



WEST FELICIANA

WEST FELICIANA PARISH

WEST FELICIANA PARISH GOVERNMENT

CORRECTIVE ACTION PLAN

SCHEDULE OF FINDINGS AND RECOMMENDATIONS

DECEMBER 21, 2018

KENNY HAVARD
Parish President

JIM FERGUSON
Chief Operating Officer

NAKIA S. ANDERSON
Director of Accounting

SHERRELL W. JOHNSON
Director of Citizen Services

KATHY M. WELCH
Treasurer/Personnel Director

West Feliciana Parish Government respectfully submits the following corrective action plan for the year ended June 30, 2018.

2018-001 Noncompliance with Bond Covenants and Continuing Disclosure Agreement

The Government plans to address noncompliance with bond ordinances immediately.

2018-002 Pledged Collateral for Deposits

Management relied on bank personnel to adequately collateralize the deposits. Procedures will be established to implement the recommendation of obtaining documentation monthly to ensure bank compliance in the future.

2018-003 Budget Law Violation

This was an oversight of the financing staff and will not be an issue going forward.

District A

MELVIN YOUNG
6900 Greenwood Road
St. Francisville, LA 70775

District B

JOHN C. THOMPSON
Parish Council Chairperson
11126 Wakefield Dr. North
St. Francisville, LA 70775

District C

MEL PERCY
4888 Audubon Lane
St. Francisville, LA 70775

District D

WILLIAM "BILL" MAY, III
Parish Council Vice-Chairperson
10695 Firetower Road
St. Francisville, LA 70775

At-Large

SYDNEY PICOU WALKER
Post Office Box 518
St. Francisville, LA 70775

Chief Operating Officer

Director of Accounting

5934 Commerce St. • P.O. Box 1921 • St. Francisville, Louisiana 70775
Phone: (225) 635-3864 • Fax: (225) 635-3705

Equal Opportunity Employer

WEST FELICIANA PARISH GOVERNMENT

REPORT ON STATEWIDE
AGREED-UPON PROCEDURES on COMPLIANCE and CONTROL
AREAS

FOR THE YEAR ENDED JUNE 30, 2018



Postlethwaite & Netterville

A Professional Accounting Corporation

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Postlethwaite & Netterville

8550 United Plaza Blvd., Ste. 1001 - Baton Rouge, LA 70809

225-922-4600 Phone - 225-922-4611 Fax -

A Professional Accounting Corporation

Independent Accountant's Report
On Applying Agreed-Upon Procedures

To the Honorable President and Council of the
West Feliciana Parish Government and the
Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by the West Feliciana Parish Government (the Entity) and the Louisiana Legislative Auditor (LLA) (the specified users) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2017 through June 30, 2018. The Entity's management is responsible for those C/C areas identified in the SAUPs.

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

The procedures performed and the results thereof are set forth below. The procedure is stated first, followed by the results of the procedure presented in italics. If the item being subjected to the procedures is positively identified or present, then the results will read "*no exception noted*". If not, then a description of the exception ensues. Additionally, certain procedures listed below may not have been performed in accordance with guidance provided by the Louisiana Legislative Auditor, the specified user of the report. For those procedures, "procedure was not performed due to no exceptions occurring for this procedure in the prior year or the existence of mitigating internal controls as asserted by the entity" is indicated.



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Written Policies and Procedures

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

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

The policy lacks requirements for preparing and monitoring 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.

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

The policy lacks requirements for types of services requiring written contracts, standard terms and conditions, legal review, approval process, and 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)

No exceptions noted.



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

The Entity has no written policy related to travel and expense reimbursements.

- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.

The Entity has no written policy for ethics.

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

The Entity has no written policy for debt service.

Board or Finance Committee

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

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

For purposes of this procedure, the board met monthly as noted in the board's enabling legislation.

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

The minutes do not show budget to actual comparisons in the board minutes occurred during the year.



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- 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.

No exceptions noted.

Bank Reconciliations

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

A listing of bank accounts was provided and included a total of 5 bank accounts. Management identified the entity's main operating account. No exceptions were noted as a result of performing this procedure.

From the listing provided, we selected 5 bank accounts (1 main operating and 4 randomly) and obtained the bank reconciliations, resulting in 5 bank reconciliations obtained and subjected to the below procedures.

- 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);

For 1 of the 5 bank reconciliations, the bank reconciliation wasn't completed. For 4 of the 5 bank reconciliations they were not prepared within 2 months.

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

Of the 5 bank reconciliations obtained, 5 did not have a reviewers' initials or any other documentation evidencing the review.

- 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.

Of the 5 bank accounts selected, 2 bank reconciliations had reconciling items that have been outstanding for more than 12 months. There was no documentation evidencing that these reconciling items were researched for proper disposition.



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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).

A listing of deposit sites was provided and included a total of 4 deposit sites. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected 4 deposit sites and performed the procedures below.

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 listing of collection locations for each deposit site selected in procedure #4 was provided and included a total of 4 collection locations. No exceptions were noted as a result of performing this procedure.

From each of the listings provided, we randomly selected one collection location for each deposit site. Review of the Entity's written policies and procedures or inquiry with employee(s) regarding job duties was performed in order to perform the procedures below.

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

For the one location subjected to the procedures, there are cash registers/drawers procedures that are in place but don't specify if they are shared drawers in the procedures.

- 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.

No exception noted

- 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.

No exception noted



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- 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.

No exception noted

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

The Entity stated that all employees who have access to cash are bonded and/or covered under the Entity's insurance policy.

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

We randomly selected two deposit dates for each of the 4 bank accounts selected in procedure #3. We obtained supporting documentation for each of the 6 deposits and performed the procedures below.

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

- 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).

There were two deposits that were noted that were not made within one business day.

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

No exceptions noted.



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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).

The listing of locations that process payments for the fiscal period was provided. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected the 1 location and performed the procedures below.

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:

The listing of employees involved with non-payroll purchasing and payment functions for each payment processing location selected in procedure #8 was provided. No exceptions were noted as a result of performing this procedure.

Review of the Entity's written policies and procedures or inquiry with employee(s) regarding job duties was performed in order to perform the procedures below.

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

No exceptions noted.

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

No exceptions noted.

- 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.

For the 1 location selected for our procedures, the person processing payments was not prohibited from adding / modifying vendor files. The same employee is responsible for periodic review of 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.

No exceptions noted.



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

A listing of non-payroll disbursements for each payment processing location selected in procedures #8 was provided related to the reporting period. No exceptions were noted as a result of performing this procedure.

From each of the listings provided, we randomly selected 5 disbursements and performed the procedures below.

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

No exceptions noted.

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

For 5 of the 5 disbursements selected for our procedures, there was no evidence on the invoices who approved or processed the payments.

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.

No exceptions noted.

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:

From the listing provided, we randomly selected 5 cards used in the fiscal period. We randomly selected one monthly statement for each of the 5 cards selected and performed the procedures noted below.



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

For 2 credit cards tested, the monthly statement provided did not contain evidence of review by someone other than the card holder.

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

No exceptions noted.

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

We randomly selected 32 transactions for 5 cards selected in procedure #11 (3 fuel cards excluded) and performed the specified procedures. There were 28 of 32 transactions for which there was not written documentation of the business purpose. The 32 selected transactions were not applicable to the documentation of meals procedure.

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:

The listing of travel and travel-related expense reimbursements was provided for the fiscal period. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected 5 reimbursements and performed the procedures below.

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

Of the 5 reimbursements selected for our procedures, 3 used a per diem. The three per diem day did not agree to the GSA rates.



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- b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

For 2 of the 5 reimbursements selected for our procedures, there was no original itemized receipt identifying 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).

For 2 of the 5 reimbursements selected for our procedures, there was no supporting documentation detailing the business purpose and other support required by written policy.

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

For 2 of the 5 reimbursements selected for our procedures, there was no sign of review on the statement.

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:

Procedure was not performed due to no exceptions occurring for this procedure in the prior year or the existence of mitigating internal controls as asserted by the entity.

From the listing provided, we randomly selected 5 contracts and performed the procedures below.

- 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.

Procedure was not performed due to no exceptions occurring for this procedure in the prior year or the existence of mitigating internal controls as asserted by the entity.

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

Procedure was not performed due to no exceptions occurring for this procedure in the prior year or the existence of mitigating internal controls as asserted by the entity.



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

Procedure was not performed due to no exceptions occurring for this procedure in the prior year or the existence of mitigating internal controls as asserted by the entity.

- 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.

Procedure was not performed due to no exceptions occurring for this procedure in the prior year or the existence of mitigating internal controls as asserted by the entity.

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.

A listing of employees/elected officials employed during the fiscal year was provided. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected 5 employees/officials and performed the specified procedures. No exceptions noted.

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

We randomly selected 1 pay period during the fiscal period and performed the procedures below for the 5 employees/officials selected in procedure #16.

- 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.)

No exceptions noted during testing.

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

No exceptions noted during testing.

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

No exceptions noted.



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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.

A listing of employees/officials receiving termination payments during the fiscal period was provided. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected 2 employees/officials and performed the specified procedures. There was no documentation evidencing the approved pay rate for one of the employees. There were no other exceptions in the testing.

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.

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.

Procedure was not performed due to no exceptions occurring for this procedure in the prior year or the existence of mitigating internal controls as asserted by the entity.

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

Procedure was not performed due to no exceptions occurring for this procedure in the prior year or the existence of mitigating internal controls as asserted by the entity.

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.

No exceptions noted.



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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.

A listing of bonds/notes outstanding at the end of the fiscal period was provided. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected 1 bond/note and performed the specified procedures. No exceptions noted.

Other

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

Procedure was not performed due to no exceptions occurring for this procedure in the prior year or the existence of mitigating internal controls as asserted by the entity.

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

Procedure was not performed due to no exceptions occurring for this procedure in the prior year or the existence of mitigating internal controls as asserted by the entity.

Corrective Action

25. Obtain management's response and corrective action plan for any exceptions noted in the above agreed-upon procedures.

See attached Corrective Action Plan



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

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

Sincerely,

A handwritten signature in cursive script that reads "Postlethwaite & Netterville".

December 21, 2018



WEST FELICIANA PARISH

WEST FELICIANA PARISH GOVERNMENT

CORRECTIVE ACTION PLAN FOR THE STATEWIDE AGREED-UPON PROCEDURES

DECEMBER 21, 2018

KENNY HAVARD
Parish President

JIM FERGUSON
Chief Operating Officer

NAKIA S. ANDERSON
Director of Accounting

SHERRELL W. JOHNSON
Director of Citizen Services

KATHY M. WELCH
Treasurer/Personnel Director

West Feliciana Parish Government respectfully submits the following corrective action plan for the year ended June 30, 2018:

Written Policies and Procedures

1a. West Feliciana Parish Government will develop written policies for preparing and monitoring the budget.

1f. West Feliciana Parish Government will develop written policies for contracting which include the types of services requiring written contracts, standard terms and conditions, legal review, and the approval and monitoring process.

1h. West Feliciana Parish Government will develop written policies for travel and expense reimbursements.

1i. West Feliciana Parish Government will develop written policies for ethics.

1j. West Feliciana Parish Government will develop written policies for debt service.

Board or Finance Committee

2b. West Feliciana Parish Government will ensure budget-to-actual comparisons are provided to the Council and consideration is documented in the minutes.

Bank Reconciliations

3a/3b/3c. West Feliciana Parish Government will ensure bank reconciliation are prepared in a timely manner. Additionally, documentation of the review of bank reconciliations will be documented and research of long-outstanding items documented.

Collections

5a. The Waterworks District will procedures will be improved to avoid sharing of cash drawers where possible.

7d. West Feliciana Parish Government will ensure that deposits are made timely.

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

9c. West Feliciana Parish Government has procedures in place to maintain dual approval of each disbursement. The District will look for opportunities to segregate duties where possible for editing/adding vendors.

5934 Commerce St. • P.O. Box 1921 • St. Francisville, Louisiana 70775
Phone: (225) 635-3864 • Fax: (225) 635-3705

Equal Opportunity Employer

District A

MELVIN YOUNG
6900 Greenwood Road
St. Francisville, LA 70775

District B

JOHN C. THOMPSON
Parish Council Chairperson
11126 Wakefield Dr. North
St. Francisville, LA 70775

District C

MEL PERCY
4888 Audubon Lane
St. Francisville, LA 70775

District D

WILLIAM "BILL" MAY, III
Parish Council
Vice-Chairperson
10695 Firetower Road
St. Francisville, LA 70775

At-Large

SYDNEY PICOU WALKER
Post Office Box 518
St. Francisville, LA 70775



WEST FELICIANA

WEST FELICIANA PARISH

10b. West Feliciana Parish Government will ensure that written documentation is maintained for who is processing and approving payments.

KENNY HAVARD
Parish President

JIM FERGUSON
Chief Operating Officer

NAKIA S. ANDERSON
Director of Accounting

SHERRELL W. JOHNSON
Director of Citizen Services

KATHY M. WELCH
Treasurer/Personnel Director

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

12a. West Feliciana Parish Government will develop procedures to ensure that review of the monthly statements are documented.

13. West Feliciana Parish Government will ensure that all receipts are supported by documentation of the business/public purpose of the disbursement.

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

14a. West Feliciana Parish Government will ensure that reimbursements are in accordance with State law.

14b/14c/14d. West Feliciana Parish Government will ensure that reimbursements are supported by itemized receipts documenting the business/public purpose and documentation is maintained of appropriate review.

Payroll and Personnel

18. West Feliciana Parish Government will ensure that documentation of approved pay rates is maintained.

Sincerely,

District A

MELVIN YOUNG

6900 Greenwood Road
St. Francisville, LA 70775

District B

JOHN C. THOMPSON

Parish Council Chairperson
11126 Wakefield Dr. North
St. Francisville, LA 70775

District C

MEL PERCY

4888 Audubon Lane
St. Francisville, LA 70775

District D

WILLIAM "BILL" MAY, III

Parish Council Vice-Chairperson
10695 Firetower Road
St. Francisville, LA 70775

At-Large

SYDNEY PICOU WALKER

Post Office Box 518
St. Francisville, LA 70775

Chief Operating Officer

Director of Accounting

5934 Commerce St. • P.O. Box 1921 • St. Francisville, Louisiana 70775
Phone: (225) 635-3864 • Fax: (225) 635-3705

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WEST FELICIANA PARISH GOVERNMENT

REPORT TO MANAGEMENT

JUNE 30, 2018



Postlethwaite & Netterville

A Professional Accounting Corporation

www.pncpa.com

WEST FELICIANA PARISH GOVERNMENT

REPORT TO MANAGEMENT

JUNE 30, 2018



Postlethwaite & Netterville

We have already discussed many of these comments and suggestions with management, and we will be pleased to discuss them in further detail at your convenience. We would also welcome any opportunity to perform any additional study of these matters or to assist you in implementing the recommendations. We would also like to thank the West Feliciana Parish Government's staff for their patience and cooperation with us during the performance of the audit.

This letter is intended solely for the information and use of the West Feliciana Parish Government, management of the West Feliciana Parish Government, and the Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,

Postlethwaite & Netterville

STATUS OF PRIOR YEAR REPORT TO MANAGEMENT

2017-1 **Enhancement of Policies and Procedures**

Condition: During the performance of our statewide agreed-upon procedures engagement, we reviewed several control and compliance areas including those pertaining to maintenance of written policies and procedures. Certain of these areas were identified as having opportunities for improvement.

Recommendation: While the Government maintains written policies and procedures over most transactions and significant areas, it was noted that these written policies and procedures could be strengthened to reflect certain best practices as recommended by the legislative auditor, particularly those regarding budgeting, contracting, travel expenses, and debt service.

Management's Response: *The Government's policies will be modified to address the recommendation above.*

Status: *The item is not resolved and is included as a current year improvement as 2018-001.*

2017-2 **Documentation of Process Reviews**

Condition: Government management has communicated to us that there are controls in place for the review of cash and investment reconciliations journal entries. We corroborated that the controls were in place during our audit procedures. However, we noted that these reviews are not evidenced by the signing or initialing the documents or utilizing any form of documentation of review.

Recommendation: We recommend that the review of cash and investment reconciliations and journal entries be evidenced on the documents themselves or the use of an end of month/quarter checklist indicating the date of the review and the person that performed the review.

Management's Response: *We concur with the recommendation above.*

Status: *The item is not resolved and is included as a current year improvement as 2018-002.*