

AVOUELLES PARISH POLICE JURY

Marksville, Louisiana

Financial Report

Year Ended December 31, 2018

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KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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

183 S. Beadle Rd. 11929 Bricksome Ave.
Lafayette, LA 70508 Baton Rouge, LA 70816
Phone (337) 232-4141 Phone (225) 293-8300

1428 Metro Dr. 450 E. Main St.
Alexandria, LA 71301 New Iberia, LA 70560
Phone (318) 442-4421 Phone (337) 367-9204

200 S. Main St. 1234 David Dr. Ste. 203
Abbeville, LA 70510 Morgan City, LA 70380
Phone (337) 893-7944 Phone (985) 384-2020

434 E. Main St. 332 W. Sixth Ave.
Ville Platte, LA 70586 Oberlin, LA 70655
Phone (337) 363-2792 Phone (337) 639-4737

* A Professional Accounting Corporation

INDEPENDENT AUDITOR'S REPORT

WWW.KCSRPCAS.COM

To the Members of the Police Jury
Avoyelles Parish
Marksville, Louisiana

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Basis for Adverse Opinion on Aggregate Discretely Presented Component Units

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

Adverse Opinion on Discretely Presented Component Units

In our opinion, because of the significance of the matter described in the "Basis for Adverse Opinion on 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 Avoyelles Parish Police Jury as of December 31, 2018, or the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents, 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.

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Police Jury's basic financial statements. The other financial information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The Section 8 financial data schedule, and the schedule of expenditures of federal awards 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. In our opinion, the Section 8 financial data schedule, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The combining nonmajor fund financial statements have not been subjected to the auditing procedures 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 June 24, 2019, on our consideration of the Police Jury's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Police Jury's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Police Jury's internal control over financial reporting and compliance.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Alexandria, Louisiana
June 24, 2019

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS**

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Statement of Net Position
December 31, 2018

Assets:

| | |
|------------------------------------|-------------------|
| Cash and interest-bearing deposits | \$ 14,674,206 |
| Receivables, net | 27,458 |
| Ad valorem taxes, net | 2,466,223 |
| Sales tax receivables | 325,131 |
| Due from other governmental units | 297,718 |
| Prepaid items | 155,749 |
| Capital assets: | |
| Non-depreciable | 1,503,935 |
| Depreciable, net | 7,462,148 |
| Net pension asset | <u>154,748</u> |
| Total assets | <u>27,067,316</u> |

| | |
|---|----------------|
| Deferred outflows of resources - pensions | <u>199,956</u> |
|---|----------------|

Liabilities:

| | |
|---------------------------------|------------------|
| Accounts and other payables | 932,162 |
| Accrued liabilities | 75,661 |
| Unearned revenue | 107,934 |
| Due to other governmental units | 23,340 |
| Accrued interest payable | 6,228 |
| Long-term liabilities: | |
| Due within one year | 119,159 |
| Due in more than one year | 877,704 |
| Net pension liability | <u>72,405</u> |
| Total liabilities | <u>2,214,593</u> |

| | |
|--|----------------|
| Deferred inflows of resources - pensions | <u>271,730</u> |
|--|----------------|

Net Position:

| | |
|----------------------------------|----------------------|
| Net investment in capital assets | 8,053,083 |
| Restricted - | |
| Public safety | 12,052 |
| Public works | 8,148,345 |
| Health and welfare | 4,268,984 |
| Culture and recreation | 2,909,006 |
| Economic development | 191,018 |
| Debt service | 111,805 |
| Unrestricted | <u>1,086,656</u> |
| Total net position | <u>\$ 24,780,949</u> |

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

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Statement of Activities
For the Year Ended December 31, 2018

| Activities | Expenses | Program Revenues | | | Net (Expenses) Revenues and Changes in Net Position |
|--|---------------------|--|--|--|---|
| | | Fees, Fines and Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | |
| Primary government: | | | | | |
| Governmental activities: | | | | | |
| General government | \$ 2,061,963 | \$ 210,092 | \$ 273,202 | \$ - | \$ (1,578,669) |
| Public safety | 525,114 | 157,745 | - | - | (367,369) |
| Public works | 4,742,493 | 10,000 | 483,177 | 395,254 | (3,854,062) |
| Health and welfare | 1,036,718 | - | 696,794 | - | (339,924) |
| Culture and recreation | 686,751 | 12,588 | - | - | (674,163) |
| Economic development | 264,005 | 7,668 | - | - | (256,337) |
| Interest on long-term debt | <u>22,513</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(22,513)</u> |
| Total governmental activities | <u>\$ 9,339,557</u> | <u>\$ 398,093</u> | <u>\$ 1,453,173</u> | <u>\$ 395,254</u> | <u>(7,093,037)</u> |
| General revenues: | | | | | |
| Taxes - | | | | | |
| Property taxes, levied for general purposes | | | | | 3,007,264 |
| Property taxes, levied for specific purposes | | | | | 116,667 |
| Sales and use taxes, levied for specific purposes | | | | | 4,526,804 |
| Severance taxes | | | | | 149,123 |
| Grants and contributions not restricted to specific programs - | | | | | |
| State revenue sharing | | | | | 247,288 |
| Parish equalization funds | | | | | 355,671 |
| Fire insurance rebate | | | | | 165,535 |
| Occupational licenses and other permits | | | | | 402,666 |
| Nonemployer pension contribution | | | | | 20,223 |
| Interest and investment earnings | | | | | 72,779 |
| Miscellaneous | | | | | <u>224,766</u> |
| Total general revenues | | | | | <u>9,288,786</u> |
| Change in net position | | | | | 2,195,749 |
| Net position, beginning | | | | | <u>22,585,200</u> |
| Net position, ending | | | | | <u>\$ 24,780,949</u> |

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

FUND FINANCIAL STATEMENTS

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Balance Sheet
Governmental Funds
December 31, 2018

| | General | Road & Bridge | Solid Waste | Drainage |
|--------------------------------------|---------------------|---------------------|---------------------|---------------------|
| ASSETS | | | | |
| Cash and interest-bearing deposits | \$ 526,048 | \$ 1,523,171 | \$ 5,457,375 | \$ 986,951 |
| Receivables, net | 5,139 | - | - | - |
| Ad valorem taxes, net | 240,594 | - | - | 395,666 |
| Sales tax receivables | - | 81,283 | 243,848 | - |
| Due from other funds | 260,950 | - | - | 6,334 |
| Due from other governmental units | <u>99,909</u> | <u>41,221</u> | <u>-</u> | <u>23,960</u> |
| Total assets | <u>\$ 1,132,640</u> | <u>\$ 1,645,675</u> | <u>\$ 5,701,223</u> | <u>\$ 1,412,911</u> |
| LIABILITIES AND FUND BALANCES | | | | |
| Liabilities: | | | | |
| Accounts and other payables | \$ 88,152 | \$ 163,675 | \$ 205,084 | \$ 1,118 |
| Accrued liabilities | 13,510 | 18,670 | 10,015 | 13,320 |
| Unearned revenue | - | - | - | - |
| Due to other funds | - | 124,908 | 80,369 | - |
| Due to other governmental units | <u>23,340</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total liabilities | <u>125,002</u> | <u>307,253</u> | <u>295,468</u> | <u>14,438</u> |
| Fund balances: | | | | |
| Restricted - | | | | |
| Public safety | - | - | - | - |
| Public works | - | 1,338,422 | 5,405,755 | 1,398,473 |
| Health and welfare | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Economic development | - | - | - | - |
| Debt service | - | - | - | - |
| Unassigned | <u>1,007,638</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total fund balances | <u>1,007,638</u> | <u>1,338,422</u> | <u>5,405,755</u> | <u>1,398,473</u> |
| Total liabilities and fund balances | <u>\$ 1,132,640</u> | <u>\$ 1,645,675</u> | <u>\$ 5,701,223</u> | <u>\$ 1,412,911</u> |

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

| <u>Health Unit</u> | <u>Library</u> | <u>Road District No. 2</u> | <u>Governmental Funds</u> | <u>Total</u> |
|------------------------|---------------------|--------------------------------|-------------------------------|----------------------|
| \$ 2,978,102 | \$ 2,222,116 | \$ 319,883 | \$ 660,560 | \$ 14,674,206 |
| - | - | - | 22,319 | 27,458 |
| 452,123 | 700,790 | 677,050 | - | 2,466,223 |
| - | - | - | - | 325,131 |
| - | - | - | 722 | 268,006 |
| <u>27,308</u> | <u>42,328</u> | <u>49,642</u> | <u>13,350</u> | <u>297,718</u> |
| <u>\$ 3,457,533</u> | <u>\$ 2,965,234</u> | <u>\$ 1,046,575</u> | <u>\$ 696,951</u> | <u>\$ 18,058,742</u> |
| | | | | |
| \$ 590 | \$ 18,834 | \$ 342,453 | \$ 32,920 | \$ 852,826 |
| 5,132 | 12,557 | 79,336 | 2,457 | 154,997 |
| - | - | - | 107,934 | 107,934 |
| 10,814 | 24,837 | 10,959 | 16,119 | 268,006 |
| - | - | - | - | 23,340 |
| <u>16,536</u> | <u>56,228</u> | <u>432,748</u> | <u>159,430</u> | <u>1,407,103</u> |
| | | | | |
| - | - | - | 12,052 | 12,052 |
| - | - | - | 5,695 | 8,148,345 |
| 3,440,997 | - | 613,827 | 214,160 | 4,268,984 |
| - | 2,909,006 | - | - | 2,909,006 |
| - | - | - | 191,018 | 191,018 |
| - | - | - | 118,033 | 118,033 |
| - | - | - | (3,437) | 1,004,201 |
| <u>3,440,997</u> | <u>2,909,006</u> | <u>613,827</u> | <u>537,521</u> | <u>16,651,639</u> |
| | | | | |
| <u>\$ 3,457,533</u> | <u>\$ 2,965,234</u> | <u>\$ 1,046,575</u> | <u>\$ 696,951</u> | <u>\$ 18,058,742</u> |

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
December 31, 2018

| | | |
|--|------------------|----------------------|
| Total fund balances for governmental funds | | \$ 16,651,639 |
| Capital assets, net | | 8,966,083 |
| Prepaid expenses | | 155,749 |
| Long-term liabilities: | | |
| Bonds payable | \$ (913,000) | |
| Compensated absences payable | (83,863) | |
| Accrued interest payable | <u>(6,228)</u> | (1,003,091) |
| Pension: | | |
| Net pension (liability)/asset | 82,343 | |
| Deferred outflows of resources | 199,956 | |
| Deferred inflows of resources | <u>(271,730)</u> | <u>10,569</u> |
| Net position of governmental activities | | <u>\$ 24,780,949</u> |

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

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balances -
Governmental Funds
For the Year Ended December 31, 2018

| | General | Road & Bridge | Solid Waste | Drainage |
|---|---------------------|---------------------|---------------------|---------------------|
| Revenues: | | | | |
| Taxes - | | | | |
| Ad valorem | \$ 303,521 | \$ - | \$ - | \$ 504,346 |
| Sales | - | 1,099,045 | 3,297,136 | - |
| Severance taxes | 149,123 | - | - | - |
| Licenses and permits | 402,666 | - | - | - |
| Intergovernmental revenues - | | | | |
| Federal revenues | 273,202 | - | - | - |
| State funds - | | | | |
| Parish transportation funds | - | 483,177 | - | - |
| State revenue sharing | 23,990 | - | - | 38,022 |
| Parish equalization funds | 355,671 | - | - | - |
| Fire insurance rebate | 165,535 | - | - | - |
| Fees, charges and commissions | 473,892 | - | - | - |
| Interest income | 11,619 | 10,648 | 20,560 | 7,651 |
| Other revenues | 88,420 | 87 | 6,113 | - |
| Total revenues | <u>2,247,639</u> | <u>1,592,957</u> | <u>3,323,809</u> | <u>550,019</u> |
| Expenditures: | | | | |
| Current- | | | | |
| General government: | 1,754,184 | - | - | - |
| Public safety | 363,857 | - | - | - |
| Public works | - | 1,558,853 | 2,925,916 | 479,570 |
| Health and welfare | - | - | - | - |
| Culture and recreation | 26,425 | - | - | - |
| Economic development and assistance | 52,546 | - | - | - |
| Debt service- | | | | |
| Principal payments | - | - | - | - |
| Interest expense | - | - | - | - |
| Total expenditures | <u>2,197,012</u> | <u>1,558,853</u> | <u>2,925,916</u> | <u>479,570</u> |
| Excess (deficiency) of revenues over expenditures | <u>50,627</u> | <u>34,104</u> | <u>397,893</u> | <u>70,449</u> |
| Other financing sources (uses): | | | | |
| Transfers in | - | - | - | - |
| Transfers out | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Changes in fund balances | 50,627 | 34,104 | 397,893 | 70,449 |
| Fund balances, beginning | <u>957,011</u> | <u>1,304,318</u> | <u>5,007,862</u> | <u>1,328,024</u> |
| Fund balances, ending | <u>\$ 1,007,638</u> | <u>\$ 1,338,422</u> | <u>\$ 5,405,755</u> | <u>\$ 1,398,473</u> |

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

| <u>Health Unit</u> | <u>Library</u> | <u>Road District No. 2</u> | <u>Other Governmental Funds</u> | <u>Total</u> |
|------------------------|---------------------|--------------------------------|---|----------------------|
| \$ 576,287 | \$ 892,810 | \$ 730,300 | \$ 116,667 | \$ 3,123,931 |
| - | - | - | 130,623 | 4,526,804 |
| - | - | - | - | 149,123 |
| - | - | - | - | 402,666 |
| - | - | - | 742,048 | 1,015,250 |
| - | - | - | - | 483,177 |
| 43,446 | 67,340 | 74,490 | - | 247,288 |
| - | - | - | - | 355,671 |
| - | - | - | - | 165,535 |
| - | 12,588 | - | 177,127 | 663,607 |
| 9,596 | 8,807 | - | 3,898 | 72,779 |
| - | 2,388 | 50,000 | 77,758 | 224,766 |
| <u>629,329</u> | <u>983,933</u> | <u>854,790</u> | <u>1,248,121</u> | <u>11,430,597</u> |
| - | - | - | - | 1,754,184 |
| - | - | - | 163,033 | 526,890 |
| - | - | 1,529,338 | 1,967 | 6,495,644 |
| 284,349 | - | - | 741,560 | 1,025,909 |
| - | 684,944 | - | 7,831 | 719,200 |
| - | - | - | 314,773 | 367,319 |
| - | - | - | 87,000 | 87,000 |
| - | - | - | 28,923 | 28,923 |
| <u>284,349</u> | <u>684,944</u> | <u>1,529,338</u> | <u>1,345,087</u> | <u>11,005,069</u> |
| <u>344,980</u> | <u>298,989</u> | <u>(674,548)</u> | <u>(96,966)</u> | <u>425,528</u> |
| - | - | 20,000 | - | 20,000 |
| - | - | - | (20,000) | (20,000) |
| - | - | 20,000 | (20,000) | - |
| 344,980 | 298,989 | (654,548) | (116,966) | 425,528 |
| <u>3,096,017</u> | <u>2,610,017</u> | <u>1,268,375</u> | <u>654,487</u> | <u>16,226,111</u> |
| <u>\$ 3,440,997</u> | <u>\$ 2,909,006</u> | <u>\$ 613,827</u> | <u>\$ 537,521</u> | <u>\$ 16,651,639</u> |

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

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

| | | |
|---|------------------|---------------------|
| Total net change in fund balances per Statement of Revenues, Expenditures and Changes in Fund Balances | | \$ 425,528 |
| Capital assets: | | |
| Capital outlay | \$ 1,848,162 | |
| Depreciation expense | <u>(528,442)</u> | 1,319,720 |
| Long-term debt: | | |
| Principal payments | 87,000 | |
| Decrease of accrued interest payable | 6,410 | |
| Decrease in compensated absences | <u>11,943</u> | 105,353 |
| Decrease of prepaid expenditures | | (13,312) |
| Revenue recognized from donated assets | | 350,000 |
| Effect of the change in net pension liability/asset, deferred outflows/inflows of resources: | | |
| Increase in pension expense | (11,763) | |
| Nonemployer pension contribution revenue recognized | <u>20,223</u> | <u>8,460</u> |
| Total changes in net position per Statement of Activities | | <u>\$ 2,195,749</u> |

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

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Statement of Fiduciary Assets and Liabilities
Agency Fund
December 31, 2018

ASSETS

| | |
|--------------|-----------------|
| Cash | \$ 6,525 |
| Receivables | <u>2,481</u> |
| Total assets | <u>\$ 9,006</u> |

LIABILITIES

| | |
|---------------------------------|-----------------|
| Due to other governmental units | <u>\$ 9,006</u> |
|---------------------------------|-----------------|

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

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to the Basic Financial Statements

(1) Summary of Significant Accounting Policies

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

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

A. Financial Reporting Entity

Avoyelles Parish Police Jury is the governing authority for Avoyelles Parish and is a political subdivision of the State of Louisiana. The Police Jury is governed by nine jurors representing the various districts within the parish. The jurors serve four-year terms.

The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete, and (d) organizations that are closely related to, or financially integrated with the primary government.

Section 2100 of the 2011 Governmental Accounting Standards Board (GASB) *Codification of Governmental Accounting and Financial Reporting Standards*, "Defining the Financial Reporting Entity" establishes criteria for determining which entities should be considered a component unit and, as such, part of the reporting entity for financial reporting purposes. The basic criteria are as follows:

1. Legal status of the potential component unit including the right to incur its own debt, levy its own taxes and charges, expropriate property in its own name, sue and be sued, and the right to buy, sell and lease property in its own name.
2. Whether the primary government's governing authority appoints a majority of board members of the potential component unit and is able to impose its will on the potential component unit or whether the potential component unit is fiscally dependent on the primary government.

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to the Basic Financial Statements

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

The following component unit is not presented in the accompanying financial statements:

Avoyelles Parish Airport Authority

Financial statements of the individual component unit may be obtained from the respective administrative office. This component unit financial data is necessary for reporting in conformity with generally accepted accounting principles.

Related Organizations

The Avoyelles Parish Police Jury appoints a portion of the governing boards of each of the entities described below. However, the Police Jury is not financially accountable for these organizations and therefore they are not component units.

Southwest Water District
Bunkie Hospital District
Ward 3 Water District

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues.

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

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to the Basic Financial Statements

Fund Financial Statements (FFS)

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

The various funds of the Police Jury are classified as governmental. The emphasis on fund financial statements is on major governmental funds. A fund is considered major if it is the primary operating fund of the Police Jury or meets the following criteria:

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

The major funds of the Police Jury are described below:

Governmental Funds -

Governmental Funds are those through which the governmental functions of the Police Jury are financed. The acquisition use and balance of the Police Jury's expendable financial resources and the related liabilities are accounted for through governmental funds.

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

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of government grants or other specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects of the Police Jury. The following are the Police Jury's major Special Revenue Funds:

The Road and Bridge Fund is used to account for maintenance and upkeep of parish roads and bridges within the respective districts.

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to the Basic Financial Statements

The Solid Waste Fund is used to account for the receipt and use of proceeds of three fourths of one percent (3/4%) sales tax used to provide garbage and waste collection and/or disposal for the Parish.

The Drainage Fund is used to account for the receipt of ad valorem taxes and state revenue sharing revenue used for the maintenance of the parish drainage system.

The Health Unit Fund is used to account for the receipt of ad valorem taxes and state revenue sharing revenue used for the maintenance of a health unit, which provides health and welfare services to the citizens of the parish.

The Library Fund is used to account for the receipt of ad valorem taxes and state revenue sharing revenue used for the operation and maintenance of the parish library.

The Road District No. 2 fund is used to account for the receipt of ad valorem taxes and state revenue sharing revenue used for maintaining roads within District No. 2.

Governmental fund financial statements include a balance sheet and a statement of revenues, expenditures and changes in fund balances for all major governmental funds and nonmajor funds aggregated. A reconciliation is presented to summarize the differences in fund balances of the governmental fund financial statements and the net position of the governmental activities in the government-wide financial statements.

Fiduciary Funds -

Fiduciary funds account for assets held by the Police Jury in a trustee capacity or as an agency on behalf of other funds within the Police Jury. The funds accounted for in this category by the Police Jury are agency funds. The Police Jury's agency fund is the 12th Judicial District Court Fund which is used to account for the collection and distributions of fines and fees paid to and on behalf of the 12th Judicial District Court.

C. Measurement Focus/Basis of Accounting

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

Measurement Focus

On the government-wide statement of net position and the statement of activities, governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery) and

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to the Basic Financial Statements

financial position. All assets and liabilities (whether current or noncurrent) associated with its activities are reported. Government-wide fund equity is classified as net position.

In the fund financial statements, the “current financial resources” measurement focus is used. Only current financial assets and liabilities are generally included on its balance sheet. Their operating statement presents sources and uses of available spendable financial resources during a given period. This fund uses fund balance as its measure of available spendable financial resources at the end of the period.

Basis of Accounting

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

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

Program revenues

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

Allocation of indirect expenses

The Police Jury reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense is specifically identified by function and is included in the direct expense of each

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to the Basic Financial Statements

function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

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

Cash and interest-bearing deposits

For purposes of the statement of net position, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the Police Jury. Under state law, the Police Jury may invest in United States bonds, treasury notes, or certificates.

Interfund receivables and payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as “due to and from other funds.” Short-term interfund loans are reported as “interfund receivables and payables. Long-term interfund loans (noncurrent portion) are reported as “advances to and from other funds.” Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net position.

Receivables

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

Prepaid Items

Payments made to vendors for services that will benefit period beyond December 31, 2018, are recorded as prepaid items.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the governmental activities' columns in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Police Jury maintains a threshold level of \$1,000 or more for capitalizing capital assets.

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

AVOYELLES PARISH POLICE JURY
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Notes to the Basic Financial Statements

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

| | |
|------------------------------------|-------------|
| Buildings and improvements | 20-40 years |
| Equipment, furniture, and fixtures | 5 years |
| Heavy equipment | 20-40 years |
| Infrastructure | 20 years |

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

Long-term debt

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements. The Police Jury does not have any proprietary funds.

All long-term debt to be repaid from governmental resources is reported as liabilities in the government-wide statements.

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

Compensated Absences

After six months of service, employees of the Police Jury earn annual leave at the rate of 5 to 15 days each year, depending upon their length of service. Unused annual leave may be carried forward from year to year, not to exceed 120 days (960 hours) for hourly and salary employees. Upon termination, employees are paid for unused annual leave at the employee's current rate of pay.

Employees of the Police Jury receive from 5 to 15 days of sick leave each year, depending upon their length of service. Unused sick leave may be carried forward from year to year not to exceed 120 days. Upon termination, unused sick leave is forfeited.

At December 31, 2018, employees of the Police Jury had accumulated and vested leave benefits totaling \$83,863.

AVOYELLES PARISH POLICE JURY
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Notes to the Basic Financial Statements

Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively.

Equity Classifications

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

- a. Net investment in capital assets – consists of net capital assets reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.
- b. Restricted net position – consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets.
- c. Unrestricted net position – consists of all other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balances for governmental funds are classified as follows:

- a. Nonspendable – amounts that cannot be spent either because they are not in spendable form or because of legal or contractual constraints requiring they remain intact.
- b. Restricted - amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors, grantors, contributors or amounts constrained due to constitutional provisions or enabling legislation or the laws or regulations of other governments.
- c. Committed - amounts that are constrained for specific purposes that are internally imposed by the Police Jury through formal legislative action and does not lapse at year end. A committed fund balance constraint can only be established, modified, or rescinded by passage of ordinances or resolutions approved by Police Jury members.

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to the Basic Financial Statements

- d. Assigned - amounts that are constrained by the Police Jury's intent to be used for specific purposes, that are neither restricted nor committed. The assignment of fund balance is authorized by a directive from the Police Jury's Treasurer and approved by a resolution of the Police Jury members.
- e. Unassigned – all other spendable amounts.

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

E. Revenues, Expenditures, and Expenses

Revenues

The Police Jury considers revenue to be susceptible to accrual in the governmental funds as it becomes measurable and available, as defined under the modified accrual basis of accounting. The Police Jury generally defines the availability period for revenue recognition as received within sixty (60) days of year end. The Police Jury's major revenue sources that meet this availability criterion are taxes, and intergovernmental revenues (including grant revenues). Grant revenues are revenues from federal, state, and private grants. These revenues are recognized when all applicable eligibility requirements are met and are reported as intergovernmental revenues. Interest income is recorded as earned in the fund holding the interest-bearing asset. Substantially all other revenues are recorded when received.

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied in October and are actually billed to taxpayers in November. Billed taxes become delinquent on January 1 of the following year. The taxes are based on assessed values determined by the Tax Assessor of Avoyelles Parish and are collected by the Sheriff. Property tax revenues are recognized when levied to the extent that they result in current receivables.

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function for governmental activities. In the fund financial statements, expenditures of governmental funds are classified by character. In the fund financial statements, governmental funds report expenditures of financial resources.

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to the Basic Financial Statements

Other Financing Sources (Uses)

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

F. Revenue Restrictions

The Police Jury has various restrictions placed on certain revenue sources received from state or local sources. The proceeds from a 1% sales and use tax levied are dedicated to maintaining roads and bridges as well as providing solid waste collection and disposal services. A motel tax is dedicated for tourism inducement while the proceeds from a special property tax assessed on all property located in Road District No. 2 is dedicated to improving, maintaining and operating roads, bridges and drainage within District No. 2.

G. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities and deferred inflows disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. These estimates include assessing the collectability of accounts receivable and the useful lives and impairment of tangible and intangible assets, among others. Estimates and assumptions are reviewed periodically, and the effects of revisions are reflected in the period they are determined to be necessary. Actual results could differ from those estimates.

H. Pensions

The net pension liability/(asset), deferred outflows of resources, and deferred inflows of resources related to pensions, and pension expense, (described in more detail in Note 7), has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. Non-employer contributions are recognized as revenues in the government-wide and proprietary fund financial statements. In the governmental fund financial statements contributions are recognized as expenditures when due.

(2) Cash and Interest-Bearing Deposits

Under state law, the Police Jury may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Police Jury may invest in direct obligations of the United States government, bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by federal agencies and/or

AVOYELLES PARISH POLICE JURY
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Notes to the Basic Financial Statements

the United States government, and time certificates of deposit of state banks organized under Louisiana law and national banks having principle offices in Louisiana.

These deposits are stated at cost, which approximates market. Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Police Jury's deposits may not be recovered, or the Police Jury will not be able to recover the collateral securities that are in the possession of an outside party. The Police Jury does not have a policy for custodial credit risk; however, under state law these deposits, (or the resulting bank balances) must be secured by federal deposit insurance or similar federal security of 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 bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. The following is a summary of deposit balances (bank balances), and the related federal insurance and pledged securities:

| | |
|--|---------------|
| Bank balances | \$ 14,739,362 |
| Insured | \$ 944,436 |
| Uninsured and collateral held by pledging bank not in Police Jury's name | 13,794,926 |
| Total | \$ 14,739,362 |

(3) Capital Assets

Capital asset activity was as follows:

| | Beginning | Additions | Deletions | Ending |
|---|------------|-----------|-----------|------------|
| Capital assets not being depreciated: | | | | |
| Land | \$ 590,548 | \$ - | \$ - | \$ 590,548 |
| Construction in progress | 210,058 | 842,101 | 138,772 | 913,387 |
| Total capital assets, not being depreciated | 800,606 | 842,101 | 138,772 | 1,503,935 |
| Capital assets being depreciated: | | | | |
| Buildings and improvements | 5,451,539 | 210,470 | - | 5,662,009 |
| Equipment, furniture and fixtures | 697,000 | 6,580 | - | 703,580 |
| Infrastructure | 2,749,243 | 1,209,705 | - | 3,958,948 |
| Heavy equipment | 3,707,334 | 68,078 | - | 3,775,412 |
| Total capital assets, being depreciated | 12,605,116 | 1,494,833 | - | 14,099,949 |

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to the Basic Financial Statements

| | <u>Beginning</u> | <u>Additions</u> | <u>Deletions</u> | <u>Ending</u> |
|--|---------------------|---------------------|-------------------|---------------------|
| Less accumulated depreciation | | | | |
| Buildings and improvements | 2,230,583 | 198,608 | - | 2,429,191 |
| Equipment, furniture and fixtures | 611,570 | 18,913 | - | 630,483 |
| Infrastructure | 174,312 | 143,661 | - | 317,973 |
| Heavy equipment | <u>3,092,894</u> | <u>167,260</u> | <u>-</u> | <u>3,260,154</u> |
| Total accumulated depreciation | <u>6,109,359</u> | <u>528,442</u> | <u>-</u> | <u>6,637,801</u> |
| Total capital assets, being depreciated, net | <u>6,495,757</u> | <u>966,391</u> | <u>-</u> | <u>7,462,148</u> |
| Capital assets, net | <u>\$ 7,296,363</u> | <u>\$ 1,808,492</u> | <u>\$ 138,772</u> | <u>\$ 8,966,083</u> |

Depreciation expense was charged to governmental activities as follows:

| | |
|----------------------------|-------------------|
| General government | \$ 56,454 |
| Public works | 338,453 |
| Economic development | 42,048 |
| Health and welfare | 48,214 |
| Culture and recreation | 23,093 |
| Public safety | <u>20,180</u> |
| Total depreciation expense | <u>\$ 528,442</u> |

(4) Unearned Revenue

Unearned revenue consisted of rent revenue received in advance in the amount of \$70,000, as well as federal funds related to the Section 8 Housing program in the amount of \$37,934.

(5) Long-Term Liabilities

The following is a summary of long-term liability activity:

| | <u>Beginning</u> <u>Balance</u> | <u>Additions</u> | <u>Deletions</u> | <u>Ending</u> <u>Balance</u> | <u>Due Within</u> <u>One Year</u> |
|----------------------------------|------------------------------------|------------------|-------------------|---------------------------------|--------------------------------------|
| Compensated absences | \$ 95,806 | \$ 70,417 | \$ 82,360 | \$ 83,863 | \$ 25,159 |
| Certificates of Indebtedness (1) | 750,000 | - | 62,000 | 688,000 | 69,000 |
| Certificates of Indebtedness (2) | <u>250,000</u> | <u>-</u> | <u>25,000</u> | <u>225,000</u> | <u>25,000</u> |
| Totals | <u>\$ 1,095,806</u> | <u>\$ 70,417</u> | <u>\$ 169,360</u> | <u>\$ 996,863</u> | <u>\$ 119,159</u> |

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to the Basic Financial Statements

Long-term debt payable was composed of the following:

Certificates of Indebtedness (1)

The Police Jury issued \$750,000 of Limited Tax Certificates of Indebtedness, Series 2017, dated April 26, 2017, for the purpose of improving, maintaining and repairing public roads, bridges and drainage within Road District No. 2 with principal installments due in amounts ranging from \$62,000 to \$88,000 through March 1, 2027 at an interest rate of 2.55%.

\$ 688,000

Certificates of Indebtedness (2)

The Police Jury issued \$250,000 of Limited Tax Certificates of Indebtedness, Series 2017, dated April 26, 2017, for the purpose of improving, maintaining and repairing public roads, bridges and drainage within Road District No. 2 with principal installments due of \$25,000 through March 1, 2027 at an interest rate of 1.275%.

\$ 225,000

The certificates are due as follows:

| <u>Year Ending</u> <u>December 31,</u> | <u>Principal</u> <u>payments</u> | <u>Interest</u> <u>payments</u> | <u>Total</u> |
|---|-------------------------------------|------------------------------------|---------------------|
| 2019 | \$ 94,000 | \$ 18,483 | \$ 112,483 |
| 2020 | 95,000 | 17,283 | 112,283 |
| 2021 | 97,000 | 15,154 | 112,154 |
| 2022 | 98,000 | 12,986 | 110,986 |
| 2023 | 100,000 | 10,781 | 110,781 |
| 2024-2027 | <u>429,000</u> | <u>19,801</u> | <u>448,801</u> |
| Totals | <u>\$ 913,000</u> | <u>\$ 94,488</u> | <u>\$ 1,007,488</u> |

AVOYELLES PARISH POLICE JURY
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Notes to the Basic Financial Statements

(6) Operating Leases

The Police Jury leased equipment under operating leases that expire August 31, 2022. Lease expense amounted to \$51,266. Future minimum lease payments under the operating leases were as follows:

| Year Ending December 31, | Total |
|-----------------------------|------------|
| 2019 | 51,266 |
| 2020 | 51,266 |
| 2021 | 51,266 |
| 2022 | 34,178 |
| Totals | \$ 187,976 |

(7) Pension Plans

The Police Jury participates in three cost-sharing defined benefit plans, each administered by separate public employee retirement systems. Article X, Section 29(F) of the Louisiana Constitution of 1974 assigns the authority to establish and amend benefit provisions of all plans administered by these public employee retirement systems to the State Legislature. These plans are not closed to new entrants. Substantially all Police Jury employees participate in one of the following retirement systems:

Plan Descriptions

Parochial Employees' Retirement System (PERS) provides retirement, disability, and survivor benefits to eligible employees and their beneficiaries as defined in LRS 11:1901 and 11:1941. The Police Jury participates in Plan B.

Louisiana State Employees' Retirement System (LASERS) provides retirement, disability, and survivor benefits to eligible employees and their beneficiaries as defined in the Louisiana Revised Statutes. The age and years of creditable service required in order for a member to receive retirement benefits are established by LRS 11:441 and vary depending on the member's hire date, employer and job classification.

Registrar of Voters Employees' Retirement System (ROVERS) provides retirement, disability, and survivor benefits to eligible registrars of voters in each parish, their deputies, their permanent employees, and their beneficiaries as defined in the Louisiana Revised Statutes. Eligibility for retirement benefits and the computation of retirement benefits are defined in LRS 11:2071-2072.

Each system's financial statements are prepared using the accrual basis of accounting. Employer and employee contributions are recognized in the period in which the employee is compensated for services performed. Benefits and refunds are recognized when due and payable in

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to the Basic Financial Statements

accordance with the terms of each plan. Interest income is recognized when earned. Ad valorem taxes and revenue sharing monies are recognized in the year collected by the tax collector.

A brief summary of eligibility and benefits of the plans are provided in the following table.

| | PERS | LASERS | ROVERS |
|--|---|--|---|
| Final average salary | Final average compensation | Highest 36 months or 60 months ³ | Highest 60 months |
| Years of service required and/or age eligible for benefits | 30 years age 55 ² 10 years age 60 ² 7 years age 65 ² | 30 years of any age 25 years age 55 20 years of any age ¹ 5-10 years age 60 ⁴ | 30 years of any age 20 years age 55 ⁶ 10 years age 60 ⁶ |
| Benefit percent per years of service | 2.0% ⁸ | 2.5% - 3.5% ⁵ | 3.0% - 3.33% ⁷ |

¹ With actuarial reduced benefits

² Employees hired after January 1, 2007: 30 years age 55, 10 years age 62, 7 years age 67

³ Employees hired after a certain date use the revised benefit calculation based on the highest 60 months

⁴ Five to ten years of creditable service at age 60 depending upon the plan

⁵ Members in regular plan 2.5%, hazardous duty plan 3.33%, and judges 3.5%.

⁶ After 01/01/2013 age eligibility is 30 years at 55, 20 years at 60, and 10 years at age 62

⁷ Benefit percent varies depending on hire date

⁸ Under certain conditions, as outlined in the statutes, benefits are limited to specific amounts.

Contributions

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. In addition, PERS and ROVERS receive a percentage of ad valorem taxes collected by parish. These entities are not participating employers in the pension systems and are considered to be nonemployer contributing entities.

Contributions of employers, and nonemployer contributing entities effective for the year ended December 31, 2018 for the defined benefit pension plans in which the Police Jury is a participating employer were as follows:

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to the Basic Financial Statements

| Plan | Active Member Contribution Percentage | Employer Contribution Percentage | Amount from Nonemployer Contributing Entities | Amount of Government Contributions |
|--------|---|--|--|--|
| PERS | 3.00% | 8.00% | \$ 15,618 | \$ 94,920 |
| LASERS | 12.25% | 39.85% | - | 3,811 |
| ROVERS | 7.00% | 17.00% | 4,605 | 3,705 |

Net Pension Liability\Asset

The Police Jury's net pension liability\asset at December 31, 2018 is comprised of its proportionate share of the net pension liability\asset relating to each of the cost-sharing plans in which the Police Jury is a participating employer. The Police Jury's net pension liability\asset for each plan was measured as of the plans' measurement date (June 30, 2018 for all plans except PERS and December 31, 2017 for PERS) and the total pension liability\asset used to calculate the net pension liability\asset was determined by an actuarial valuation as of that date. The Police Jury's proportionate share of the net pension liability\asset for each of the plans in which it participates was based on the Police Jury's required contributions in proportion to total required contributions for all employers. As of the most recent measurement date, the Police Jury's proportion for each plan and the change in proportion from the prior measurement date were as follows:

| Plan | Proportionate Share of Net Pension Liability\Asset | Proportionate Share (%) of Net Pension Liability\Asset | Increase/(Decrease) from Prior Measurement Date |
|--------|--|--|---|
| PERS | \$ (154,748) | 1.229914% | 0.006642% |
| LASERS | 35,327 | 0.000522% | -0.000018% |
| ROVERS | <u>37,078</u> | 0.157082% | -0.002018% |
| Total | <u>\$ (82,343)</u> | | |

Since the measurement date of the net pension liability was June 30, 2018 (December 31, 2017 for PERS), the net pension liability\asset is based upon fiduciary net position for each of the plans as of those dates. Detailed information about each pension plan's assets, deferred outflows, deferred inflows, and fiduciary net position that was used in the measurement of the Police Jury's net pension liability\asset is available in the separately issued plan financial reports for those fiscal years. The financial report for each plan may be accessed on their website as follows:

- PERS - <http://www.persla.org/>
- LASERS - <http://www.laseronline.org/>
- ROVERS - <http://www.larovers.com/>

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to the Basic Financial Statements

Actuarial Assumptions

The following table provides information concerning actuarial assumptions used in the determination of the total pension liability\ (asset) for each of the defined benefit plans in which the Police Jury is a participating employer:

| | <u>PERS</u> | <u>LASERS</u> | <u>ROVERS</u> |
|---|--------------------------|-------------------------|-------------------------|
| Date of experience study on which significant assumptions are based | 1/1/2010 - 12/31/2014 | 7/1/2009 - 6/30/2013 | 7/1/2009 - 6/30/2014 |
| Expected remaining service lives | 4 | 3 | 5 |
| Inflation Rate | 2.50% | 2.75% | 2.40% |
| Projected salary increases | 5.25% | 3.4% - 14.3% | 6.0% |
| Projected benefit changes including COLAs | None | None | None |
| Source of mortality assumptions | (1), (2), (3) | (4), (5) | (3), (6) |

- (1) RP-2000 Employee Sex Distinct Table was selected for employees.
- (2) RP-2000 Health Annuitant Sex Distinct Tables were selected for annuitants and beneficiaries.
- (3) RP-2000 Disabled Lives Mortality was selected for disabled annuitants.
- (4) RP-2000 Combined Healthy Mortality Table with mortality improvement projected to 2015.
- (5) RP-2000 Disabled Retiree Mortality Table with no projection for mortality improvement.
- (6) RP-2000 Combined Healthy Mortality Table for active members, healthy annuitants and beneficiaries.

Cost of Living Adjustments

The pension plans in which the Police Jury participates have the authority to grant cost-of-living adjustments (COLAs) on an ad hoc basis. COLAs may be granted to the state system (LASERS) if approved with a two-thirds vote of both houses of the Legislature, provided the plan meets certain statutory criteria related to the funded status and interest earnings.

Pursuant to LRS 11:242(B), the power of the Board of Trustees of the statewide systems (PERS and ROVERS) to grant a COLA is effective in calendar years that the legislature fails to grant a COLA, unless in the legislation granting a COLA, the legislature authorizes the Board of Trustees to provide an additional COLA. The authority to grant a COLA by the Board is subject to the funded status and interest earnings. The effects of the benefit changes made as a result of the COLAs is included in the measurement of the total pension liability as of the measurement date at which the ad hoc COLA was granted and the amount is known and reasonably estimable.

AVOYELLES PARISH POLICE JURY
 Marksville, Louisiana

Notes to the Basic Financial Statements

Discount Rate

The discount rates used to measure the Police Jury’s total pension liability\ (asset) for each plan and the significant assumptions used in the determination of the discount rate for each plan are as follows:

| | <u>PERS</u> | <u>LASERS</u> | <u>ROVERS</u> |
|--|-------------|---------------|---------------|
| Discount rate | 6.75% | 7.65% | 6.50% |
| Change in discount rate from prior valuation | (.25%) | (.05%) | (.25%) |
| Plan cash flow assumptions | (1) | (1) | (1) |
| Rates incorporated in the Discount Rate: | | | |
| Long-term Rate of Return | 7.62% | 8.83% | 8.83% |
| Periods applied | All | All | All |
| Municipal Bond Rate | N/A | N/A | N/A |

***Plan Cash Flow Assumptions:**

- 1) Plan member contributions will be made at the current contributions rates and sponsor contributions will be made at the actuarially determined rates.

The discount rates used to measure the Police Jury’s total pension liability\ (asset) for each plan is equal to the long-term expected rate of return on pension plan investments that are expected to be used to finance the payment of benefits.

For LASERS and ROVERS, the long-term expected rate of return for each plan 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 expenses 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 and an adjustment for the effect of rebalancing/diversification.

For PERS the rate was determined using a triangulation method which integrated the Capital Asset Pricing Model (CAPM), a treasury yield curve approach and an equity building block model. Risk return and correlation are projected on a forward-looking basis in equilibrium, in which best-estimates of expected future real rates of return 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 and an adjustment for the effect of rebalancing/diversification.

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to the Basic Financial Statements

The target allocation and best estimates of arithmetic/geometric real rates of return for each major asset class are summarized for each plan in the following tables:

| Asset Class | PERS* | | LASERS** | | ROVERS* | |
|----------------------------|-------------------|-----------------------------------|-------------------|-----------------------------------|-------------------|-----------------------------------|
| | Target Allocation | Long-term Expected Rate of Return | Target Allocation | Long-term Expected Rate of Return | Target Allocation | Long-term Expected Rate of Return |
| Cash | - | - | - | -0.48% | - | - |
| Fixed Income | 35% | 1.24% | - | - | - | - |
| Domestic Fixed Income | - | - | - | 1.49% | 12% | 0.31% |
| International Fixed Income | - | - | - | 2.23% | 10% | 0.35% |
| Equities | 52% | 3.57% | - | - | - | - |
| Domestic Equity | - | - | - | 4.31% | 40% | 3.00% |
| International Equity | - | - | - | 5.26% | 20% | 1.70% |
| Risk Parity | - | - | - | 4.96% | - | - |
| Alternative Investments | 11% | 0.69% | - | 7.67% | 10% | 0.63% |
| Real Assets | 2% | 0.12% | - | - | 8% | 0.34% |
| Total | 100% | | 0% | | 100% | |

*Arithmetic real rates of return

**Geometric real rates of return

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:

Changes in the net pension liability may either be reported in pension expense in the year the change occurred or recognized as a deferred outflow of resources or a deferred inflow of resources in the year the change occurred and amortized into pension expense over a number of years. For the year ended December 31, 2018, the Police Jury recognized \$114,064 in pension expense related to all defined benefit plans in which it participates. PERS and ROVERS recognized revenues in the amount of \$20,223 in ad valorem taxes collected from nonemployer contributing entities.

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to the Basic Financial Statements

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

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|-----------------------------------|----------------------------------|
| Differences between expected and actual experience | \$ - | \$ 86,644 |
| Changes of assumptions | 97,483 | 557 |
| Net difference between projected and actual earnings on pension plan investments | 2,685 | 182,132 |
| Change in proportion and differences between employer contributions and proportionate share of contributions | 1,118 | 2,397 |
| Employer contributions subsequent to the measurement date | 98,670 | - |
| Total | \$ 199,956 | \$ 271,730 |

Deferred outflows of resources of \$98,670, resulting from the employer contributions subsequent to the measurement date will be recognized as a reduction\ (increase) of the net pension liability\ (asset) during the year ending December 31, 2018. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions to be recognized in pension expense are as follows:

| Year Ended December 31 | Net Amount Recognized in Pension Expense |
|---------------------------|--|
| 2019 | \$ (6,181) |
| 2020 | (24,359) |
| 2021 | (69,694) |
| 2022 | (70,210) |
| | \$ (170,444) |

Sensitivity of the Police Jury's Proportional Share of the Net Pension Liabilities\ (Assets) to Changes in the Discount Rate

The following presents the Police Jury's proportionate shares of the net pension liabilities\ (assets) of the plans, calculated using their respective discount rates, as well as what the Police Jury's proportionate shares of the net pension liabilities would be if they were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to the Basic Financial Statements

| <u>Plan</u> | <u>Current Discount Rate</u> | <u>Net Pension Liability\ (Asset)</u> | | |
|--------------------------------|----------------------------------|---------------------------------------|----------------------------------|------------------------|
| | | <u>1% Decrease</u> | <u>Current Discount Rate</u> | <u>1% Increase</u> |
| PERS | 6.75% | \$ 329,743 | \$ (154,748) | \$ (563,434) |
| LASERS | 7.65% | \$ 44,585 | \$ 35,327 | \$ 27,354 |
| ROVERS | 6.50% | \$ 56,866 | \$ 37,078 | \$ 20,104 |
| Net Pension Liability\ (Asset) | | <u>\$ 431,194</u> | <u>\$ (82,343)</u> | <u>\$ (515,976)</u> |

Payables to Pension Plans

At December 31, 2018, the Police Jury reported a payable of \$35,098 for the outstanding amount of contributions due to the Systems for the year.

(8) Litigation and Claims

The Police Jury's legal counsel has reviewed various claims and lawsuits in order to evaluate the likelihood of an unfavorable outcome to the Police Jury and to arrive at an estimate, if any, of the amount of range of potential loss to the Police Jury. As of December 31, 2018, no amounts have been incurred which would require accrual.

(9) Federal Compliance Contingencies

The Police Jury receives grants for specific purposes that are subject to review and audit by governmental agencies. Such audits could result in a request for reimbursement by the grantor for expenditures disallowed under the terms and conditions of the appropriate agency.

(10) Risk Management

The Jury is exposed to risks of loss in the areas of health care, general and auto liability, property hazards and workers' compensation and employee dishonesty. All of these risks are handled by purchasing commercial insurance coverage. There have not been any significant reductions in the insurance coverage during the year, nor have settlements exceeded insurance coverage for the past three years. Due to current insurance market conditions, the Police Jury is retaining the risk for its general liability exposures in areas where there is no affordable insurance coverage available.

(11) Deficit Fund Balance

The Tricia Park Sewer Fund and the Off-Duty Witness Fees Fund, nonmajor special revenue funds, and the Courtroom Renovations Fund, a nonmajor capital projects fund, had deficit fund balances of \$7,156, \$313, and \$69,991 respectively, at December 31, 2018. These deficits will be eliminated by increasing revenues and/or reducing expenditures.

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to the Basic Financial Statements

(12) Compensation of Police Jurors

A summary of compensation paid to police jurors for the year ended December 31, 2018 is as follows:

| | |
|--------------------------|------------------|
| Charles Jones, President | \$ 11,556 |
| Mark Borrel | 10,272 |
| Glenn McKinley | 10,272 |
| Marsha Wiley | 10,272 |
| McKinley Keller | 10,272 |
| John Earles | 10,272 |
| Trent Clark | 10,272 |
| Henry Moreau | 10,272 |
| Kirby Roy | <u>10,272</u> |
| | <u>\$ 93,732</u> |

(13) Compensation, Benefits and Other Payments to Board President

A detail of compensation, benefits, and other payments paid to Charles Jones – Board President, for the year ended December 31, 2018 follows:

| <u>Purpose</u> | <u>Amount</u> |
|----------------|------------------|
| Salary | <u>\$ 11,556</u> |

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to the Basic Financial Statements

(14) Interfund Transactions

A. A summary of interfund receivables and payables follows:

| | Interfund Receivable | Interfund Payable |
|---------------------------------|-------------------------|----------------------|
| Major Governmental Fund: | | |
| General Fund | \$ 260,950 | \$ - |
| Road and Bridge | - | 124,908 |
| Solid Waste | - | 80,369 |
| Drainage | 6,334 | - |
| Health unit | - | 10,814 |
| Library | - | 24,837 |
| Road District No. 2 | - | 10,959 |
| Total major governmental funds | 267,284 | 251,887 |
| Nonmajor Governmental Funds | 722 | 16,119 |
| Total | \$ 268,006 | \$ 268,006 |

The above amounts are for reimbursements owed for expenditures paid for those funds and for short term loans.

B. Transfers are as follows:

| | Transfers In | Transfers Out |
|----------------------------|--------------|---------------|
| Major governmental funds: | | |
| Road District No. 2 | \$ 20,000 | \$ - |
| Nonmajor funds | - | 20,000 |
| Total transfers in and out | \$ 20,000 | \$ 20,000 |

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

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to the Basic Financial Statements

(15) New Accounting Pronouncements

In June 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 87, *Leases*. The statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The provisions of GASB Statement No. 87 are effective for fiscal years beginning after December 15, 2019. The effect of implementation on the Police Jury's financial statements has not yet been determined.

**REQUIRED
SUPPLEMENTARY INFORMATION**

AVOYELLES PARISH POLICE JURY
 Marksville, Louisiana
 General Fund

Budgetary Comparison Schedule
 For the Year Ended December 31, 2018

| | Budget | | Actual | Variance with |
|--|---------------------|-------------------|---------------------|--|
| | Original | Final | | Final Budget Positive (Negative) |
| Revenues: | | | | |
| Ad valorem tax | \$ 280,000 | \$ 276,424 | \$ 303,521 | \$ 27,097 |
| Severance taxes | 230,000 | 236,054 | 149,123 | (86,931) |
| Licenses and permits | 377,000 | 403,961 | 402,666 | (1,295) |
| Intergovernmental revenues - | | | | |
| Federal grants | 197,000 | 246,044 | 273,202 | 27,158 |
| State funds - | | | | |
| State revenue sharing | 80,000 | 23,063 | 23,990 | 927 |
| Parish equalization funds | 197,000 | 273,427 | 355,671 | 82,244 |
| Other | 180,000 | 165,535 | 165,535 | - |
| Fees, charges and commissions | 375,300 | 453,578 | 473,892 | 20,314 |
| Interest income | 3,501 | 8,267 | 11,619 | 3,352 |
| Other | 78,190 | 88,074 | 88,420 | 346 |
| Total revenues | <u>1,997,991</u> | <u>2,174,427</u> | <u>2,247,639</u> | <u>73,212</u> |
| Expenditures: | | | | |
| Current - | | | | |
| General government: | 1,512,578 | 1,742,745 | 1,754,184 | (11,439) |
| Public safety | 356,350 | 370,544 | 363,857 | 6,687 |
| Culture and recreation | 27,725 | 26,572 | 26,425 | 147 |
| Economic development and assistance | 52,715 | 52,788 | 52,546 | 242 |
| Total expenditures | <u>1,949,368</u> | <u>2,192,649</u> | <u>2,197,012</u> | <u>(4,363)</u> |
| Excess (deficiency) of revenues over expenditures | 48,623 | (18,222) | 50,627 | 68,849 |
| Fund balance, beginning | <u>957,011</u> | <u>957,011</u> | <u>957,011</u> | <u>-</u> |
| Fund balance, ending | <u>\$ 1,005,634</u> | <u>\$ 938,789</u> | <u>\$ 1,007,638</u> | <u>\$ 68,849</u> |

AVOYELLES PARISH POLICE JURY
 Marksville, Louisiana
 Road and Bridge Fund

Budgetary Comparison Schedule
 For the Year Ended December 31, 2018

| | Budget | | Actual | Variance with |
|---|---------------------|---------------------|---------------------|------------------------|
| | Original | Final | | Final Budget |
| | | | | Positive (Negative) |
| Revenues: | | | | |
| Sales tax | \$ 1,060,000 | \$ 1,080,999 | \$ 1,099,045 | \$ 18,046 |
| State funds - | | | | |
| Parish transportation funds | 470,000 | 512,000 | 483,177 | (28,823) |
| Interest income | 2,000 | 9,000 | 10,648 | 1,648 |
| Other | 5,595 | 87 | 87 | - |
| Total revenues | <u>1,537,595</u> | <u>1,602,086</u> | <u>1,592,957</u> | <u>(9,129)</u> |
| Expenditures: | | | | |
| Current - | | | | |
| Public works | <u>1,537,520</u> | <u>1,580,301</u> | <u>1,558,853</u> | <u>21,448</u> |
| Excess of revenues over expenditures | 75 | 21,785 | 34,104 | 12,319 |
| Fund balance, beginning | <u>1,304,318</u> | <u>1,304,318</u> | <u>1,304,318</u> | <u>-</u> |
| Fund balance, ending | <u>\$ 1,304,393</u> | <u>\$ 1,326,103</u> | <u>\$ 1,338,422</u> | <u>\$ 12,319</u> |

AVOYELLES PARISH POLICE JURY
 Marksville, Louisiana
 Solid Waste Fund

Budgetary Comparison Schedule
 For the Year Ended December 31, 2018

| | Budget | | Actual | Variance with Final Budget Positive (Negative) |
|---|---------------------|---------------------|---------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| Sales tax | \$ 3,116,540 | \$ 3,248,769 | \$ 3,297,136 | \$ 48,367 |
| Interest income | 3,500 | 13,220 | 20,560 | 7,340 |
| Other revenues | <u>45,000</u> | <u>6,113</u> | <u>6,113</u> | <u>-</u> |
| Total revenues | 3,165,040 | 3,268,102 | 3,323,809 | 55,707 |
| Expenditures: | | | | |
| Current - | | | | |
| Public works | <u>3,159,273</u> | <u>2,912,625</u> | <u>2,925,916</u> | <u>(13,291)</u> |
| Excess of revenues over expenditures | 5,767 | 355,477 | 397,893 | 42,416 |
| Fund balance, beginning | <u>5,007,862</u> | <u>5,007,862</u> | <u>5,007,862</u> | <u>-</u> |
| Fund balance, ending | <u>\$ 5,013,629</u> | <u>\$ 5,363,339</u> | <u>\$ 5,405,755</u> | <u>\$ 42,416</u> |

AVOYELLES PARISH POLICE JURY
 Marksville, Louisiana
 Drainage Fund

Budgetary Comparison Schedule
 For the Year Ended December 31, 2018

| | Budget | | Actual | Variance with Final Budget |
|---|---------------------|---------------------|---------------------|-------------------------------|
| | Original | Final | | Positive (Negative) |
| Revenues: | | | | |
| Ad valorem taxes | \$ 492,050 | \$ 487,553 | \$ 504,346 | \$ 16,793 |
| State funds - | | | | |
| State revenue sharing | 24,000 | 37,966 | 38,022 | 56 |
| Interest income | <u>1,200</u> | <u>5,701</u> | <u>7,651</u> | <u>1,950</u> |
| Total revenues | 517,250 | 531,220 | 550,019 | 18,799 |
| Expenditures: | | | | |
| Current - | | | | |
| Public works | <u>517,250</u> | <u>480,556</u> | <u>479,570</u> | <u>986</u> |
| Excess of revenues over expenditures | - | 50,664 | 70,449 | 19,785 |
| Fund balance, beginning | <u>1,328,024</u> | <u>1,328,024</u> | <u>1,328,024</u> | - |
| Fund balance, ending | <u>\$ 1,328,024</u> | <u>\$ 1,378,688</u> | <u>\$ 1,398,473</u> | <u>\$ 19,785</u> |

AVOYELLES PARISH POLICE JURY
 Marksville, Louisiana
 Health Unit Fund

Budgetary Comparison Schedule
 For the Year Ended December 31, 2018

| | Budget | | Actual | Variance with Final Budget Positive (Negative) |
|---|---------------------|---------------------|---------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| Ad valorem taxes | \$ 450,000 | \$ 530,000 | \$ 576,287 | \$ 46,287 |
| State funds - | | | | |
| State revenue sharing | 22,500 | 41,784 | 43,446 | 1,662 |
| Interest income | <u>2,000</u> | <u>7,850</u> | <u>9,596</u> | <u>1,746</u> |
| Total revenues | 474,500 | 579,634 | 629,329 | 49,695 |
| Expenditures: | | | | |
| Current - | | | | |
| Health and welfare | <u>473,450</u> | <u>295,069</u> | <u>284,349</u> | <u>10,720</u> |
| Excess of revenues over expenditures | 1,050 | 284,565 | 344,980 | 60,415 |
| Fund balance, beginning | <u>3,096,017</u> | <u>3,096,017</u> | <u>3,096,017</u> | <u>-</u> |
| Fund balance, ending | <u>\$ 3,097,067</u> | <u>\$ 3,380,582</u> | <u>\$ 3,440,997</u> | <u>\$ 60,415</u> |

AVOYELLES PARISH POLICE JURY
 Marksville, Louisiana
 Library Fund

Budgetary Comparison Schedule
 For the Year Ended December 31, 2018

| | Budget | | Actual | Variance with |
|---|---------------------|---------------------|---------------------|------------------------|
| | Original | Final | | Final Budget |
| | | | | Positive (Negative) |
| Revenues: | | | | |
| Ad valorem taxes | \$ 658,800 | \$ 819,899 | \$ 892,810 | \$ 72,911 |
| State funds - | | | | |
| State revenue sharing | 50,000.00 | 64,165.00 | 67,340 | 3,175 |
| Fees, charges and commissions | 10,000 | 11,041 | 12,588 | 1,547 |
| Interest income | 1,500 | 6,913 | 8,807 | 1,894 |
| Other revenue | 200 | 2,388 | 2,388 | - |
| Total revenues | <u>720,500</u> | <u>904,406</u> | <u>983,933</u> | <u>79,527</u> |
| Expenditures: | | | | |
| Current - | | | | |
| Culture and recreation | <u>719,900</u> | <u>670,419</u> | <u>684,944</u> | <u>(14,525)</u> |
| Excess of revenues over expenditures | 600 | 233,987 | 298,989 | 65,002 |
| Fund balance, beginning | <u>2,610,017</u> | <u>2,610,017</u> | <u>2,610,017</u> | <u>-</u> |
| Fund balance, ending | <u>\$ 2,610,617</u> | <u>\$ 2,844,004</u> | <u>\$ 2,909,006</u> | <u>\$ 65,002</u> |

AVOYELLES PARISH POLICE JURY
 Marksville, Louisiana
 Road District No.2 Fund

Budgetary Comparison Schedule
 For the Year Ended December 31, 2018

| | Budget | | Actual | Variance with Final Budget |
|--|---------------------|-------------------|-------------------|-------------------------------|
| | Original | Final | | Positive (Negative) |
| Revenues: | | | | |
| Ad valorem tax | \$ 780,000 | \$ 697,040 | \$ 730,300 | \$ 33,260 |
| State funds - | | | | |
| State revenue sharing | 40,000 | 49,642 | 74,490 | 24,848 |
| Other | - | 50,000 | 50,000 | - |
| Total revenues | 820,000 | 796,682 | 854,790 | 24,848 |
| Expenditures: | | | | |
| Current - | | | | |
| Public works | 819,990 | 1,498,616 | 1,529,338 | (30,722) |
| Excess (deficiency) of revenues over expenditures | 10 | (701,934) | (674,548) | 27,386 |
| Other financing sources: | | | | |
| Transfers in | - | - | 20,000 | 20,000 |
| Change in fund balance | 10 | (701,934) | (654,548) | 47,386 |
| Fund balance, beginning | 1,268,375 | 1,268,375 | 1,268,375 | - |
| Fund balance, ending | <u>\$ 1,268,385</u> | <u>\$ 566,441</u> | <u>\$ 613,827</u> | <u>\$ 47,386</u> |

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to the Budgetary Comparison Schedules
For the Year Ended December 31, 2018

(1) Budgets and Budgetary Accounting

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

1. The Secretary-Treasurer prepares and submits the proposed budget to the parish governing authority prior to the fifteenth day of the fiscal year for which the budget is to be applicable.
2. A summary of the proposed budget is published, and the public is notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for a hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is legally adopted prior to the commencement of the fiscal year for which the budget is being adopted.
5. All budgetary appropriations lapse at the end of each fiscal year.
6. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts included in the accompanying financial statements are as originally adopted or as finally amended by the Avoyelles Parish Police Jury.

(2) Excess of Expenditures over Appropriations

The General, Solid Waste, Library and Road District No. 2 Funds incurred expenditures in excess of appropriations.

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Schedule of Employers' Share of Net Pension Liability\ (Asset)
For the Year Ended December 31, 2018

| * Year ended December 31, | Employer Proportion of the Net Pension Liability (Asset) | Employer 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\ (Asset) |
|---|---|--|----------------------------------|--|--|
| Parochial Employees Retirement System - Plan B: | | | | | |
| 2015 | 1.420770% | \$ 3,946 | \$ 1,206,037 | 0.3% | 99.89% |
| 2016 | 1.344612% | \$ 239,402 | \$ 1,292,378 | 18.5% | 93.48% |
| 2017 | 1.223272% | \$ 158,912 | \$ 1,218,607 | 13.0% | 94.15% |
| 2018 | 1.229914% | \$ (154,748) | \$ 1,243,207 | 12.4% | 104.02% |
| Louisiana State Employees' Retirement System: ** | | | | | |
| 2015 | 0.000530% | \$ 35,776 | \$ 9,600 | 372.7% | 62.70% |
| 2016 | 0.000530% | \$ 41,854 | \$ 9,600 | 436.0% | 57.70% |
| 2017 | 0.000540% | \$ 38,080 | \$ 9,600 | 396.7% | 62.50% |
| 2018 | 0.000522% | \$ 35,327 | \$ 9,600 | 368.0% | 64.30% |
| Registrar of Voters Retirement System: ** | | | | | |
| 2015 | 0.160660% | \$ 39,346 | \$ 21,792 | 180.6% | 76.86% |
| 2016 | 0.158640% | \$ 45,014 | \$ 21,792 | 206.6% | 73.98% |
| 2017 | 0.159100% | \$ 34,924 | \$ 21,792 | 160.3% | 80.51% |
| 2018 | 0.157082% | \$ 37,078 | \$ 21,792 | 170.1% | 80.57% |

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

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

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

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Schedule of Employer Contributions
For the Year Ended December 31, 2018

| Year ended December 31, | Contractually Required Contribution | Contributions in Relation to Contractually Required Contribution | Contribution Deficiency (Excess) | Employer's Covered Payroll | Contributions as a % of Covered Payroll |
|--|---|--|--|----------------------------------|--|
| Parochial Employees Retirement System - Plan B: | | | | | |
| 2015 | \$ 116,314 | \$ 116,314 | \$ - | \$ 1,292,378 | 9.00% |
| 2016 | \$ 97,333 | \$ 97,333 | \$ - | \$ 1,218,607 | 8.00% |
| 2017 | \$ 99,457 | \$ 99,457 | \$ - | \$ 1,243,207 | 8.00% |
| 2018 | \$ 94,920 | \$ 94,920 | \$ - | \$ 1,265,595 | 7.50% |
| Louisiana State Employees' Retirement System: | | | | | |
| 2015 | \$ 3,722 | \$ 3,722 | \$ - | \$ 9,600 | 38.77% |
| 2016 | \$ 3,650 | \$ 3,650 | \$ - | \$ 9,600 | 38.02% |
| 2017 | \$ 3,706 | \$ 3,706 | \$ - | \$ 9,600 | 38.60% |
| 2018 | \$ 3,811 | \$ 3,811 | \$ - | \$ 9,600 | 39.70% |
| Registrar of Voters Retirement System: | | | | | |
| 2015 | \$ 5,094 | \$ 5,094 | \$ - | \$ 21,792 | 23.38% |
| 2016 | \$ 4,631 | \$ 4,631 | \$ - | \$ 21,792 | 21.25% |
| 2017 | \$ 4,032 | \$ 4,032 | \$ - | \$ 21,792 | 18.50% |
| 2018 | \$ 3,705 | \$ 3,705 | \$ - | \$ 21,792 | 17.00% |

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

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to Retirement System Schedules
For the Year Ended December 31, 2018

(1) Pension Plans

Changes of Benefit Terms –

There were no changes of benefit terms.

Changes of assumptions -

| Year ended December 31, | Discount Rate | Investment Rate of Return | Inflation Rate | Expected Remaining Service Lives | Projected Salary Increase |
|---|------------------|---------------------------------|-------------------|--|---------------------------------|
| *Parochial Employees Retirement System - Plan B: | | | | | |
| 2015 | 7.25% | 7.25% | 3.00% | 4 | 5.75% |
| 2016 | 7.00% | 7.00% | 2.50% | 4 | 5.25% |
| 2017 | 7.00% | 7.00% | 2.50% | 4 | 5.25% |
| 2018 | 6.75% | 6.75% | 2.50% | 4 | 5.25% |
| **Louisiana State Employees' Retirement System: | | | | | |
| 2015 | 7.75% | 7.75% | 3.00% | 3 | 4.00% - 14.50% |
| 2016 | 7.75% | 7.75% | 3.00% | 3 | 5.50% - 14.50% |
| 2017 | 7.70% | 7.70% | 2.80% | 3 | 2.80% - 14.30% |
| 2018 | 7.65% | 7.65% | 2.75% | 3 | 3.40% - 14.30% |
| **Registrar of Voters Retirement System: | | | | | |
| 2015 | 7.00% | 7.00% | 2.50% | 5 | 3.50% |
| 2016 | 7.00% | 7.00% | 2.50% | 5 | 3.50% |
| 2017 | 6.75% | 6.75% | 2.50% | 5 | 6.00% |
| 2018 | 6.50% | 6.50% | 2.40% | 5 | 6.00% |

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

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

**OTHER FINANCIAL
INFORMATION**

AVOYELLES PARISH POLICE JURY
 Marksville, Louisiana
 Nonmajor Governmental Funds

Combining Balance Sheet
 December 31, 2018

| | <u>Special Revenue</u> | <u>Capital Projects</u> | <u>Road District Debt Service Fund</u> | <u>Total</u> |
|--------------------------------------|----------------------------|-----------------------------|--|-------------------|
| ASSETS | | | | |
| Cash and interest-bearing deposits | \$ 442,339 | \$ 100,188 | \$ 118,033 | \$ 660,560 |
| Receivables, net | 22,319 | - | - | 22,319 |
| Due from other funds | 722 | - | - | 722 |
| Due from other governments | <u>-</u> | <u>13,350</u> | <u>-</u> | <u>13,350</u> |
| Total assets | <u>\$ 465,380</u> | <u>\$ 113,538</u> | <u>\$ 118,033</u> | <u>\$ 696,951</u> |
| LIABILITIES AND FUND BALANCES | | | | |
| Liabilities: | | | | |
| Accounts and other payables | \$ 19,570 | \$ 13,350 | \$ - | \$ 32,920 |
| Accrued liabilities | 2,457 | - | - | 2,457 |
| Unearned revenue | 37,934 | 70,000 | - | 107,934 |
| Due to other funds | <u>16,119</u> | <u>-</u> | <u>-</u> | <u>16,119</u> |
| Total liabilities | <u>76,080</u> | <u>83,350</u> | <u>-</u> | <u>159,430</u> |
| Fund balances: | | | | |
| Restricted - | | | | |
| Economic development | 166,525 | 24,493 | - | 191,018 |
| Public safety | 12,052 | - | - | 12,052 |
| Public works | - | 5,695 | - | 5,695 |
| Health and welfare | 214,160 | - | - | 214,160 |
| Debt Service | - | - | 118,033 | 118,033 |
| Unassigned | <u>(3,437)</u> | <u>-</u> | <u>-</u> | <u>(3,437)</u> |
| Total fund balances | <u>389,300</u> | <u>30,188</u> | <u>118,033</u> | <u>537,521</u> |
| Total liabilities and fund balances | <u>\$ 465,380</u> | <u>\$ 113,538</u> | <u>\$ 118,033</u> | <u>\$ 696,951</u> |

AVOYELLES PARISH POLICE JURY
 Marksville, Louisiana
 Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 For the Year Ended December 31, 2018

| | Special Revenue | Capital Projects | Road District Debt Service | Total |
|--|--------------------|---------------------|----------------------------------|-------------------|
| Revenues: | | | | |
| Taxes - | | | | |
| Ad valorem | \$ - | \$ - | \$ 116,667 | \$ 116,667 |
| Sales taxes | 130,623 | - | - | 130,623 |
| Intergovernmental revenues - | | | | |
| Federal grants | 696,794 | 45,254 | - | 742,048 |
| Fees, charges and commissions | 167,127 | 10,000 | - | 177,127 |
| Interest income | 2,734 | 1,077 | 87 | 3,898 |
| Other revenues | <u>77,758</u> | <u>-</u> | <u>-</u> | <u>77,758</u> |
| Total revenues | <u>1,075,036</u> | <u>56,331</u> | <u>116,754</u> | <u>1,248,121</u> |
| | | | | |
| Expenditures: | | | | |
| Current - | | | | |
| Economic development | 169,411 | 145,362 | - | 314,773 |
| Culture and recreation | 7,831 | - | - | 7,831 |
| Health and welfare | 741,560 | - | - | 741,560 |
| Public safety | 163,033 | - | - | 163,033 |
| Public works | 1,967 | - | - | 1,967 |
| Debt service - | | | | |
| Principle payments | - | - | 87,000 | 87,000 |
| Interest expense | <u>-</u> | <u>-</u> | <u>28,923</u> | <u>28,923</u> |
| Total expenditures | <u>1,083,802</u> | <u>145,362</u> | <u>115,923</u> | <u>1,345,087</u> |
| Change in fund balance | (8,766) | (89,031) | 831 | (96,966) |
| | | | | |
| Other financing uses: | | | | |
| Transfers out | <u>-</u> | <u>-</u> | <u>(20,000)</u> | <u>(20,000)</u> |
| Deficiency of revenues and other sources over expenditures and other uses | (8,766) | (89,031) | (19,169) | (116,966) |
| Fund balances, beginning | <u>398,066</u> | <u>119,219</u> | <u>137,202</u> | <u>654,487</u> |
| Fund balances, ending | <u>\$ 389,300</u> | <u>\$ 30,188</u> | <u>\$ 118,033</u> | <u>\$ 537,521</u> |

NONMAJOR SPECIAL REVENUE FUNDS

Law Enforcement Fund

To account for court costs which are then used to pay expenses related to the 12th Judicial District court and transfer funds to the Off-Duty Witness Fees fund as needed.

Tricia Park Sewer Fund

To account for the operation and maintenance of the Tricia Park Sewerage System. Financing is provided by charges to customers and operating transfers from the General Fund.

Off-Duty Witness Fees Fund

To account for court costs used to pay off-duty officers for their testimony in criminal cases.

Tourist Commission Fund

To account for revenues and subsequent disbursements used to encourage the development of tourism in Avoyelles Parish. Primary sources of revenues is the 5% hotel/motel tax levied upon the occupancy of hotel and motel rooms and overnight camping facilities.

Criminal Court Fund

To account for the receipt of court fees and fines and the subsequent disbursement of these receipts for salaries and operating expenses of the criminal court. Operation is also financed by transfers from the General Fund.

Section 8 HUD - Program

To account for funds provided under the Section 8 Housing Voucher Program by the United States Department of Housing and Urban Development. The Monies are used to aid low income families in obtainaining decent, safe and sanitary housing through a system of rental subsidies.

AVOYELLES PARISH POLICE JURY
 Marksville, Louisiana
 Nonmajor Special Revenue Funds

Combining Balance Sheet
 December 31, 2018

| | Law Enforcement | Tricia Park Sewer | Off-Duty Witness Fees | Tourist Commission | Criminal Court | Section 8 | Total |
|--------------------------------------|--------------------|-------------------------|-----------------------------|-----------------------|-------------------|-------------------|-------------------|
| ASSETS | | | | | | | |
| Cash and interest-bearing deposits | \$ 11,637 | \$ - | \$ 322 | \$ 159,917 | \$ 2,380 | \$ 268,083 | \$ 442,339 |
| Receivables, net | 615 | - | 615 | 8,243 | 12,846 | - | 22,319 |
| Due from other funds | - | - | - | 722 | - | - | 722 |
| Total assets | <u>\$ 12,252</u> | <u>\$ -</u> | <u>\$ 937</u> | <u>\$ 168,882</u> | <u>\$ 15,226</u> | <u>\$ 268,083</u> | <u>\$ 465,380</u> |
| LIABILITIES AND FUND BALANCES | | | | | | | |
| Liabilities: | | | | | | | |
| Accounts and other payables | \$ 200 | \$ - | \$ 1,250 | \$ 1,322 | \$ 9,364 | \$ 7,434 | \$ 19,570 |
| Accrued liabilities | - | - | - | 1,035 | - | 1,422 | 2,457 |
| Unearned revenue | - | - | - | - | - | 37,934 | 37,934 |
| Due to other funds | - | 7,156 | - | - | 1,830 | 7,133 | 16,119 |
| Total liabilities | <u>200</u> | <u>7,156</u> | <u>1,250</u> | <u>2,357</u> | <u>11,194</u> | <u>53,923</u> | <u>76,080</u> |
| Fund balances: | | | | | | | |
| Restricted - | | | | | | | |
| Economic development | - | - | - | 166,525 | - | - | 166,525 |
| Public safety | 12,052 | - | - | - | - | - | 12,052 |
| Health and welfare | - | - | - | - | - | 214,160 | 214,160 |
| Unassigned (deficit) | - | (7,156) | (313) | - | 4,032 | - | (3,437) |
| Total fund balances | <u>12,052</u> | <u>(7,156)</u> | <u>(313)</u> | <u>166,525</u> | <u>4,032</u> | <u>214,160</u> | <u>389,300</u> |
| Total liabilities and fund balances | <u>\$ 12,252</u> | <u>\$ -</u> | <u>\$ 937</u> | <u>\$ 168,882</u> | <u>\$ 15,226</u> | <u>\$ 268,083</u> | <u>\$ 465,380</u> |

AVOYELLES PARISH POLICE JURY
 Marksville, Louisiana
 Nonmajor Special Revenue Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 For the Year Ended December 31, 2018

| | Law Enforcement | Tricia Park Sewer | Off-Duty Witness Fees | Tourist Commission |
|------------------------------------|--------------------|-------------------------|-----------------------------|-----------------------|
| Revenues: | | | | |
| Sales taxes | \$ - | \$ - | \$ - | \$ 130,623 |
| Intergovernmental revenues - | | | | |
| Federal grants | - | - | - | - |
| Fees, charges and commissions | 9,413 | 1,714 | 7,475 | 7,668 |
| Interest income | 103 | - | 42 | 1,457 |
| Other revenues | - | - | - | 34,073 |
| Total revenues | <u>9,516</u> | <u>1,714</u> | <u>7,517</u> | <u>173,821</u> |
| Expenditures: | | | | |
| Current - | | | | |
| Economic development | - | - | - | 169,411 |
| Culture and recreation | - | - | - | 7,831 |
| Health and welfare | - | - | - | - |
| Public safety | 8,285 | - | 8,458 | - |
| Public works | - | 1,967 | - | - |
| Total expenditures | <u>8,285</u> | <u>1,967</u> | <u>8,458</u> | <u>177,242</u> |
| Change in fund balance | 1,231 | (253) | (941) | (3,421) |
| Fund balances (deficit), beginning | <u>10,821</u> | <u>(6,903)</u> | <u>628</u> | <u>169,946</u> |
| Fund balances (deficit), ending | <u>\$ 12,052</u> | <u>\$ (7,156)</u> | <u>\$ (313)</u> | <u>\$ 166,525</u> |

| <u>Criminal</u> <u>Court</u> | <u>Section 8</u> | <u>Total</u> |
|---------------------------------|-------------------|-------------------|
| \$ - | \$ - | \$ 130,623 |
| - | 696,794 | 696,794 |
| 140,857 | - | 167,127 |
| 70 | 1,062 | 2,734 |
| <u>5,000</u> | <u>38,685</u> | <u>77,758</u> |
| <u>145,927</u> | <u>736,541</u> | <u>1,075,036</u> |
| - | - | 169,411 |
| - | - | 7,831 |
| - | 741,560 | 741,560 |
| 146,290 | - | 163,033 |
| <u>-</u> | <u>-</u> | <u>1,967</u> |
| <u>146,290</u> | <u>741,560</u> | <u>1,083,802</u> |
| (363) | (5,019) | (8,766) |
| <u>4,395</u> | <u>219,179</u> | <u>398,066</u> |
| <u>\$ 4,032</u> | <u>\$ 214,160</u> | <u>\$ 389,300</u> |

NONMAJOR CAPITAL PROJECTS FUNDS

Bayou Lacombe Drainage Project

To account for the cost to clean out and dredge the existing Bayou Lacombe channel. Funding to be provided by local funds in the amount of \$178,000 and a DOTD grant in the amount of \$291,000.

Casino Capital Improvements

To account for the accumulation of resources for, and payment of, cost to construct and improve public roads and bridges.

Downtown Marksville Restoration Project

To account for the cost of improvements for downtown Marksville. These improvements are funded by the Clerk of Court and operating funds of the Police Jury.

LSU Agriculture Center/ 4-H Museum

To account for the cost of building a county agents office and 4-H museum which will also house the Avoyelles Parish Commission of Tourism.

Bordelonville Volunteer Fire Department 2007 LCDBG

To account for funds appropriated by Bordelonville Fire Department to the Police Jury to hire a consultant to carry out all administrative activities related to the grant. These funds will be used to enlarge the water system for the Volunteer Fire Department.

Industrial Park Grant

To account for revenues and expenditures related to a grant received for capital improvements to the Industrial Park Road in Mansura, LA.

EECBG - Library

To account for revenues and expenditures related to a grant received for energy efficient capital improvements to the public Libraries.

Courtoom Renovations

To account for revenues and expenditures related to an intergovernmental agreement with the Avoyelles Assessor's Office for improvements to the courtrooms

LCDBG Ike Gustav

To account for the receipt of and expenditures of grant proceeds related to the implementation of recovery programs designed to address the impact of Hurricanes Ike and Gustav.

Blair Road LCDBG

To account for revenues and expenditures related to a grant received from the State of Louisiana Division of Administration for water system improvements along Blair road.

AVOYELLES PARISH POLICE JURY
 Marksville, Louisiana
 Nonmajor Capital Projects Funds

Balance Sheet
 December 31, 2018

| | Bayou Lacombe Drainage Project | Casino Capital Improvements | Downtown Marksville Restoration Project | LSU Ag Center / 4-H Museum |
|-------------------------------------|---|-----------------------------------|--|-------------------------------------|
| ASSETS | | | | |
| Cash and interest-bearing deposits | \$ 67,889 | \$ 4,921 | \$ 122 | \$ 4,602 |
| Due from other governments | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total assets | <u>\$ 67,889</u> | <u>\$ 4,921</u> | <u>\$ 122</u> | <u>\$ 4,602</u> |
| LIABILITIES AND FUND BALANCES | | | | |
| Liabilities: | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - |
| Unearned revenue | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund balances: | | | | |
| Restricted for - | | | | |
| Public works | 67,889 | 4,921 | - | - |
| Economic development | <u>-</u> | <u>-</u> | <u>122</u> | <u>4,602</u> |
| Total fund balances | <u>67,889</u> | <u>4,921</u> | <u>122</u> | <u>4,602</u> |
| Total liabilities and fund balances | <u>\$ 67,889</u> | <u>\$ 4,921</u> | <u>\$ 122</u> | <u>\$ 4,602</u> |

| Bordelonville V.F.D. 2007 LCDBG | Industrial Park Grant | EECBG Library | Courtroom Renovations | LCDBG Ike Gustav | Blair Road LCDBG | Total |
|--|-----------------------------|------------------|--------------------------|------------------------|------------------------|-------------------|
| \$ 968 | \$ 19,769 | \$ 1,841 | \$ 9 | \$ 15 | \$ 52 | \$ 100,188 |
| <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>13,350</u> | <u>-</u> | <u>13,350</u> |
| <u>\$ 968</u> | <u>\$ 19,769</u> | <u>\$ 1,841</u> | <u>\$ 9</u> | <u>\$ 13,365</u> | <u>\$ 52</u> | <u>\$ 113,538</u> |
| \$ - | \$ - | \$ - | \$ - | \$ 13,350 | \$ - | \$ 13,350 |
| <u>-</u> | <u>-</u> | <u>-</u> | <u>70,000</u> | <u>-</u> | <u>-</u> | <u>70,000</u> |
| <u>-</u> | <u>-</u> | <u>-</u> | <u>70,000</u> | <u>13,350</u> | <u>-</u> | <u>83,350</u> |
| 968 | - | 1,841 | (69,991) | 15 | 52 | 5,695 |
| <u>-</u> | <u>19,769</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>24,493</u> |
| <u>968</u> | <u>19,769</u> | <u>1,841</u> | <u>(69,991)</u> | <u>15</u> | <u>52</u> | <u>30,188</u> |
| <u>\$ 968</u> | <u>\$ 19,769</u> | <u>\$ 1,841</u> | <u>\$ 9</u> | <u>\$ 15</u> | <u>\$ 52</u> | <u>\$ 113,538</u> |

AVOYELLES PARISH POLICE JURY
 Marksville, Louisiana
 Nonmajor Capital Projects Funds

Statement of Revenues, Expenditures and Changes in Fund Balances
 For the Year Ended December 31, 2018

| | Bayou Lacombe Drainage | Casino Capital Improvements | Downtown Marksville Restoration Project | LSU Ag Center / 4-H Museum |
|--------------------------------|------------------------------|-----------------------------------|--|-------------------------------------|
| Revenues: | | | | |
| Intergovernmental - | | | | |
| Federal grants | \$ - | \$ - | \$ - | \$ - |
| Fees, charges, and commissions | - | - | - | - |
| Interest income | <u>388</u> | <u>504</u> | <u>1</u> | <u>21</u> |
| Total revenues | <u>388</u> | <u>504</u> | <u>1</u> | <u>21</u> |
| Expenditures: | | | | |
| Current - | | | | |
| Public works | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Change in fund balance | 388 | 504 | 1 | 21 |
| Fund balances, beginning | <u>67,501</u> | <u>4,417</u> | <u>121</u> | <u>4,581</u> |
| Fund balances, ending | <u>\$ 67,889</u> | <u>\$ 4,921</u> | <u>\$ 122</u> | <u>\$ 4,602</u> |

| Bordelonville V.F.D. 2007 LCDBG | Industrial Park Grant | EECBG Library | Courtroom Renovations | LCBG Ike Gustav | Blair Road LCDBG | Total |
|--|-----------------------------|------------------|--------------------------|-----------------------|------------------------|------------------|
| \$ - | \$ - | \$ - | \$ - | \$ 45,254 | \$ - | \$ 45,254 |
| - | - | - | 10,000 | - | - | 10,000 |
| <u>-</u> | <u>101</u> | <u>-</u> | <u>62</u> | <u>-</u> | <u>-</u> | <u>1,077</u> |
| <u>-</u> | <u>101</u> | <u>-</u> | <u>10,062</u> | <u>45,254</u> | <u>-</u> | <u>56,331</u> |
| <u>-</u> | <u>-</u> | <u>-</u> | <u>100,108</u> | <u>45,254</u> | <u>-</u> | <u>145,362</u> |
| - | 101 | - | (90,046) | - | - | (89,031) |
| <u>968</u> | <u>19,668</u> | <u>1,841</u> | <u>20,055</u> | <u>15</u> | <u>52</u> | <u>119,219</u> |
| <u>\$ 968</u> | <u>\$ 19,769</u> | <u>\$ 1,841</u> | <u>\$ (69,991)</u> | <u>\$ 15</u> | <u>\$ 52</u> | <u>\$ 30,188</u> |

AVOYELLES PARISH POLICE JURY

Financial Data Schedule - Balance Sheet
Section 8 Housing Program
December 31, 2018

| Line Item Number | Account Description | 14.871 Housing Choice Vouchers | 14.IKE DHAP- IKE | 97.109 Housing Assistance Grant | Total |
|------------------------|---|---|------------------------|--|-------------------|
| 111 | Cash - unrestricted | \$ 51,207 | \$ 159,499 | \$ 55,757 | \$ 266,463 |
| 113 | Cash - other restricted | 1,968 | - | - | 1,968 |
| 115 | Cash - restricted for payment of current liabilities | - | - | - | - |
| 100 | Total cash | <u>53,175</u> | <u>159,499</u> | <u>55,757</u> | <u>268,431</u> |
| 121 | Accounts receivable - PHA projects | 259 | - | - | 259 |
| 122 | Accounts receivable - HUD other projects | - | - | - | - |
| 125 | Accounts receivable - Miscellaneous | - | - | - | - |
| 120 | Total Receivables, Net of Allowance for Doubtful Accounts | <u>259</u> | <u>-</u> | <u>-</u> | <u>259</u> |
| 142 | Prepaid expenses and other assets | - | - | - | - |
| 150 | Total current assets | <u>53,434</u> | <u>159,499</u> | <u>55,757</u> | <u>268,690</u> |
| 164 | Furniture, equipment & machinery - administration | 42,306 | - | - | 42,306 |
| 166 | Accumulated depreciation | (38,739) | - | - | (38,739) |
| 160 | Total capital assets, net of accumulated depreciation | <u>3,567</u> | <u>-</u> | <u>-</u> | <u>3,567</u> |
| 180 | Total noncurrent assets | <u>3,567</u> | <u>-</u> | <u>-</u> | <u>3,567</u> |
| 190 | Total assets | <u>\$ 57,001</u> | <u>\$ 159,499</u> | <u>\$ 55,757</u> | <u>\$ 272,257</u> |
| 312 | Accounts Payable <= 90 Days | \$ - | \$ - | \$ - | \$ - |
| 321 | Accrued wage/payroll taxes payable | - | - | - | - |
| 322 | Accrued compensation absences - current portion | 758 | - | - | 758 |
| 342 | Unearned revenue | - | - | 36,260 | 36,260 |
| 310 | Total current liabilities | <u>758</u> | <u>-</u> | <u>36,260</u> | <u>37,018</u> |
| 300 | Total liabilities | <u>758</u> | <u>-</u> | <u>36,260</u> | <u>37,018</u> |
| 400 | Deferred Outflow of Resources | - | - | - | - |
| 508.4 | Net investment in capital assets | 3,567 | - | - | 3,567 |
| 511.4 | Restricted net position | 1,968 | - | - | 1,968 |
| 512.4 | Unrestricted net position | <u>50,708</u> | <u>159,499</u> | <u>19,497</u> | <u>229,704</u> |
| 513 | Total equity - net position | <u>56,243</u> | <u>159,499</u> | <u>19,497</u> | <u>235,239</u> |
| 600 | Total liabilities and net position | <u>\$ 57,001</u> | <u>\$ 159,499</u> | <u>\$ 55,757</u> | <u>\$ 272,257</u> |

AVOYELLES PARISH POLICE JURY

Financial Data Schedule - Income Statement
 Section 8 Housing Program
 Year Ended December 31, 2018

| Line Item Number | Account Description | 14.871 Housing Choice Vouchers | 14.IKE DHAP- IKE | 97.109 Housing Assistance Grant | Total |
|------------------|--|---|------------------------|--|-----------------|
| 70600 | HUD PHA operating grants | \$ 620,955 | \$ - | \$ - | \$ 620,955 |
| 71100 | Investment income - unrestricted | 1,062 | - | - | 1,062 |
| 71400 | Fraud recovery | 598 | - | - | 598 |
| 71500 | Other revenue | <u>37,647</u> | <u>-</u> | <u>-</u> | <u>37,647</u> |
| 70000 | Total revenue | <u>660,262</u> | <u>-</u> | <u>-</u> | <u>660,262</u> |
| 91100 | Administrative salaries | 32,527 | - | - | 32,527 |
| 91200 | Auditing fees | 1,500 | - | - | 1,500 |
| 91500 | Employee benefit contributions- administrative | 12,392 | - | - | 12,392 |
| 91600 | Office expenses | 10,146 | - | - | 10,146 |
| 91800 | Travel | 651 | - | - | 651 |
| 91900 | Other | <u>1,260</u> | <u>-</u> | <u>-</u> | <u>1,260</u> |
| 91000 | Total operating - administrative | <u>58,476</u> | <u>-</u> | <u>-</u> | <u>58,476</u> |
| 96130 | Workmen's Compensation | <u>111</u> | <u>-</u> | <u>-</u> | <u>111</u> |
| 96100 | Total insurance premiums | <u>111</u> | <u>-</u> | <u>-</u> | <u>111</u> |
| 96200 | Other general expenses | 241 | - | - | 241 |
| 96210 | Compensated absences | <u>(98)</u> | <u>-</u> | <u>-</u> | <u>(98)</u> |
| 96000 | Total other general expenses | <u>143</u> | <u>-</u> | <u>-</u> | <u>143</u> |
| 96900 | Total operating expenses | <u>58,730</u> | <u>-</u> | <u>-</u> | <u>58,730</u> |
| 97000 | Excess operating revenue over operating expenses | <u>601,532</u> | <u>-</u> | <u>-</u> | <u>601,532</u> |
| 97300 | Housing assistance payments | 554,074 | - | - | 554,074 |
| 97350 | HAP Portability-In | 35,057 | - | - | 35,057 |
| 97400 | Depreciation expense | <u>2,285</u> | <u>-</u> | <u>-</u> | <u>2,285</u> |
| 90000 | Total expenses | <u>650,146</u> | <u>-</u> | <u>-</u> | <u>650,146</u> |
| 10000 | Excess (deficiency) of revenue over (under) expenses | <u>10,116</u> | <u>-</u> | <u>-</u> | <u>10,116</u> |
| 11030 | Beginning equity | <u>46,127</u> | <u>159,499</u> | <u>19,497</u> | <u>225,123</u> |
| 11170 | Administrative fee equity | <u>54,275</u> | <u>-</u> | <u>-</u> | <u>54,275</u> |
| 11180 | Housing assistance payments equity | <u>\$ 1,968</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 1,968</u> |
| 11190 | Unit months available | 1,486 | - | - | 1,486 |
| 11210 | Unit months leased | 1,437 | - | - | 1,437 |

INTERNAL CONTROL, COMPLIANCE

AND

OTHER MATTERS

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA*
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Wanda F. Arcement, CPA, CVA
Bryan K. Joubert, CPA
Matthew E. Margaglio, CPA
Casey L. Ardoin, CPA, CFE

183 S. Beadle Rd.
Lafayette, LA 70508
Phone (337) 232-4141

11929 Bricksome Ave.
Baton Rouge, LA 70816
Phone (225) 293-8300

1428 Metro Dr.
Alexandria, LA 71301
Phone (318) 442-4421

450 E. Main St.
New Iberia, LA 70560
Phone (337) 367-9204

200 S. Main St.
Abbeville, LA 70510
Phone (337) 893-7944

1234 David Dr. Ste. 203
Morgan City, LA 70380
Phone (985) 384-2020

434 E. Main St.
Ville Platte, LA 70586
Phone (337) 363-2792

332 W. Sixth Ave.
Oberlin, LA 70655
Phone (337) 639-4737

* A Professional Accounting Corporation

WWW.KSRCPAS.COM

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

To the Members of the Police Jury
Avoyelles Parish
Marksville, 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 in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Avoyelles Parish Police Jury (Police Jury), as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Police Jury's basic financial statements, and have issued our report thereon dated June 24, 2019.

Internal Control over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the 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 first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of current year and prior year audit findings and management's corrective action plan as items 2018-001 and 2018-002 that we consider to be significant deficiencies.

Compliance and Other Matters

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

Avoyelles Parish Police Jury's Response to Findings

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

Purpose of this Report

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

Kolder, Slaven & Company, LLC
Certified Public Accountants

Alexandria, Louisiana
June 24, 2019

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA*
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WWW.KCSRPCAS.COM

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

To the Members of the Police Jury
Avoyelles Parish
Marksville, Louisiana

Report on Compliance for Each Major Federal Program

We have audited the Avoyelles Parish Police Jury's (Police Jury) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Police Jury's major federal programs for the year ended December 31, 2018. The Police Jury's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the Police Jury's compliance.

Opinion on Each Major Federal Program

In our opinion, the Police Jury complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2018.

Report on Internal Control over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2018-003, that we consider to be a material weakness.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Alexandria, Louisiana
June 24, 2019

A VOYELLES PARISH POLICE JURY
Marksville, Louisiana

Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2018

| Federal Grantor/Pass-Through Grantor/Program Name | CFDA Number | Pass-Through Identifying No. | Expenditures |
|--|----------------|------------------------------------|---------------------|
| Department of Housing and Urban Development - | | | |
| Direct Program - | | | |
| Section 8 Housing Choice Vouchers - Housing Voucher Cluster | 14.871 | | \$ 696,794 |
| Passed-through Louisiana Division of Administration, Office of Finance and Support Services: | | | |
| Community Development Block Grants | 14.228 | 684281 | <u>45,254</u> |
| Total Department of Housing and Urban Development | | | <u>742,048</u> |
| Department of the Interior | | | |
| Direct Program - | | | |
| Payments in Lieu of Taxes | 15.226 | | <u>1,714</u> |
| Department of Transportation | | | |
| Passed-through State of Louisiana Office of Community Development | | | |
| Formula Grants for Rural Areas | 20.509 | LA-2016-007-00 | <u>200,526</u> |
| Total Department of Transportation | | | |
| Department of Homeland Security - | | | |
| Passed-through State of Louisiana Military Department of Homeland Security and Emergency Preparedness Disaster Grants: | | | |
| Emergency Management Performance Grant | 97.042 | EMT-2018-EP-00003-S01 | 21,862 |
| Emergency Management Performance Grant | 97.042 | EMT-2018-EP-00001-S01 | 28,237 |
| Emergency Management Performance Grant | 97.042 | OEP | 2,444 |
| Homeland Security Grant Program | 97.067 | EMW-2017-SS-00058-S01 | <u>18,419</u> |
| Total Department of Homeland Security | | | <u>70,962</u> |
| Total Federal Awards | | | <u>\$ 1,015,250</u> |

The accompanying notes are an integral part of this schedule.

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Notes to Schedule of Expenditures of Federal Awards
Year Ended December 31, 2018

(1) General

The accompanying Schedule of Expenditures of Federal Awards presents the federal grant activity of the Avoyelles Parish Police Jury (Police Jury). All federal financial assistance received directly from federal agencies is included on the schedule as well as federal financial assistance passed through other government agencies.

(2) Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the Police Jury's financial statements.

(3) Indirect Cost Rate

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

(4) Prior Year Omission

The Schedule of Expenditures of Federal Awards for the fiscal year ended December 31, 2016 inadvertently omitted the following:

| Federal Grantor/Pass-Through Grantor/Program Name | CFDA Number | Pass-Through Identifying No. | Expenditures |
|---|----------------|------------------------------------|--------------|
| United States Department of Transportation Passed-through State of Louisiana Department of Transportation and Development | 20.607 | H.009432 | \$ 29,417 |

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2018

Part I. Summary of Auditor's Results:

1. The auditor's report expresses an unmodified opinion on the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Avoyelles Parish Police Jury. Additionally, the auditor's report expresses an adverse opinion on the financial statements of the aggregately discretely presented component units of the Avoyelles Parish Police Jury, because the Police Jury does not issue reporting entity financial statements to include all component units.
2. Two deficiencies in internal control were disclosed during the audit of the financial statements which were considered to be significant deficiencies.
3. No instance of noncompliance material to the financial statements which would be required to be reported in accordance with *Government Auditing Standards* was disclosed by the audit of the financial statements.
4. One deficiency in internal control over the major program was disclosed by the audit of the basic financial statements.
5. An unmodified opinion was issued on compliance for the major program.
6. The audit disclosed no findings required to be reported under 2 CFR section 200.516(a) of the Uniform Guidance.
7. The major program was the U.S. Department of Housing and Urban Development Section 8 Housing Choice Vouchers (CFDA 14.871).
8. The dollar threshold used to distinguish between Type A and Type B programs was \$750,000.
9. The Avoyelles Parish Police Jury did qualify as a low-risk auditee.

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Schedule of Findings and Questioned Costs (Continued)
For the Year Ended December 31, 2018

Part II. Findings – Financial Statement Audit

A. **Internal Control Findings -**

See internal control findings 2018-001 and 2018-002 on the schedule of current and prior year audit findings and management's corrective action plan.

B. **Compliance Findings –**

There were no compliance findings to be reported.

Part III. Findings and questioned costs – Federal Award Programs

A. **Internal Control Findings –**

See internal control finding 2018-003 on the schedule of current and prior year audit findings and management's corrective action plan.

B. **Compliance Findings -**

There were no compliance findings to be reported.

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan
Year Ended December 31, 2018

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

A. Internal Control Over Financial Reporting

2018-001 Inadequate Segregation of Accounting Functions

Fiscal year finding initially occurred: Unknown

CONDITION: The Avoyelles Parish Police Jury did not have adequate segregation of functions within the accounting system.

CRITERIA: AU-C §315.04, *Understanding the Entity and its Environment and Assessing the Risks of Material Misstatement*, defines internal control as follows:

“Internal control is a process, affected by those charged with governance, management, and other personnel, designed to provide reasonable assurance about the achievement of objectives with regard to reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations.”

CAUSE: The cause of the condition is the fact that the Police Jury does not have a sufficient number of staff performing administrative and financial duties so as to provide adequate segregation of accounting and financial duties.

EFFECT: Failure to adequately segregate accounting and financial functions increases the risk that errors and/or irregularities including fraud and/or defalcations may occur and not be prevented and/or detected.

RECOMMENDATION: Management should evaluate the cost vs. benefit of complete segregation and whenever possible should reassign incompatible duties among different employees to ensure that a single employee does not have control of more than one of the following responsibilities: (1) authorization; (2) custody; (3) recordkeeping; and (4) reconciliation.

MANAGEMENT'S CORRECTIVE ACTION PLAN: Mr. Charles Jones, President, determined that it is not cost effective to achieve complete segregation of duties within the accounting department. No plan is considered necessary.

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan
Year Ended December 31, 2018 (Continue)

2018-002 Application of Generally Accepted Accounting Principles (GAAP)

Fiscal year finding initially occurred: 2007

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

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

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

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

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

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

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

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan
Year Ended December 31, 2018 (Continue)

B. Internal Control Over Compliance

2018-003 Eligibility

Fiscal year finding initially occurred: 2018

CFDA 14.871 U.S. Department of Housing and Urban Development
Section 8 Housing Choice Vouchers.

CONTEXT: In performing tests of internal controls over the Section 8 Housing Choice Vouchers Federal Program, we noted that four of the seventeen tenant files tested did not have documentation retained in the tenant's files related to the tenant's original admission to the program. All four tenants have been in the program for several years and annual updating and verification was performed as required. The missing documentation did not prevent us from testing compliance over eligibility of each of the four tenants.

CONDITION: The Police Jury did not retain necessary documentation for the four tenants tested.

CRITERIA: HUD program guidebook requires that certain information is obtained at the time of application to the program to ensure individuals or families are eligible to enter into the program. Best practices in internal controls suggest that application information be retained, unless otherwise required by law or regulation for the duration individuals or families are in the program.

CAUSE: The Police Jury failed to implement adequate internal controls for retention of the required documentation under the HUD program.

EFFECT: Failure to implement adequate internal controls over record retention could result in entity being non-compliant with federal program requirements.

QUESTIONED COSTS: None.

RECOMMENDATION: The Police Jury should implement and enforce adequate internal controls over record retentions and conduct a periodical review of the tenant files to ensure that proper documentation is being retained.

MANAGEMENT'S CORRECTIVE ACTION PLAN: Management of the Section 8 Program has contacted HUD for additional guidance on addressing the documentation missing from the tenant's files. We will continue to monitor compliance for tenant eligibility according to the

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan
Year Ended December 31, 2018 (Continue)

program requirements and attempt to identify any additional individuals who are missing original documentation.

C. Compliance

There are no compliance findings.

Part II: Prior Year Findings:

A. Internal Control Over Financial Reporting

2017-001 Inadequate Segregation of Functions

CONDITION: The Avoyelles Parish Police Jury did not have adequate segregation of functions within the accounting system.

RECOMMENDATION: Due to the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.

CURRENT STATUS: Unresolved. See item 2018-001.

2017-002 Application of Generally Accepted Accounting Principles (GAAP)

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

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

CURRENT STATUS: Unresolved. See item 2018-002.

B. Compliance

2017-003 Noncompliance with Parish Transportation Act

Fiscal year finding initially occurred: 2016

CONDITION: The Police Jury did not comply with LA-R.S 48:755(A) of Parish Transportation Act.

AVOYELLES PARISH POLICE JURY
Marksville, Louisiana

Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan
Year Ended December 31, 2018 (Continue)

RECOMMENDATION: Management should ensure that the provisions of the Parish Transportation Act are followed.

CURRENT STATUS: Resolved. During the year ended December 31, 2018, the Police Jury adopted a capital improvement program as required by LA-R.S.48:755(A).

2017-004 Budget Noncompliance

Fiscal year finding initially occurred: 2017

CONDITION: Budget variance in excess of 5% was incurred in the General Fund, Health Unit Fund and the Library Fund.

RECOMMENDATION: The Police Jury should periodically compare actual activity to budgeted amounts and adopt budgetary amendments as necessary to cause compliance with state statute

CURRENT STATUS: Resolved. The Police Jury monitored their budget to actual activity throughout the year and made the necessary budget amendments to be in compliance with state statutes.

2017-005 Bid Law Noncompliance

CONDITION: The Police Jury purchased crushed concrete for \$100,000 without advertising and accepting bids as required under LA-RS 38:2212.1.

RECOMMENDATION: The Police Jury should comply with the provisions of LA-R.S. 38:2212.1 by implementing controls to monitor purchases subject to the public bid law statues.

CURRENT STATUS: Resolved. There was no instance of noncompliance noted with LA RS 38:2212.1 through audit procedures performed over purchases.

Avoyelles Parish Police Jury

312 N. Main Street, Courthouse Building Marksville, Louisiana 71351
OFFICE (318) 253-9208 FAX: (318) 253-4614

MARSHA WILEY
District 1
P.O. Box 35
Effie, LA 71331

KIRBY ROY, III
VICE-PRESIDENT
District 2
581 Little Corner Road
Hessmer, LA 71341

MARK BORREL
District 3
532 N. Washington St.
Marksville, LA 71351

GLENN MCKINLEY
District 4
P.O. Box 472
Mansura, LA 71350

CHARLES JONES, SR.
PRESIDENT
District 5
126 Lemoine Street
Marksville, LA 71351

MCKINLEY KELLER
District 6
211 N. Elm Street
Bunkie, LA 71322

TRENT CLARK
District 7
4511 N. Bayou Des
Glaises
Moreauville, LA 71355

JOHN EARLES
District 8
3464 Hwy. 29, South
Bunkie, LA 71322

DR. HENRY MOREAU
District 9
246 JJJ Lane
Simmesport, LA 71369

JAMEY M. WILEY
SECRETARY-TREASURER

LAURA D. GASPARD
ASSISTANT
SECRETARY-TREASURER

KEVIN P. BORDELON
CIVIL WORKS
DIRECTOR

KEITH GREENHOUSE
PARISH

Avoyelles Parish Police Jury respectfully submits the following corrective action plan for the year ended December 31, 2018.

Audit conducted by:
Kolder, Slaven & Company, LLC
1428 Metro Drive
Alexandria, LA 71301

Audit Period: Fiscal year ended December 31, 2018

The findings from the December 31, 2018 schedule of findings and questioned costs are discussed below. The finding is numbered consistently with the number assigned in the schedule.

FINDING – FINANCIAL AUDIT

Significant Deficiency

2018-001 RECOMMENDATION: Management should evaluate the cost vs. benefit of complete segregation and whenever possible should reassign incompatible duties among different employees to ensure that a single employee does not have control of more than one of the following responsibilities: (1) authorization; (2) custody; (3) recordkeeping; and (4) reconciliation.

MANAGEMENT'S CORRECTIVE ACTION PLAN: Mr. Charles Jones, President, determined that it is not cost effective to achieve complete segregation of duties within the accounting department. The Police Jury will review accounting records as a compensating control.

2018-002 RECOMMENDATION: Management should evaluate the additional costs required to achieve the desired benefit and determine if it is economically feasible in relation to the benefit received.

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

2018-003 **RECOMMENDATION:** The Police Jury should implement and enforce adequate internal controls over record retentions and conduct a periodical review of the tenant files to ensure that proper documentation is being retained.

MANAGEMENT'S CORRECTIVE ACTION PLAN: Management of the Section 8 Program has contacted HUD for additional guidance on addressing the documentation missing from the tenant's files. We will continue to monitor compliance for tenant eligibility according to the program requirements and attempt to identify any additional individuals who are missing original documentation.

If there are questions regarding the plan, please call Jamey Wiley, Secretary/Treasurer, at 318-253-9208.

Sincerely,

Jamey Wiley
Secretary/Treasurer

AVOUELLES PARISH POLICE JURY
Marksville, Louisiana

Agreed-Upon Procedures Report

Period Ended December 31, 2018

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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

183 S. Beadle Rd. 11929 Bricksome Ave.
Lafayette, LA 70508 Baton Rouge, LA 70816
Phone (337) 232-4141 Phone (225) 293-8300

1428 Metro Dr. 450 E. Main St.
Alexandria, LA 71301 New Iberia, LA 70560
Phone (318) 442-4421 Phone (337) 367-9204

200 S. Main St. 1234 David Dr. Ste. 203
Abbeville, LA 70510 Morgan City, LA 70380
Phone (337) 893-7944 Phone (985) 384-2020

434 E. Main St. 332 W. Sixth Ave.
Ville Platte, LA 70586 Oberlin, LA 70655
Phone (337) 363-2792 Phone (337) 639-4737

* A Professional Accounting Corporation

WWW.KCSRPCAS.COM

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

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

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

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

The procedures and associated findings are as follows:

Written Policies and Procedures

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

- d) ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
- e) ***Payroll/Personnel***, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
- f) ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- g) ***Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)***, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases)
- h) ***Travel and expense reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) ***Ethics***, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.
- j) ***Debt Service***, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Board or Finance Committee

- 2. We obtained and inspected 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) We observed 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.
 - b) For those entities reporting on the governmental accounting model, we observed 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.*

- c) For governmental entities, we obtained the prior year audit report and observed 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.

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

Collections

- 4. Obtained 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 selected 5 deposit sites (or all deposit sites if less than 5).
- 5. For each deposit site selected, obtained a listing of collection locations and management's representation that the listing is complete. Randomly selected one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtained and inspected 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 observed that job duties are properly segregated at each collection location such that:
 - a) Employees that are responsible for cash collections do not share cash drawers/registers.
 - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
 - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

- d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.
6. Inquired of management that all employees who have access to cash are covered by a bond or insurance policy for theft.
7. Randomly selected two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (selected the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly selected 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.* Obtained supporting documentation for each of the 10 deposits and:
- a) Observed that receipts are sequentially pre-numbered.
 - b) Traced sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - c) Traced the deposit slip total to the actual deposit per the bank statement.
 - d) Observed that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).
 - e) Traced the actual deposit per the bank statement to the general ledger.

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

8. Obtained a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly selected 5 locations (or all locations if less than 5).
9. For each location selected under #8 above, obtained a listing of those employees involved with non-payroll purchasing and payment functions. Obtained written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquired of employees about their job duties), and observed that job duties are properly segregated such that:
- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - b) At least two employees are involved in processing and approving payments to vendors.

- c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
 - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.
10. For each location selected under #8 above, obtained the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtained management's representation that the population is complete. Randomly selected 5 disbursements for each location, obtained supporting documentation for each transaction and:
- a) Observed that the disbursement matched the related original invoice/billing statement.
 - b) Observed that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

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

11. Obtained 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. Obtained management's representation that the listing is complete.
12. Using the listing prepared by management, randomly selected 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly selected one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtained supporting documentation, and:
- a) Observed 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.]
 - b) Observed that finance charges and late fees were not assessed on the selected statements.
13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly selected 10 transactions (or all transactions if less than 10) from each statement, and obtained supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observed 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).

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

14. Obtained 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 selected 5 reimbursements, obtained the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
- a) If reimbursed using a per diem, agreed the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
 - b) If reimbursed using actual costs, observed that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
 - c) Observed that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observed that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
 - d) Observed that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Contracts

15. Obtained 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. Obtained management's representation that the listing is complete. Randomly selected 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
- a) Observed that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
 - b) Observed that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).
 - c) If the contract was amended (e.g. change order), observed that the original contract terms provided for such an amendment.
 - d) Randomly selected one payment from the fiscal period for each of the 5 contracts, obtained the supporting invoice, agreed the invoice to the contract terms, and observed that the invoice and related payment agreed to the terms and conditions of the contract.

Payroll and Personnel

16. Obtained a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly selected 5 employees/officials, obtained related paid salaries and personnel files, and agreed paid salaries to authorized salaries/pay rates in the personnel files.
17. Randomly selected one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtained attendance records and leave documentation for the pay period, and:
 - a) Observed that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)
 - b) Observed that supervisors approved the attendance and leave of the selected employees/officials.
 - c) Observed that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
18. Obtained a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly selected two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agreed the hours to the employee/officials' cumulate leave records, and agreed the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.
19. Obtained management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

Ethics

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtained ethics documentation from management, and:
 - a. Observed that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
 - b. Observed 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.

Debt Service

21. Obtained a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Selected all bonds/notes on the listing, obtained supporting documentation, and observed that State Bond Commission approval was obtained for each bond/note issued.
22. Obtained a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly selected one bond/note, inspected debt covenants, obtained supporting documentation for the reserve balance and payments, and agreed actual reserve balances and payments to those required by debt covenants.

Other

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

Findings:

In accordance with the Statewide Agreed-Upon Procedures, certain categories may be excluded from testing. Therefore, the following categories were not tested this year: Travel and Expense Reimbursements, Contracts, Ethics, Debt Service, and Other.

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

Written Policies:

Avoyelles Parish Police Jury does not have written policies addressing disbursements, receipts, contracting, or credit cards.

Avoyelles Parish Police Jury does not have written policies addressing how purchases are initiated, how vendors are added to the vendor list, or the preparation and approval process of purchase requisitions and purchase orders.

Avoyelles Parish Police Jury does not have written policies addressing payroll processing or reviewing and approving time and attendance records.

Avoyelles Parish Police Jury does not have written policies addressing the requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.

Board:

Avoyelles Parish Police Jury's minutes did not reference or include budget to actual comparisons for the General Fund or other major special revenue funds for six of the twelve months, however, the Police Jury began including them in July and every month through December.

Bank Reconciliations:

Avoyelles Parish Police Jury's bank reconciliations did not include evidence of management or board review.

2 of the 5 bank reconciliations examined for the Avoyelles Parish Police Jury did not include evidence of management researching reconciling items outstanding for more than 12 months from the statement closing date.

Collections:

For 1 of the locations tested, the employee responsible for collecting cash is also responsible for preparing/making deposits, posting collections entries to the general ledger, and reconciling cash collections to the general ledger.

2 of the 7 deposits tested were not made within one business day of receipt.

2 of the 7 deposits were unable to be tested due to not having any indication of the date received recorded on the support.

Disbursements:

Avoyelles Parish Police Jury does not have written documentation indicating that the individual with signatory authority has no responsibility for initiating or recording purchases.

Avoyelles Parish Police Jury does not have written documentation indicating that the individual with signatory authority has no responsibility for initiating or recording purchases.

Payroll:

Of the 5 employees selected for testing, it was noted that 3 had no documentation of supervisor approval of leave.

For the termination payment tested, the leave balance paid to the employee did not agree to supporting documentation.

Management's Response:

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

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

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

Kolder, Slaven & Company, LLC
Certified Public Accountants

Alexandria, Louisiana
June 24, 2019