

**BEAUREGARD PARISH POLICE JURY  
DeRidder, Louisiana**

**ANNUAL FINANCIAL REPORT**

**AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017**

**BEAUREGARD PARISH POLICE JURY**  
**DeRidder, Louisiana**  
**Annual Financial Report**  
**As of and for the Year Ended December 31, 2017**

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**DeRidder, Louisiana**  
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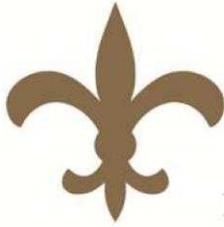
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**BEAUREGARD PARISH POLICE JURY**  
**DeRidder, Louisiana**

**December 31, 2017**

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# J. Aaron Cooper , CPA, LLC

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*Member of the American Institute of Certified Public Accountants and the Society of Louisiana Certified Public Accountants*

## INDEPENDENT AUDITOR'S REPORT

President and Members of the  
Beauregard Parish Police Jury  
DeRidder, Louisiana

### **Report on Financial Statements**

I have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Beauregard Parish Police Jury as of December 31, 2017, 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**

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I 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, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit.

**Summary of Opinions**

<u>Opinion Unit</u>	<u>Type of Opinion</u>
Governmental Activities	Unmodified
Aggregate Discretely Presented Component Units	Adverse
General Fund	Unmodified
Parishwide Road Special Revenue Fund	Unmodified
Road District No. 6 Special Revenue Fund	Unmodified
Sales Tax District No. 1 Special Revenue Fund	Unmodified
Health Unit Fund Special Revenue Fund	Unmodified
Criminal Court Fund Special Revenue Fund	Unmodified
S. Beau. Recreation District No. 2 Special Revenue Fund	Unmodified
S. Beau. Recreation District No. 2 Capital Projects Fund	Unmodified
Aggregate Remaining Fund Information	Unmodified

**Basis for Adverse Opinion on Aggregate Discretely Presented Component Units**

The financial statements referred to above do not include certain legally-separate component units, as further discussed in Note 1. Accounting principles generally accepted in the United States of America require the financial data for those component units to be reported with the financial data of the Police Jury's primary government unless the Police Jury also issues financial statements for the financial reporting entity that include the financial data for its component units. The Police Jury has not issued such reporting entity financial statements. The amount by which this departure would affect the assets, liabilities, net position, revenues, and expenses of the omitted discretely presented component units has not been determined.

**Adverse Opinion on Aggregate Discretely Presented Component Units**

In my 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 discretely presented component units of the Beauregard Parish Police Jury as of December 31, 2017, or the respective changes in financial position for the year then ended.

**Unmodified Opinion**

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Beauregard Parish Police Jury as of December 31, 2017, 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 budgetary comparison information, employer's share of net pension liability, and employer pension contributions 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 the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I 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 primarily of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me 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 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*

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Beauregard Parish Police Jury's basic financial statements. The combining and individual nonmajor fund financial statements and the schedules of compensation paid to jury members and the chief executive officer are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements 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 the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the combining and individual nonmajor fund financial statements and the schedule of compensation paid to jury members are fairly stated in all material respects in relation to the financial statements taken as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, I have also issued my report dated June 30, 2018, on my consideration of the Police Jury's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Police Jury's internal control over financial reporting and compliance.

A handwritten signature in blue ink that reads "J. Aaron Cozart, CPA, LLC". The signature is written in a cursive style.

Lake Charles, Louisiana

June 30, 2018

# GOVERNMENT-WIDE FINANCIAL STATEMENTS

**BEAUREGARD PARISH POLICE JURY**  
**DeRidder, Louisiana**

**Statement A**

**Statement of Net Position**  
**December 31, 2017**

	Governmental Activities
<b>ASSETS</b>	
Cash and cash equivalents	\$ 14,062,374
Receivables	6,754,071
Inventory	262,330
Capital assets (net of accumulated depreciation):	
Land	920,333
Buildings and improvements	13,736,676
Furniture and equipment	5,565,559
Infrastructure	11,906,580
Construction in progress	14,485,372
	<hr/>
Total assets	67,693,295
 <b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Pension-related deferrals	1,089,060
 <b>LIABILITIES</b>	
Accounts, salaries, and other payables	840,482
Interest payable	121,210
Net pension liability	855,027
Long-term liabilities:	
Due within one year	1,305,049
Due in more than one year	11,509,000
Total liabilities	<hr/> 14,630,768
 <b>DEFERRED INFLOWS OF RESOURCES</b>	
Pension-related deferrals	162,098
 <b>NET POSITION</b>	
Net investment in capital assets	33,901,520
Restricted for:	
Inventory	262,330
Equipment purchases	514,798
Public safety	2,060,038
Public works	6,946,489
Health and welfare	2,403,334
Culture and recreation	1,288,343
Sanitation	3,755,946
Other general government	128,018
Capital projects	1,212,100
Debt service	125,969
Unrestricted	<hr/> 1,390,604
 <b>TOTAL NET POSITION</b>	 <hr/> <b>\$ 53,989,489</b> <hr/>

The accompanying notes are an integral part of this statement.

Statement of Activities  
For the Year Ended December 31, 2017

FUNCTIONS/PROGRAMS	Expenses	Program Revenues			Governmental Activities - Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
General government:					
Legislative	\$ 299,933	\$ -	\$ -	\$ -	\$ (299,933)
Judicial	1,137,395	734,160	-	-	(403,235)
Elections	94,954	-	-	-	(94,954)
Finance and administrative	691,351	227,859	-	-	(463,492)
Other general government activities	(3,613,424)	-	-	-	3,613,424
Public safety	2,011,782	-	61,967	-	(1,949,815)
Public works	11,568,404	210,034	477,229	-	(10,881,141)
Health and welfare	580,024	-	-	-	(580,024)
Culture and recreation	1,129,129	-	-	-	(1,129,129)
Sanitation	1,863,039	64,333	-	-	(1,798,706)
Other activities	138,500	-	-	-	(138,500)
Interest on long-term debt	329,378	-	-	-	(329,378)
Total governmental activities	<u>\$ 16,230,465</u>	<u>\$ 1,236,386</u>	<u>\$ 539,196</u>	<u>\$ -</u>	<u>(14,454,883)</u>
Taxes:					
Ad valorem taxes					5,886,002
Severance taxes					1,756,549
Sales taxes					6,019,064
State revenue sharing, unrestricted					122,553
Other taxes					162,264
Interest and investment earnings					19,305
Special items:					
Miscellaneous					751,358
Loss on disposal of assets					(464,366)
Total general revenues and special items					<u>14,252,729</u>
Change in net position					(202,154)
Beginning net position					<u>54,191,643</u>
Ending net position					<u>\$ 53,989,489</u>

The accompanying notes are an integral part of this statement.

**BEAUREGARD PARISH POLICE JURY**  
**DeRidder, Louisiana**

**December 31, 2017**

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## FUND FINANCIAL STATEMENTS

**BEAUREGARD PARISH POLICE JURY**  
**DeRidder, Louisiana**

**Balance Sheet - Governmental Funds**  
**December 31, 2017**

	General Fund	Parishwide Road Special Revenue	Road District No. 6 Special Revenue	Sales Tax District No. 1 Special Revenue
<b>Assets</b>				
Equity in pooled cash	\$ 574,557	\$ 999,462	\$ 525,062	\$ 3,480,889
Receivables	1,069,373	39,273	1,209,980	429,309
Interfund receivable	-	-	-	-
Inventory	-	-	84,704	-
<b>Total assets</b>	<b>\$ 1,643,930</b>	<b>\$ 1,038,735</b>	<b>\$ 1,819,746</b>	<b>\$ 3,910,198</b>
<b>Liabilities</b>				
Liabilities:				
Accounts payable	\$ 115,185	\$ 15,840	\$ 19,854	\$ 154,252
Contracts payable	-	-	-	-
Payroll liabilities	67,445	17,585	44,392	-
Interfund payable	115,901	-	-	-
<b>Total liabilities</b>	<b>298,531</b>	<b>33,425</b>	<b>64,246</b>	<b>154,252</b>
<b>Deferred inflows of resources</b>				
Unavailable revenue	56,227	-	29,438	-
<b>Total deferred inflows of resources</b>	<b>56,227</b>	<b>-</b>	<b>29,438</b>	<b>-</b>
<b>Fund balances</b>				
Non-spendable - inventory	-	-	84,704	-
Restricted:				
Purchases of equipment	-	514,798	-	-
Public safety	-	-	-	-
Public works	-	490,512	1,641,358	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Sanitation	-	-	-	3,755,946
Other general government	-	-	-	-
Capital projects	-	-	-	-
Debt service	-	-	-	-
Unassigned	1,289,172	-	-	-
<b>Total fund balances</b>	<b>1,289,172</b>	<b>1,005,310</b>	<b>1,726,062</b>	<b>3,755,946</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 1,643,930</b>	<b>\$ 1,038,735</b>	<b>\$ 1,819,746</b>	<b>\$ 3,910,198</b>

The accompanying notes are an integral part of this statement.

Statement C

<u>Health Unit Special Revenue</u>	<u>South Beau. Rec. Dist. No. 2 Special Revenue</u>	<u>Courthouse Sales Tax Special Revenue</u>	<u>Courthouse Renovation Capital Project</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 1,910,447	\$ 241,517	\$ 1,068,498	\$ -	\$ 5,307,678	\$ 14,108,110
543,525	651,185	126,538	-	2,684,888	6,754,071
-	-	115,901	-	-	115,901
-	-	-	-	177,626	262,330
<u>\$ 2,453,972</u>	<u>\$ 892,702</u>	<u>\$ 1,310,937</u>	<u>\$ -</u>	<u>\$ 8,170,192</u>	<u>\$ 21,240,412</u>
\$ 1,705	\$ 11,851	\$ 10,981	\$ -	\$ 87,875	\$ 417,543
-	-	-	-	127,676	127,676
23,961	23,164	-	-	118,716	295,263
-	-	-	-	45,736	161,637
<u>25,666</u>	<u>35,015</u>	<u>10,981</u>	<u>-</u>	<u>380,003</u>	<u>1,002,119</u>
24,972	12,269	-	-	128,850	251,756
<u>24,972</u>	<u>12,269</u>	<u>-</u>	<u>-</u>	<u>128,850</u>	<u>251,756</u>
-	-	-	-	177,626	262,330
-	-	-	-	-	514,798
-	-	-	-	2,060,038	2,060,038
-	-	-	-	4,814,619	6,946,489
2,403,334	-	-	-	-	2,403,334
-	845,418	-	-	442,925	1,288,343
-	-	-	-	-	3,755,946
-	-	-	-	128,018	128,018
-	-	1,299,956	-	(87,856)	1,212,100
-	-	-	-	125,969	125,969
-	-	-	-	-	1,289,172
<u>2,403,334</u>	<u>845,418</u>	<u>1,299,956</u>	<u>-</u>	<u>7,661,339</u>	<u>19,986,537</u>
<u>\$ 2,453,972</u>	<u>\$ 892,702</u>	<u>\$ 1,310,937</u>	<u>\$ -</u>	<u>\$ 8,170,192</u>	<u>\$ 21,240,412</u>

**Reconciliation of the Governmental Funds**  
**Balance Sheet to the Statement of Net Position**  
**December 31, 2017**

Total fund balances at year end - governmental funds		\$ 19,986,537
Amounts reported for governmental activities in the Statement of Net Position are different because:.		
Revenues that are recognized on the full accrual basis for the government-wide financial statements but are not recognized in the funds (unavailable revenue) because they are not considered "available."		251,756
Capital assets are not financial resources and, therefore, not reported in the funds.		
Cost of capital assets at year end	\$ 85,964,685	
Less - accumulated depreciation at year end	<u>(39,350,165)</u>	46,614,520
Long-term liabilities and interest payable are not due and payable in the current period and are not reported in the funds.		
Long-term liabilities at year end:		
Compensated absences	(101,049)	
Bonds payable	(11,486,000)	
Certificates of indebtedness	(1,227,000)	
Net pension liability	(855,027)	
Accrued interest payable	<u>(121,210)</u>	(13,790,286)
Pension-related deferrals:		
Outflows	1,089,060	
Inflows	<u>(162,098)</u>	<u>926,962</u>
Net position at year end - governmental activities		<u>\$ 53,989,489</u>

The accompanying notes are an integral part of this statement.

**BEAUREGARD PARISH POLICE JURY**  
**DeRidder, Louisiana**

**December 31, 2017**

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**BEAUREGARD PARISH POLICE JURY**  
**DeRidder, Louisiana**

**Statement of Revenues, Expenditures, and Changes  
in Fund Balances - Governmental Funds  
For the Year Ended December 31, 2017**

	General Fund	Parishwide Road Special Revenue	Road District No. 6 Special Revenue	Sales Tax District No. 1 Special Revenue
<b>Revenues:</b>				
Local sources:				
Taxes:				
Ad valorem taxes	\$ 899,871	\$ -	\$ 1,280,853	\$ -
Sales and use taxes	-	1,653,224	88,566	2,323,271
Other taxes	54,296	-	-	-
Licenses and permits	227,859	-	9,750	-
Fees, charges, and commissions for services	-	-	-	64,333
Fines and forfeitures	-	-	-	-
Interest income	870	1,774	1,200	3,564
Other	44,192	75,484	11,415	1,000
State sources:				
Parish transportation funds	-	472,909	-	-
State revenue sharing	45,420	-	10,190	-
Severance taxes	1,756,549	-	-	-
Other state funds	193,732	8,153	-	-
Federal sources				
Total revenues	<u>3,222,789</u>	<u>2,211,544</u>	<u>1,401,974</u>	<u>2,392,168</u>
<b>Expenditures:</b>				
General Government:				
Legislative	299,933	-	-	-
Judicial	220,946	-	-	-
Elections	90,022	-	-	-
Finance and administrative	670,767	-	-	-
Other general government activities	267,766	-	-	-
Public safety	1,037,495	-	-	-
Public works	-	2,647,868	716,123	-
Health and welfare	51,047	-	-	-
Culture and recreation	115,365	-	-	-
Sanitation	-	-	-	1,863,039
Other activities	37,644	-	-	-
Capital projects	-	-	-	-
Debt service	-	-	-	-
Total expenditures	<u>2,790,985</u>	<u>2,647,868</u>	<u>716,123</u>	<u>1,863,039</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	431,804	(436,324)	685,851	529,129
<b>Other financing sources (uses):</b>				
Proceeds from sale of assets	14,911	2,219	12,568	-
Transfers in/(out)	<u>(327,138)</u>	<u>(11,404)</u>	<u>(489,712)</u>	<u>(600,000)</u>
Total other financing sources (uses)	<u>(312,227)</u>	<u>(9,185)</u>	<u>(477,144)</u>	<u>(600,000)</u>
<b>Excess (deficiency) of revenues and other sources over (under) expenditures and other uses</b>	119,577	(445,509)	208,707	(70,871)
<b>Beginning fund balances</b>	<u>1,169,595</u>	<u>1,450,819</u>	<u>1,517,355</u>	<u>3,826,817</u>
<b>Ending fund balances</b>	<u>\$ 1,289,172</u>	<u>\$ 1,005,310</u>	<u>\$ 1,726,062</u>	<u>\$ 3,755,946</u>

The accompanying notes are an integral part of this statement.

Statement E

Health Unit Special Revenue	South Beau. Rec. Dist. No. 2 Special Revenue	Courthouse Sales Tax Special Revenue	Courthouse Renovation Capital Project	Nonmajor Governmental Funds	Total Governmental Funds
\$ 580,752	\$ 697,631	\$ -	\$ -	\$ 2,749,996	\$ 6,209,103
-	-	1,334,044	-	619,962	6,019,067
-	-	-	-	107,969	162,265
-	-	-	-	200,284	437,893
-	-	-	-	-	64,333
-	-	-	-	734,160	734,160
2,204	454	1,674	605	6,964	19,309
1,221	38,316	500	-	252,076	424,204
-	-	-	-	-	472,909
11,564	-	-	-	55,379	122,553
-	-	-	-	-	1,756,549
-	-	-	-	191,546	393,431
-	-	-	-	-	-
<u>595,741</u>	<u>736,401</u>	<u>1,336,218</u>	<u>605</u>	<u>4,918,336</u>	<u>16,815,776</u>
-	-	-	-	-	299,933
-	-	-	-	864,260	1,085,206
-	-	-	-	-	90,022
-	-	-	-	-	670,767
-	-	-	-	6,080	273,846
-	-	-	-	955,683	1,993,178
-	-	437,163	-	2,662,354	6,463,508
483,602	-	-	-	-	534,649
-	120,483	-	-	757,732	993,580
-	-	-	-	-	1,863,039
-	-	-	-	100,856	138,500
-	107,555	1,591,544	2,507,518	1,800,183	6,006,800
-	-	1,070,909	-	465,565	1,536,474
<u>483,602</u>	<u>228,038</u>	<u>3,099,616</u>	<u>2,507,518</u>	<u>7,612,713</u>	<u>21,949,502</u>
112,139	508,363	(1,763,398)	(2,506,913)	(2,694,377)	(5,133,726)
96	-	-	-	45,737	75,531
<u>(300,000)</u>	<u>(220,354)</u>	<u>223,173</u>	<u>(107,272)</u>	<u>1,832,707</u>	<u>-</u>
<u>(299,904)</u>	<u>(220,354)</u>	<u>223,173</u>	<u>(107,272)</u>	<u>1,878,444</u>	<u>75,531</u>
(187,765)	288,009	(1,540,225)	(2,614,185)	(815,933)	(5,058,195)
<u>2,591,099</u>	<u>557,409</u>	<u>2,840,181</u>	<u>2,614,185</u>	<u>8,477,272</u>	<u>25,044,732</u>
<u>\$ 2,403,334</u>	<u>\$ 845,418</u>	<u>\$ 1,299,956</u>	<u>\$ -</u>	<u>\$ 7,661,339</u>	<u>\$ 19,986,537</u>

**Reconciliation of the Governmental Funds**  
**Statement of Revenues, Expenditures, and Changes**  
**in Fund Balances to the Statement of Activities**  
**For the Year Ended December 31, 2017**

Total net change in fund balances - governmental funds \$ (5,058,195)

Amounts reported for governmental activities in the Statement of Activities are different because:

Revenues that are recognized on the full accrual basis for the government-wide financial statements but are not recognized in funds because they are not considered "available."

Change in deferred revenue (323,100)

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeds capital outlays in the period:

Depreciation expense	\$ (2,513,581)	
Capital outlays	<u>7,187,441</u>	4,673,860

Net book value of capital assets retired during year (539,894)

Repayment of bond principal and certificates of indebtedness is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. Proceeds of bond issues is an other source in the governmental funds but increases long-term liabilities in the Statement of Net Position:

Principal payments 1,204,000

In the Statement of Activities, certain operating expenses are measured by the amounts incurred during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amount actually paid). This is the amount by which the amounts incurred exceeds the amount actually paid.

Change in compensated absences payable		(446)
Change in net pension liability and pension-related deferrals		(161,474)

Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.

Change in accrued interest payable		<u>3,095</u>
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Change in net position of governmental activities		<u><u>\$ (202,154)</u></u>
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The accompanying notes are an integral part of this statement.

**BEAUREGARD PARISH POLICE JURY**  
**DeRidder, Louisiana**

**December 31, 2017**

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NOTES TO THE  
FINANCIAL STATEMENTS

**BEAUREGARD PARISH POLICE JURY  
DeRidder, Louisiana**

**Notes to the Financial Statements  
As of and for the Year Ended December 31, 2017**

INTRODUCTION

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  - C. FUND ACCOUNTING
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**BEAUREGARD PARISH POLICE JURY**  
**DeRidder, Louisiana**  
**Notes to the Financial Statements**

The Beauregard Parish Police Jury is the governing authority for Beauregard Parish and is a political subdivision of the State of Louisiana. The Police Jury enacts ordinances, set policy, and establishes programs under the provisions of Louisiana Revised Statute 33:1236. The Police Jury operates under an elected jury of ten members. The Police Jury's operations include streets and highways, sanitation, planning and zoning, public health and welfare services, as well as judicial and administrative activities.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. BASIS OF PRESENTATION**

The accompanying financial statements of the Beauregard Parish Police Jury have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The financial report has been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, issued in June 1999.

**B. REPORTING ENTITY**

GASB Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under the provisions of this Statement, the Police Jury is considered a *primary government*, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, fiscally independent means that the Police Jury may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt.

Component units are defined by GASB No. 14 as other legally separate organizations for which the elected Police Jury members are financially accountable. The following entities are included as blended component units in these financial statements:

War Memorial Civic Center Board	Beauregard Tourist Commission
Fire Protections District No. 2	Fire Protection District No. 4
South Beauregard Recreation District No. 2	Beauregard Parish Covered Arena Authority

The following component units are NOT included in these financial statements:

Beauregard Parish Clerk of Court	Beauregard Parish Tax Assessor
Beauregard Parish Hospital Service District No. 2	District Attorney for the 36th Judicial District
Beauregard Parish Communications District	Beauregard Parish Library
Beauregard Parish Airport District No. 1	Beauregard Parish Waterworks District No. 2
Beauregard Parish Waterworks District No. 3	Beauregard Parish Waterworks District No. 5
Beauregard Parish Fire Protection District No. 1	Beauregard Parish Fire Protection District No. 3
Justice of the Peace District No. 1	Justice of the Peace District No. 2
Justice of the Peace District No. 4	Justice of the Peace District No. 5

There are no other primary governments with which the Police Jury has a significant relationship.

**BEAUREGARD PARISH POLICE JURY**  
**DeRidder, Louisiana**  
**Notes to the Financial Statements**

**C. FUND ACCOUNTING**

The Police Jury uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities. A fund is a separate fiscal and accounting entity with a self-balancing set of accounts.

Governmental funds account for all of the Police Jury's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of capital assets, and the servicing of general long-term obligations. Governmental funds include the following:

1. The General Fund is the general operating fund of the Police Jury and accounts for all financial resources, except those required to be accounted for in other funds.
2. Special revenue funds account for the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.
3. Debt service funds account for transactions relating to resources retained and used for the payment of principal and interest on those long-term obligations recorded in the general long-term obligations account group.
4. Capital projects funds account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds.

**D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING**

**Government-Wide Financial Statements (GWFS)**

The Statement of Net Position (Statement A) and the Statement of Activities (Statement B) display information about the reporting government as a whole. These statements include all the financial activities of the Police Jury.

The GWFS were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Program revenues included in the Statement of Activities (Statement B) include amounts received 1) from those who purchase, use, or directly benefit from a program, or 2) from parties outside the Police Jury's taxpayers or citizenry that are restricted to one or more specific programs. Program revenues reduce the cost of the function to be financed from the Police Jury's general revenues.

**BEAUREGARD PARISH POLICE JURY**  
**DeRidder, Louisiana**  
**Notes to the Financial Statements**

**Fund Financial Statements (FFS)**

Governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Fund financial statements report detailed information about the Police Jury. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. The Police Jury reports the following major governmental funds:

- The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The Parishwide Fund accounts for the maintenance of roads and bridges on a parish-wide basis. Major means of financing is provided by 70% of a 1% sales and use tax and the State of Louisiana Parish Transportation Fund as well as grants from the Louisiana Department of Transportation and Development.
- Road District No. 6 Fund accounts for road maintenance activities in Ward 6. These activities are funded primarily through ad valorem taxes on property within the district.
- The Sales Tax District No. 1 Fund accounts for funds dedicated to expenditures for the collection and disposal of solid waste in the rural areas of Beauregard Parish. Financing is provided by a 1% sales tax in the serviced areas of the parish. Additional financing is provided by the Town of Merryville for the collection and disposal of solid waste within its corporate limits.
- The Health Unit Fund accounts for the operations of the parish health unit. Financing is provided by a special property tax levy and by state revenue sharing funds.
- The Criminal Court Fund accounts for fines, forfeitures and fees generated from judicial proceedings. Expenditures are made from the fund on motion of the district attorney and approval of the district judge.
- South Beauregard Recreation District No. 2 Special Revenue Fund accounts for the collections of ad valorem taxes to be used for recreation purposes.
- South Beauregard Recreation District No. 2 Capital Projects Fund accounts for the proceeds of a \$1,744,000 bond issue to be used for construction of recreational facilities located in the district.

**BEAUREGARD PARISH POLICE JURY**  
**DeRidder, Louisiana**  
**Notes to the Financial Statements**

Governmental funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Police Jury generally considers all revenues available if they are collected within 60 days after the fiscal year end. For reimbursements under grant programs, revenues are recognized when the related expenditure is made. Management feels that the financial statements would be misleading if these revenues were not recorded. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

**Revenues**

Ad valorem taxes are assessed on a calendar year basis, become due on November 15<sup>th</sup> of each year, and become delinquent on December 31<sup>st</sup>. The taxes are generally collected in December, January, and February of the fiscal year. Ad valorem taxes considered collectible at year end, as well as related state revenue sharing, are recognized as revenue in the period the taxes are levied. Sales and use tax revenues are recorded in the month that the original taxable transaction occurred. Federal and state grants are recorded when the reimbursable expenditures have been incurred. Substantially all other revenues are recorded when received.

**Expenditures**

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

The cost of goods and services are recorded as expenditures when the goods are services are delivered. Salaries are recorded as earned. Principal and interest on general long-term obligations are recognized when due. Inventory is expensed when consumed. Compensated absences are recognized as expenditures when leave is actually taken or upon termination of employment due to retirement or death. The cost of compensated absences not requiring current resources is recorded in the government-wide financial statements. All other expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

**Other Financing Sources (Uses)**

Increases (decreases) in net current assets arising from sources other than revenues (expenditures) are accounted for as other financing sources (uses). Such transactions include transfers between funds that are not expected to be repaid, capital lease transactions, sale of fixed assets, and long-term debt proceeds. These other financing sources (uses) are recognized at the time the underlying events occur.

**BEAUREGARD PARISH POLICE JURY**  
**DeRidder, Louisiana**  
**Notes to the Financial Statements**

**E. BUDGETS**

The Police Jury adopts budgets for all funds under its direct control. The Police Jury uses the following budget practices:

1. The proposed budget for the fiscal year ended December 31, 2017, was published December 8, 2015. The budget was available for viewing from that date until the date of the public hearing January 11, 2016. The budget was formally adopted on January 11, 2016. The budget must be adopted no later than January 15<sup>th</sup> each year.
2. Appropriations (unexpended budget balances) lapse at year-end.
3. Budgets are prepared on a GAAP basis for all funds.

Formal budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the division, departmental, or project level. However, when projected revenues within a fund fail to meet budgeted expenditures by five percent or more, a budget amendment is adopted by the Police Jury in an open meeting. The superintendent of the Police Jury has the authority to transfer amounts between accounts within any fund. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

**F. ENCUMBRANCES**

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrances are recorded at the time the purchasing system generates a purchase order and are liquidated at the time the corresponding expenditure is recognized. Outstanding encumbrances lapse at year-end. To the extent the Police Jury intends to honor the purchase orders and commitments, they are disclosed in the financial statements. Authorization for the eventual expenditure will be included in the following year's budget appropriations.

**G. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents include amounts in demand deposits, interest-bearing demand deposits, and short-term investments with original maturities of three months or less. Under state law, the Police Jury may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

**H. INVESTMENTS**

Investments are limited by R.S. 33:2955 and the Police Jury's investment policy. These laws and policies are designed to minimize credit risk. The Police Jury's investments include obligations of the United States or its agencies. These investments are recorded at cost, which approximates fair value.

**I. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES**

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

**BEAUREGARD PARISH POLICE JURY**  
**DeRidder, Louisiana**  
**Notes to the Financial Statements**

**J. INVENTORIES AND PREPAID ITEMS**

Inventory of the General Fund consists of expendable supplies and are recorded on the consumption method. These items are recorded at the lower of cost (first-in, first-out) or market value. Inventory consists primarily of road construction and repair materials located at the various maintenance facilities. Inventory items are recorded as expenditures when consumed. All purchased inventory items are valued at the lower of cost (first-in, first-out) or market.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

**K. CAPITAL ASSETS**

Capital assets are capitalized at historical cost. 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 \$5,000 or more for capitalizing capital assets.

Capital assets are recorded in the GWFS, but are not reported in the FFS. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes by the Police Jury, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and improvements	10-40 years
Infrastructure	40 years
Furniture and fixtures	10 years
Equipment	5-10 years

**L. COMPENSATED ABSENCES**

The Police Jury has the following policies relating to compensated absences:

Annual leave is earned for all full-time employees at the following rates:

<u>Years of service</u>	<u>Rate</u>
0-2	3 hours per pay period (9.75 days annually)
3-4	4 hours per pay period (13.00 days annually)
5-9	5 hours per pay period (16.25 days annually)
10-14	6 hours per pay period (19.50 days annually)
Over 15	8 hours per pay period (26.00 days annually)

Accumulated annual leave is capped at 20 days. Sick leave is earned for full-time employees at the rate of 13 days per calendar year. Sick leave can be accumulated up to a maximum of 60 days. Sick leave is not paid out upon termination. The cost of leave privileges not requiring current resources is recorded in the government-wide financial statements.

**BEAUREGARD PARISH POLICE JURY**  
**DeRidder, Louisiana**  
**Notes to the Financial Statements**

**M. DEFERRED INFLOWS OF RESOURCES**

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and state revenue sharing. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

**N. RESTRICTED NET POSITION**

For government-wide statement of net position, net position are reported as restricted when constraints placed on net asset use are either, 1) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or 2) imposed by law through constitutional provisions or enabling legislation.

**O. FUND BALANCES**

In accordance with Governmental Accounting Standards Board ("GASB") Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the Police Jury classifies governmental fund balances as follows:

- *Non-spendable* - includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints.
- *Restricted* - includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or grantors, or amounts constrained due to constitutional provisions or enabling legislation.
- *Committed* - includes fund balance amounts that are constrained for specific purposes that are internal imposed by the Policy Jury through formal action of the Police Jury itself and does not lapse at year-end.
- *Assigned* - Includes fund balance amounts that are intended to be used for a specific purpose that are considered to be neither restricted or committed. Fund balance can be assigned by the Secretary/Treasurer.
- *Unassigned* - includes fund balance amounts within the General Fund which has not been classified within the above-mentioned categories and negative fund balances in other governmental funds.

**P. EQUITY FLOW ASSUMPTIONS**

When outlays can be made from both restricted and unrestricted resources, it is the Police Jury's policy to deplete restricted resources first before unrestricted resources are applied.

**Q. INTERFUND TRANSACTIONS**

Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions are reported as transfers.

**BEAUREGARD PARISH POLICE JURY**  
**DeRidder, Louisiana**  
**Notes to the Financial Statements**

**R. SALES AND USE TAXES**

The Sales Tax District No. 1 Special Revenue Fund collects a 1% sales and use tax within the jurisdiction of the district. This tax will be collected for a period of ten years, beginning April 1, 1996, and its proceeds are dedicated towards the expenditures necessary for the collection and disposal of solid waste within the jurisdiction of the district. The tax was renewed by the voters of the applicable Districts for an additional ten-year period on October 15, 2005. Thereafter, any funds remaining from such sources of revenue on December 31 of each year may be deposited and expended in the ensuing fiscal year equally between the six work zones for the purpose of constructing, improving, and maintaining public roads and bridges within the district. Tax revenues for this tax totaled \$2,342,509 for the year ended December 31, 2017.

The Sales Tax District No. 1 Fund collects a second 1% sales and use tax within the jurisdiction of the district. This tax was passed by voters originally effective in 1991. The 1% sales and use tax was renewed by the voters of the applicable Districts on November 7, 2006, effective October 1, 2009, for a ten-year period. Its proceeds (after paying the reasonable and necessary expenditures of collecting and administering the tax) will be deposited into the Parishwide Road Fund and are dedicated for the purposes of constructing, improving, operating and maintaining roads and bridges within the district and acquiring the necessary equipment thereof, and allocated 35% to Parishwide work crews, 35% to equipment and equipment repairs, and the remaining 30% to be divided equally among the eight road districts for materials and supplies. Tax revenues for this tax totaled \$2,342,510 for the year ended December 31, 2017.

On December 8, 2012, voters approved a 1/4% sales and use tax for the purpose of constructing, expanding, improving, renovating, operating and maintaining the Beauregard Parish Courthouse, including acquiring equipment, fixtures and furnishings therefore, and/or servicing of debt used for such expenditures. The tax will expire on December 31, 2028. Proceeds of the tax are accounted for in the Courthouse Sales Tax Special Revenue Fund. Tax revenues for this tax totaled \$1,334,044 for the year ended December 31, 2017.

**S. ESTIMATES**

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

**T. TOTAL COLUMNS ON FUND FINANCIAL STATEMENTS**

Total columns on the fund financial statements are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Inter-fund eliminations have not been made in the aggregation of this data.

**BEAUREGARD PARISH POLICE JURY**  
**DeRidder, Louisiana**  
**Notes to the Financial Statements**

**2. LEVIED TAXES AND PRINCIPAL TAXPAYERS**

The following is a summary of authorized and levied ad valorem taxes:

	<u>Authorized Millage</u>	<u>Levied Millage</u>
<b>Parishwide taxes</b>		
General Fund:		
Inside corporate limits	2.13	2.13
Outside corporate limits	4.26	4.26
Special Revenue Funds:		
Health Unit	2.42	2.42
War Memorial Civic Center	1.25	1.25
<b>District taxes</b>		
Special Revenue Funds:		
Road District No. 2	6.13	6.13
Road District No. 3	5.15	5.15
Road District No. 4	32.82	32.82
Road District No. 5	17.51	17.51
Road District No. 6	23.04	23.04
Road District No. 7	32.20	32.20
Road District No. 8	25.95	25.95
Fire Protection District No. 2	6.83	6.83
Fire Protection District No. 4	23.79	23.79
South Beauregard Recreation District No. 2	10.00	10.00
Debt Service Funds:		
Fire Protection District No. 2	2.00	0.80

The only taxpayer with assessed valuation in excess of 5% of total assessments was Packaging Corporation of America ("PCA"). PCA's total assessed valuation was approximately \$50,000,000 generating approximately \$500,000 in ad valorem taxes for the Police Jury.

**3. DEPOSITS**

At December 31, 2017, the Police Jury has cash and interest-bearing deposits (book balances) totaling \$14,108,110. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

**BEAUREGARD PARISH POLICE JURY**  
**DeRidder, Louisiana**  
**Notes to the Financial Statements**

Custodial credit risk is the risk that, in the event of a bank failure, the Police Jury’s deposits may not be recovered. Under state law, the Police Jury’s deposits must be secured by federal deposit insurance or similar federal security or the pledge of securities owned by the fiscal agent bank. The fair market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the Police Jury or the pledging bank by a holding or custodial bank that is mutually acceptable to both parties.

At December 31, 2017, the Police Jury has \$14,836,305 in deposits (collected bank balances) in local financial institutions. These deposits are secured from risk by \$1,000,000 of federal deposit insurance and \$13,836,305 of pledged securities held by the custodial bank pledged in the name of the Police Jury. As such, these deposits are not considered subject to custodial credit risk according to GASB Statement No. 3.

**4. INVESTMENTS**

The Police Jury generally invests in U.S. Treasury and U.S. agency securities as well as certificates of deposit with local banks. However, the Police Jury held no investments at December 31, 2017.

Although the Police Jury’s policy does not formally address credit or interest rate risk, it does emphasize safety and liquidity over investment return. This policy does limit exposure to fluctuations in interest rates due to the short-term nature of securities purchased and the Police Jury’s intent and ability to hold debt securities to maturity.

**5. RECEIVABLES**

The receivables at December 31, 2017, are as follows:

<u>Class of Receivable</u>	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Capital Projects Funds</u>	<u>Debt Service Funds</u>	<u>Total</u>
Taxes:					
Ad valorem	\$ 825,961	\$ 4,927,322	\$ -	\$ 51,023	\$ 5,804,306
Sales	-	555,846	-	-	555,846
Severance	159,733	-	-	-	159,733
State revenue sharing	30,346	51,505	-	-	81,851
Other	53,333	99,002	-	-	152,335
Total	<u>\$ 1,069,373</u>	<u>\$ 5,633,675</u>	<u>\$ -</u>	<u>\$ 51,023</u>	<u>\$ 6,754,071</u>

**BEAUREGARD PARISH POLICE JURY**  
**DeRidder, Louisiana**  
**Notes to the Financial Statements**

**6. CAPITAL ASSETS**

The changes in capital assets follow:

<u>Governmental Activities</u>	Balance, Beginning of Year	Additions	Deletions	Transfers	Balance, End of Year
Capital assets not being depreciated:					
Land	\$ 904,333	\$ -	\$ -	\$ 16,000	\$ 920,333
Construction in progress	12,279,858	4,490,032	-	(2,284,518)	14,485,372
	<u>13,184,191</u>	<u>4,490,032</u>	<u>-</u>	<u>(2,268,518)</u>	<u>15,405,705</u>
Capital assets being depreciated:					
Buildings and improvements	21,059,248	1,871,194	(3,800)	-	22,926,642
Infrastructure	43,801,725	-	(7,852,136)	1,970,578	37,920,167
Furniture and equipment	13,911,776	826,216	(5,323,761)	297,940	9,712,171
	<u>78,772,749</u>	<u>2,697,410</u>	<u>(13,179,697)</u>	<u>2,268,518</u>	<u>70,558,980</u>
Less accumulated depreciation:					
Buildings and improvements	(9,561,618)	(717,743)	1,089,395	-	(9,189,966)
Infrastructure	(29,927,735)	(851,567)	4,765,715	-	(26,013,587)
Furniture and equipment	(9,987,034)	(944,271)	6,784,693	-	(4,146,612)
	<u>(49,476,387)</u>	<u>(2,513,581)</u>	<u>12,639,803</u>	<u>-</u>	<u>(39,350,165)</u>
Total capital assets being depreciated, net	<u>29,296,362</u>	<u>183,829</u>	<u>(539,894)</u>	<u>2,268,518</u>	<u>31,208,815</u>
Governmental activities capital assets, net	<u>\$ 42,480,553</u>	<u>\$ 4,673,861</u>	<u>\$ (539,894)</u>	<u>\$ -</u>	<u>\$ 46,614,520</u>

Depreciation expense of \$2,513,581 for the year ended December 31, 2017, was charged to the following governmental functions:

General government:	
Judicial	\$ 33,344
Elections	11,973
Other general government activities	211,792
Public safety	292,870
Public works	1,756,772
Health and welfare	25,730
Culture and recreation	181,100
	<u>\$ 2,513,581</u>

**BEAUREGARD PARISH POLICE JURY**  
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**7. PENSION PLANS**

Substantially all employees paid by the Beauregard Parish Police Jury are members of the following statewide retirement systems: Parochial Employees Retirement System of Louisiana (PERS) and Registrar of Voters Employees' Retirement System (ROVERS). These systems are cost-sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees. Pertinent information relative to each plan follows:

**A. Parochial Employees' Retirement System of Louisiana (PERS)**

***Plan Description***

Parochial Employees' Retirement System of Louisiana is the administrator of a cost-sharing multiple employer defined benefit pension plan. The System was established and provided for by R.S.11:1901 of the Louisiana Revised Statute (LRS). The System provides retirement benefits to employees of taxing districts of a parish or any branch or section of a parish within the State which does not have their own retirement system and which elects to become members of the System. PERS offers two plans (Plan A and Plan B) to employers, however, the Police Jury only participates in Plan A.

All permanent parish government employees (except those employed by Orleans, Lafourche, and East Baton Rouge Parishes) who work at least 28 hours a week shall become members on the date of employment. New employees meeting the age and Social Security criteria have up to 90 days from the date of hire to elect to participate. As of January 1997, elected officials, except coroners, justices of the peace, and parish presidents may no longer join the System.

***Benefits Provided***

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

Retirement Benefits

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

For employees hired prior to January 1, 2007:

1. Any age with thirty or more years of creditable service.
2. Age 55 with twenty-five years of creditable service.
3. Age 60 with a minimum of ten years of creditable service.
4. Age 65 with a minimum of seven years of creditable service.

For employees hired after January 1, 2007:

1. Age 55 with thirty years of service.
2. Age 62 with ten years of service.
3. Age 67 with seven years of service.

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

Deferred Retirement Option Plan (DROP) Benefits

Act 338 of 1990 established the Deferred Retirement Option Plan (DROP) for the Retirement System. DROP is an option for that member who is eligible for normal retirement. In lieu of terminating employment and accepting a service retirement, any member of Plan A who is eligible to retire may elect to participate in the DROP in which they are enrolled for three years and defer the receipt of benefits. During participation in the plan, employer contributions are payable but employee contributions cease. The monthly retirement benefits that would be payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP Fund.

Upon termination of employment prior to or at the end of the specified period of participation, a participant in the DROP may receive, at his option, a lump sum from the account equal to the payments into the account, a true annuity based upon his account balance in that fund, or roll over the fund to an Individual Retirement Account. Interest is accrued on the DROP benefits for the period between the end of DROP participation and the member's retirement date. For individuals who become eligible to participate in the Deferred Retirement Option Plan on or after January 1, 2004, all amounts which remain credited to the individual's subaccount after termination in the Plan will be placed in liquid asset money market investments at the discretion of the board of trustees. These subaccounts may be credited with interest based on money market rates of return or, at the option of the System, the funds may be credited to self-directed subaccounts. The participant in the self-directed portion of this Plan must agree that the benefits payable to the participant are not the obligations of the state or the System, and that any returns and other rights of the Plan are the sole liability and responsibility of the participant and the designated provider to which contributions have been made.

Disability Benefits

For Plan A, a member shall be eligible to retire and receive a disability benefit if they were hired prior to January 1, 2007, and has at least five years of creditable service or if hired after January 1, 2007, has seven years of creditable service, and is not eligible for normal retirement and has been officially certified as disabled by the State Medical Disability Board. Upon retirement caused by disability, a member of Plan A shall be paid a disability benefit equal to the lesser of an amount equal to three percent of the member's final average compensation multiplied by his years of service, not to be less than fifteen, or three percent multiplied by years of service assuming continued service to age sixty.

Survivor's Benefits

Upon the death of any member of Plan A with five (5) or more years of creditable service who is not eligible for retirement, the plan provides for benefits for the surviving spouse and minor children, as outlined in the statutes. Any member of Plan A, who is eligible for normal retirement at time of death, the surviving spouse shall receive an automatic Option 2 benefit, as outlined in the statutes.

**BEAUREGARD PARISH POLICE JURY**  
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Cost-of-Living Increases

The Board is authorized to provide a cost-of-living allowance for those retirees who retired prior to July 1973. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements. In addition, the Board may provide an additional cost of living increase to all retirees and beneficiaries who are over age sixty-five equal to 2% of the member's benefit paid on October 1, 1977, (or the member's retirement date, if later). Also, the Board may provide a cost of living increase up to 2.5% for retirees 62 and older. (RS 11:1937). Lastly, Act 270 of 2009 provided for further reduced actuarial payments to provide an annual 2.5% cost-of-living adjustment commencing at age 55.

**Contributions**

According to state statute, contributions for all employers are actuarially determined each year. For the year ended December 31, 2016, the actuarially determined contribution rate was 10.52% of member's compensation for Plan A. However, the actual rate for the fiscal year ending December 31, 2016, was 14.50% for Plan. According to state statute, the System also receives  $\frac{1}{4}$  of 1% of ad valorem taxes collected within the respective parishes, except for Orleans and East Baton Rouge parishes. The System also receives revenue sharing funds each year as appropriated by the Legislature. Tax monies and revenue sharing monies are apportioned between Plan A and Plan B in proportion to the member's compensation. These additional sources of income are used as additional employer contributions and are considered support from non-employer contributing entities.

The Police Jury's contractually required contribution rate for the year ended December 31, 2017, was 12.50% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability.

Contributions to the pension plan from the Police Jury were \$279,544 for the year ended December 31, 2017.

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

At December 31, 2016, the Police Jury reported a liability of \$821,521 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of December 31, 2016, and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Police Jury's proportion of the Net Pension Liability was based on a projection of the Police Jury's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2016, the Police Jury's proportion was .398891%, which was an decrease of .019125 percentage points from its proportion measured as of December 31, 2015.

For the year ended December 31, 2017, the Police Jury recognized pension expense of \$487,190.

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At December 31, 2017, the Police Jury reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Governmental Activities</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ (143,759)
Changes of assumptions	155,970	-
Net difference between projected and actual earnings on pension plan investments	637,531	-
Change in proportion and differences between employer contributions and proportionate share of contributions	-	(1,680)
Employer contributions subsequent to the measurement date	<u>279,544</u>	<u>-</u>
Total	<u>\$ 1,073,045</u>	<u>\$ (145,439)</u>

Deferred outflows of resources of \$279,544 related to PERS resulting from the Police Jury's contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended December 31, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS will be recognized in pension expense as follows:

<u>Year Ended June 30</u>	
2018	\$ 240,682
2019	256,993
2020	167,614
2021	<u>(17,227)</u>
	<u>\$ 648,062</u>

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***Actuarial Assumptions***

A summary of the actuarial methods and assumptions used in determining the total pension liability of PERS as of December 31, 2016, are as follows:

Valuation date	December 31, 2016
Actuarial cost method	Entry Age Normal
Expected remaining service lives	4 years
Actuarial assumptions:	
Investment rate of return	7.00%, net of investment expense
Inflation rate	2.50%
Projected salary increases	5.25% (2.75% merit and 2.50% Inflation)
Mortality rates	RP-2000 Employee Mortality Table for active members RP-2000 Healthy Annuitant Mortality Table for healthy annuitants RP-2000 Disabled Lives Mortality Tables for disabled annuitants
Cost-of-living adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.

The discount rate used to measure the total pension liability was 7.00% for Plan A. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term expected rate of return on pension plan investments was determined using a triangulation method, which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.00%, and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.66% for the year ended December 31, 2016.

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Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of December 31, 2016, are summarized in the following table:

Asset Class	Target Asset Allocation	Long-Term Expected Portfolio Real Rate of Return
Fixed income	35%	1.24%
Equity	52%	3.63%
Alternatives	11%	0.67%
Real assets	2%	0.12%
Totals	100%	5.66%
Inflation		2.00%
Expected arithmetic nominal return		7.66%

The mortality rate assumption used was set based upon an experience study performed on plan data for the period January 1, 2010 through December 31, 2014. The data was then assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the System's liabilities. Annuity values calculated based on this mortality were compared to those produced by using a setback of standard tables. The result of the procedure indicated that the tables used would produce liability values approximating the appropriate generational mortality tables.

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

The following presents the Police Jury's proportionate share of the PERS net pension liability calculated using the discount rate of 7.00%, as well as what the Police Jury's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower, or one percentage point higher than the current rate as of December 31, 2016:

	One Percentage Point Decrease 6.00%	Current Discount Rate 7.00%	One Percentage Point Increase 8.00%
Net Pension Liability	\$ 2,457,500	\$ 821,521	\$ (561,748)

***Pension Plan Fiduciary Net Position***

Detailed information about the pension plan's fiduciary net position is available in the separately issued Parochial Employees' Retirement System of Louisiana Annual Financial Report at [www.persla.org](http://www.persla.org) or [www.lla.state.la.us](http://www.lla.state.la.us).

***Payables to the Pension Plan***

These financial statements include a payable to the pension plan of \$338, which is the legally required contribution due at December 31, 2017. This amount is recorded in accrued expenses.

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**B. Registrar of Voters' Retirement System of Louisiana (ROVERS)**

***Plan Description***

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

***Benefits Provided***

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

Retirement Benefits

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

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

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

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Deferred Retirement Option Plan (DROP) Benefits

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

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

Disability Benefits

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

Survivor's Benefits

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

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Cost-of-Living Increases

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

***Contributions***

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ending June 30, 2017, the actual employer contribution rate was 20.0%.

In accordance with state statute, the System also receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations.

The Police Jury's contractually required contribution rate for the year ended December 31, 2017, was 20.0% for January through June and 17.0% for July through December of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability.

Contributions to the pension plan from the Police Jury were \$4,431 for the year ended December 31, 2017.

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

At December 31, 2017, the Police Jury reported a liability of \$33,506 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2017 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Police Jury's proportion of the Net Pension Liability was based on a projection of the Police Jury's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2017, the Police Jury's proportion was .152638%, which was an increase of .039329 percentage points from its proportion measured as of June 30, 2016.

For the year ended December 31, 2017 the Police Jury recognized pension expense of \$6,578.

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At December 31, 2017, the Police Jury reported deferred outflows of resources and deferred inflows of resources related to the system from the following sources:

	<u>Governmental Activities</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ (6,229)
Changes of assumptions	3,219	(1,083)
Net difference between projected and actual earnings on pension plan investments	3,769	-
Change in proportion and differences between employer contributions and proportionate share of contributions	7,406	(9,347)
Employer contributions subsequent to the measurement date	<u>1,621</u>	<u>-</u>
Total	<u>\$ 16,015</u>	<u>\$ (16,659)</u>

Deferred outflows of resources of \$1,621 related to ROVERS resulting from the Police Jury's contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended December 31, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ROVERS will be recognized in pension expense as follows:

<u>Year Ended June 30</u>	
2017	\$ (1,967)
2018	1,357
2019	(1,875)
2020	<u>220</u>
	<u>\$ (2,265)</u>

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***Actuarial Assumptions***

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

Valuation date	June 30, 2017
Actuarial cost method	Entry Age Normal
Expected remaining service lives	2015-2017 - 5 years 2014 - 4 years
Actuarial assumptions:	
Investment rate of return	6.75%, net of investment expense
Inflation rate	2.50%
Projected salary increases	6.00% (2.50% Inflation and 3.50% Merit)
Mortality rates	RP-2000 Combined Healthy Mortality Table for active members, health annuitants and beneficiaries  RP-2000 Disabled Lives Mortality Tables for disabled annuitants
Cost-of-living adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

During the year ended June 30, 2017, mortality assumptions were set after reviewing an experience study performed on plan data for the period from July 1, 2009, through June 30, 2014. The data was assigned credibility weightings and combined with a standard table to produce current levels of mortality. The mortality was then projected forward to a period equivalent to the estimated duration of the System's liabilities. The mortality tables selected were set forward or set back to approximate mortality improvement.

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

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Best estimates of arithmetic real rates of return for each major asset class based on the System's target asset allocation as of June 30, 2017 is as follows:

Asset Class	Target Asset Allocation	Real Return Arithmetic Basis	Long-Term Expected Portfolio Real Rate of Return
Domestic equities	40%	7.50%	3.00%
International equities	15%	8.50%	1.28%
Domestic fixed income	20%	2.50%	0.50%
International fixed income	10%	3.50%	0.35%
Alternative investments	5%	6.24%	0.31%
Real Estate	10%	4.50%	0.45%
Totals	100%		5.89%
Inflation			2.50%
Expected arithmetic nominal return			8.39%

The discount rate used to measure total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System's actuary. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

	One Percentage Point Decrease 5.75%	Current Discount Rate 6.75%	One Percentage Point Increase 7.75%
Net Pension Liability	\$ 51,213	\$ 33,506	\$ 18,266

***Pension Plan Fiduciary Net Position***

Detailed information about the Plan's fiduciary net position is available in the separately issued Registrar of Voters' Employees' Retirement System of Louisiana at [www.larover.com](http://www.larover.com).

***Payables to the Pension Plan***

These financial statements include a payable to the pension plan of \$1,373, which is the legally required contribution due at December 31, 2017. This amount is recorded in accrued expenses.

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**8. INTERFUND ACTIVITIES**

The following is a summary of interfund receivables and payables at December 31, 2017:

<u>Receivable Fund</u>		<u>Payable Fund</u>	
General Fund		Non-major capital projects funds	\$ 45,736
Courthouse Sales Tax Special Revenue		General Fund	<u>115,901</u>
			<u>\$ 161,637</u>

The following is a summary of interfund transfers for the year ended December 31, 2017:

<u>Receiving Fund</u>	<u>Paying Fund</u>	
Courthouse Renovation Capital Projects Fund	Courthouse Sales Tax Special Revenue	\$ 107,272
Courthouse Sales Tax Special Revenue	General Fund	115,901
Criminal Court Special Revenue Fund	General Fund	387,520
General Fund	Non-major special revenue funds	41,522
General Fund	Health Unit	300,000
Non-major capital projects funds	Non-major special revenue funds	1,672,636
Non-major capital projects funds	Road District No. 6	63,629
Non-major capital projects funds	S. Beau. Rec. District No. 2 Special Revenue	196,453
Non-major capital projects funds	Non-major special revenue funds	19,052
Non-major debt service funds	General Fund	118,513
Non-major debt service funds	S. Beau. Rec. District No. 2 Special Revenue	38,226
Non-major debt service funds	Non-major special revenue funds	73,518
Non-major special revenue funds	General Fund	46,726
Non-major special revenue funds	Sales Tax District No. 1	500,000
Non-major special revenue funds	Non-major capital projects funds	70,983
Non-major special revenue funds	Parish Road Special Revenue	11,404
Road District No. 6	Sales Tax District No. 1	100,000
S. Beau. Rec. District No. 2 Special Revenue	Non-major capital projects funds	<u>14,325</u>
		<u>\$ 3,877,680</u>

Generally, interfund transfers result from the 1) distribution of excess sales taxes from the Sales Tax District No. 1 Fund to the various road district special revenue funds, 2) reimbursement to other funds for expenditures paid on behalf of the General Fund, or 3) transfers made to debt service funds for debt service payments. Additionally, a budgeted transfer was made from Road District No. 6 Special Revenue Fund to the Road District No. 6 Capital Outlay Fund.

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**9. LONG-TERM LIABILITIES**

The following is a summary of the long-term obligation transactions for the year ended December 31, 2017:

	Bonded Debt	Certificates of Indebtedness	Compensated Absences	Total
Long-term obligations at beginning of year	\$ 12,508,000	\$ 1,409,000	\$ 100,603	\$ 14,017,603
Additions	-	-	143,908	143,908
Deductions	(1,022,000)	(182,000)	(143,462)	(1,347,462)
Long-term obligations at end of year	<u>\$ 11,486,000</u>	<u>\$ 1,227,000</u>	<u>\$ 101,049</u>	<u>\$ 12,814,049</u>
Due within one year	<u>\$ 1,022,000</u>	<u>\$ 182,000</u>	<u>\$ 101,049</u>	<u>\$ 1,305,049</u>

**Long-term debt**

All Police Jury debt outstanding at December 31, 2017, are general obligation bonds and certificates of indebtedness with maturities from 2013 to 2022 and interest rates from 1.5% to 5.0%. Principal and interest payable in the next fiscal year are \$1,249,000 and \$295,321 respectively. The individual issues are as follows:

<u>Bond Issue</u>	<u>Original Issue</u>	<u>Interest Rates</u>	<u>Final Payment Due</u>	<u>Interest to Maturity</u>	<u>Principal Outstanding</u>
<b>General obligation bonds:</b>					
Series 2002	\$ 850,000	4.0-5.0%	2022	\$ 6,481	\$ 150,000
<b>Limited tax bonds:</b>					
Series 2012	1,744,000	2.37%	2022	43,347	931,000
Series 2014	2,000,000	2.49%	2027	223,291	1,715,000
Series 2015	9,995,000	2.50%	2028	1,257,583	8,690,000
<b>Certificates of indebtedness:</b>					
Series 2013	960,000	2.45%	2023	51,389	675,000
Series 2016	225,000	2.69%	2021	10,895	190,000
Series 2014	500,000	0.0-2.14%	2020	27,328	362,000
	<u>\$ 16,274,000</u>			<u>\$ 1,620,314</u>	<u>\$ 12,713,000</u>

**BEAUREGARD PARISH POLICE JURY**  
**DeRidder, Louisiana**  
**Notes to the Financial Statements**

At December 31, 2017 the Police Jury has accumulated \$125,969 in the debt service funds for future debt requirements. The bonds and certificates are due as follows:

<u>Year Ending June 30,</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total</u>
2017	\$ 1,249,000	\$ 295,321	\$ 1,544,321
2018	1,290,000	264,003	1,554,003
2019	1,316,000	231,608	1,547,608
2020	1,312,000	203,505	1,515,505
2021	1,305,000	171,286	1,476,286
2022-2026	5,326,000	443,174	5,769,174
2027-2028	915,000	11,417	926,417
Total	<u>\$ 12,713,000</u>	<u>\$ 1,620,314</u>	<u>\$ 14,333,314</u>

**10. FUND BALANCE REPORTING**

The Police Jury segregates fund balances into different categories according to the level of constraint placed on how the fund balances can be spent in the future. Following is a description of what is included in these categories:

- *Non-spendable* - Inventory is considered non-spendable as this asset is consumed rather than spent.
- *Restricted* - The fund balances in the special revenue, capital projects, and debt service funds are considered restricted as the sources of funding for these funds place restrictions on how these resources can be spent. Additionally, there is a provision in the ordinance for the Parishwide Road sales tax that requires a certain percentage of the proceeds be spent on equipment purchases. The unspent portion of these funds is considered restricted.
- *Committed* - The remaining balance on construction contracts let prior to year end are considered committed.
- *Assigned* - The amount that budgeted expenditures exceeds expected revenues in the subsequent year is considered to be assigned at year end.
- *Unassigned* - Includes fund balance amounts within the General Fund which has not been classified within the above-mentioned categories and negative fund balances in other governmental funds.

**11. RISK MANAGEMENT**

The Police Jury maintains insurance coverage through commercial insurance carriers for property insurance and workers compensation. However, the Police Jury is not covered by insurance against liability claims. State court precedent indicates that political subdivisions cannot be forced to pay liability claims unless funds are appropriated for the explicit purpose of paying the claims. The Police Jury has not appropriated funds for such purpose.

**BEAUREGARD PARISH POLICE JURY**  
**DeRidder, Louisiana**  
**Notes to the Financial Statements (concluded)**

**12. LITIGATION, CLAIMS, AND OTHER CONTINGENT LIABILITIES**

The Police Jury is a defendant in a number of lawsuits arising principally in the normal course of operations. In the opinion of the Police Jury and legal counsel, the outcomes of these lawsuits will not have a material adverse effect on the accompanying basic financial statements and, accordingly, no provision for losses has been recorded.

Amounts received or receivable from grantor agencies are subject to audit and adjustment by such agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applied funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time; however, the Police Jury expects such amounts, if any, to be immaterial.

Under the Internal Revenue Code, interest earned on debt proceeds in excess of interest expense prior to the disbursement of such proceeds (called "arbitrage") must be rebated to the Internal Revenue Service. Management believes there is no arbitrage rebate liability at year end.

**13. COMMITMENTS**

Management states that outstanding purchase orders at year end that are expected to be honored is insignificant.

**14. SUBSEQUENT EVENTS**

The Police Jury evaluated its December 31, 2017 financial statements for subsequent events through June 30, 2018, the date the financials were available to be issued. The Police Jury is not aware of any additional subsequent events which would require recognition or disclosure in the financial statements.

## REQUIRED SUPPLEMENTARY INFORMATION

**BEAUREGARD PARISH POLICE JURY**  
**DeRidder, Louisiana**

**Exhibit 1**

**Budgetary (GAAP Basis) Comparison Schedule**  
**General Fund**  
**For the Year Ended December 31, 2017**

	Budgeted Amounts		Actual	Variance Over (Under)
	Original	Final		
<b>Revenues:</b>				
Local sources:				
Taxes:				
Ad valorem taxes	\$ 797,227	\$ 797,227	\$ 899,871	\$ 102,644
Other taxes	56,330	56,330	54,296	(2,034)
Licenses and permits	227,359	227,359	227,859	500
Interest income	870	870	870	-
Other	36,542	45,256	44,192	(1,064)
State sources:				
State revenue sharing	-	45,290	45,420	130
Severance taxes	1,711,433	1,800,584	1,756,549	(44,035)
Other state funds	221,312	250,235	193,732	(56,503)
Total revenues	<u>3,051,073</u>	<u>3,223,151</u>	<u>3,222,789</u>	<u>(362)</u>
<b>Expenditures:</b>				
General Government:				
Legislative	287,770	302,725	299,933	2,792
Judicial	211,887	217,942	220,946	(3,004)
Elections	80,479	86,575	90,022	(3,447)
Finance and administrative	423,227	662,343	670,767	(8,424)
Other general government activities	253,665	243,756	267,766	(24,010)
Public safety	1,185,300	1,054,482	1,037,495	16,987
Health and welfare	51,000	51,047	51,047	-
Culture and recreation	97,000	119,525	115,365	4,160
Other activities	37,095	43,151	37,644	5,507
Capital projects	-	-	-	-
Total expenditures	<u>2,627,423</u>	<u>2,781,546</u>	<u>2,790,985</u>	<u>(9,439)</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	423,650	441,605	431,804	(9,801)
<b>Other financing sources (uses):</b>				
Proceeds from sale of assets	14,911	14,911	14,911	-
Transfers in/out	(91,547)	(93,028)	(327,138)	(234,110)
Total other financing sources (uses)	<u>(76,636)</u>	<u>(78,117)</u>	<u>(312,227)</u>	<u>(234,110)</u>
<b>Excess (deficiency) of revenues and other sources over (under) expenditures and other uses</b>	347,014	363,488	119,577	(243,911)
<b>Beginning fund balance</b>	<u>1,169,595</u>	<u>1,169,595</u>	<u>1,169,595</u>	<u>-</u>
<b>Ending fund balance</b>	<u>\$ 1,516,609</u>	<u>\$ 1,533,083</u>	<u>\$ 1,289,172</u>	<u>\$ (243,911)</u>

See notes to the required supplementary information.

**BEAUREGARD PARISH POLICE JURY**  
**DeRidder, Louisiana**

**Exhibit 2**

**Budgetary (GAAP Basis) Comparison Schedule**  
**Parishwide Road Special Revenue Fund**  
**For the Year Ended December 31, 2017**

	Budgeted Amounts		Actual	Variance Over (Under)
	Original	Final		
<b>Revenues:</b>				
Local sources:				
Taxes:				
Sales and use taxes	\$ 1,750,000	\$ 1,653,224	\$ 1,653,224	\$ -
Interest income	300	1,774	1,774	-
Other	75,484	75,484	75,484	-
State sources:				
Parish transportation funds	350,000	473,725	472,909	(816)
Other state funds	51,987	51,987	8,153	(43,834)
Total revenues	<u>2,227,771</u>	<u>2,256,194</u>	<u>2,211,544</u>	<u>(44,650)</u>
<b>Expenditures:</b>				
Public works	<u>2,571,225</u>	<u>2,573,133</u>	<u>2,647,868</u>	<u>(74,735)</u>
Total expenditures	<u>2,571,225</u>	<u>2,573,133</u>	<u>2,647,868</u>	<u>(74,735)</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	(343,454)	(316,939)	(436,324)	(119,385)
<b>Other financing sources (uses):</b>				
Proceeds from sale of assets	<u>2,219</u>	<u>2,219</u>	<u>2,219</u>	<u>-</u>
Total other financing sources (uses)	<u>2,219</u>	<u>2,219</u>	<u>(9,185)</u>	<u>(11,404)</u>
<b>Excess (deficiency) of revenues and other sources over (under) expenditures and other uses</b>	(341,235)	(314,720)	(445,509)	(130,789)
<b>Beginning fund balance</b>	<u>1,450,819</u>	<u>1,450,819</u>	<u>1,450,819</u>	<u>-</u>
<b>Ending fund balance</b>	<u>\$ 1,109,584</u>	<u>\$ 1,136,099</u>	<u>\$ 1,005,310</u>	<u>\$ (130,789)</u>

See notes to the required supplementary information.

**BEAUREGARD PARISH POLICE JURY**  
**DeRidder, Louisiana**

**Exhibit 3**

**Budgetary (GAAP Basis) Comparison Schedule**  
**Sales Tax District No. 1 Special Revenue Fund**  
**For the Year Ended December 31, 2017**

	Budgeted Amounts		Actual	Variance Over (Under)
	Original	Final		
<b>Revenues:</b>				
Local sources:				
Taxes:				
Sales and use taxes	\$ 2,500,000	\$ 2,451,758	\$ 2,323,271	\$ (128,487)
Fees, charges, and commissions for services	59,505	64,333	64,333	-
Interest income	2,400	3,564	3,564	-
Other	1,000	1,000	1,000	-
Total revenues	<u>2,562,905</u>	<u>2,520,655</u>	<u>2,392,168</u>	<u>(128,487)</u>
<b>Expenditures:</b>				
Sanitation	<u>1,637,301</u>	<u>1,717,413</u>	<u>1,863,039</u>	<u>(145,626)</u>
Total expenditures	<u>1,637,301</u>	<u>1,717,413</u>	<u>1,863,039</u>	<u>(145,626)</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	925,604	803,242	529,129	(274,113)
<b>Other financing sources (uses):</b>				
Transfers in/out	<u>(600,000)</u>	<u>(600,000)</u>	<u>(600,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(600,000)</u>	<u>(600,000)</u>	<u>(600,000)</u>	<u>-</u>
<b>Excess (deficiency) of revenues and other sources over (under) expenditures and other uses</b>	325,604	203,242	(70,871)	(274,113)
<b>Beginning fund balance</b>	<u>3,826,817</u>	<u>3,826,817</u>	<u>3,826,817</u>	<u>-</u>
<b>Ending fund balance</b>	<u>\$ 4,152,421</u>	<u>\$ 4,030,059</u>	<u>\$ 3,755,946</u>	<u>\$ (274,113)</u>

See notes to the required supplementary information.

**BEAUREGARD PARISH POLICE JURY**  
**DeRidder, Louisiana**

**Exhibit 4**

**Budgetary (GAAP Basis) Comparison Schedule**  
**Health Unit Special Revenue Fund**  
**For the Year Ended December 31, 2017**

	Budgeted Amounts		Actual	Variance Over (Under)
	Original	Final		
<b>Revenues:</b>				
Local sources:				
Taxes:				
Ad valorem taxes	\$ 504,471	\$ 525,579	\$ 580,752	\$ 55,173
Interest income	1,600	2,204	2,204	-
Other	1,221	1,221	1,221	-
State sources:				
State revenue sharing	9,000	11,537	11,564	27
Total revenues	<u>516,292</u>	<u>540,541</u>	<u>595,741</u>	<u>55,200</u>
<b>Expenditures:</b>				
Health and welfare	<u>475,771</u>	<u>484,863</u>	<u>483,602</u>	<u>1,261</u>
Total expenditures	<u>475,771</u>	<u>484,863</u>	<u>483,602</u>	<u>1,261</u>
<b>Other financing sources (uses):</b>				
Proceeds from sale of assets	96	96	96	-
Transfers in/out	<u>(300,000)</u>	<u>(300,000)</u>	<u>(300,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(299,904)</u>	<u>(299,904)</u>	<u>(299,904)</u>	<u>-</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	(259,383)	(244,226)	(187,765)	56,461
<b>Beginning fund balance</b>	<u>2,591,099</u>	<u>2,591,099</u>	<u>2,591,099</u>	<u>-</u>
<b>Ending fund balance</b>	<u>\$ 2,331,716</u>	<u>\$ 2,346,873</u>	<u>\$ 2,403,334</u>	<u>\$ 56,461</u>

See notes to the required supplementary information.

**Budgetary (GAAP Basis) Comparison Schedule**  
**South Beauregard Recreation District No. 2 Special Revenue Fund**  
**For the Year Ended December 31, 2017**

	Budgeted Amounts		Actual	Variance Over (Under)
	Original	Final		
<b>Revenues:</b>				
Local sources:				
Taxes:				
Ad valorem taxes	\$ 547,000	\$ 565,625	\$ 697,631	\$ 132,006
Interest income	25	454	454	-
Other	28,500	38,716	38,316	(400)
Total revenues	<u>575,525</u>	<u>604,795</u>	<u>736,401</u>	<u>131,606</u>
<b>Expenditures:</b>				
Culture and recreation	102,869	118,359	120,483	(2,124)
Capital projects	17,000	100,075	107,555	(7,480)
Total expenditures	<u>119,869</u>	<u>218,434</u>	<u>228,038</u>	<u>(9,604)</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	455,656	386,361	508,363	122,002
<b>Other financing sources (uses):</b>				
Transfers in/out	-	(234,678)	(220,354)	14,324
Total other financing sources (uses)	<u>-</u>	<u>(234,678)</u>	<u>(220,354)</u>	<u>14,324</u>
<b>Excess (deficiency) of revenues and other sources over (under) expenditures and other uses</b>	455,656	151,683	288,009	136,326
<b>Beginning fund balance</b>	<u>557,409</u>	<u>557,409</u>	<u>557,409</u>	<u>-</u>
<b>Ending fund balance</b>	<u>\$ 1,013,065</u>	<u>\$ 709,092</u>	<u>\$ 845,418</u>	<u>\$ 136,326</u>

See notes to the required supplementary information.

**Budgetary (GAAP Basis) Comparison Schedule  
Road District No. 6 Special Revenue Fund  
For the Year Ended December 31, 2017**

	Budgeted Amounts		Actual	Variance Over (Under)
	Original	Final		
<b>Revenues:</b>				
Local sources:				
Taxes:				
Ad valorem taxes	\$ 1,000,000	\$ 1,011,844	\$ 1,280,853	\$ 269,009
Sales and use taxes	93,750	88,566	88,566	-
Licenses and permits	2,800	9,750	9,750	-
Interest income	100	1,200	1,200	-
Other	11,415	11,415	11,415	-
State sources:				
State revenue sharing	7,500	9,854	10,190	336
Total revenues	1,115,565	1,132,629	1,401,974	269,345
<b>Expenditures:</b>				
Public works	738,551	721,793	716,123	5,670
Total expenditures	738,551	721,793	716,123	5,670
<b>Excess (deficiency) of revenues over (under) expenditures</b>	377,014	410,836	685,851	275,015
<b>Other financing sources (uses):</b>				
Proceeds from sale of assets	12,568	12,568	12,568	-
Transfers in/out	(294,794)	(847,905)	(489,712)	358,193
Total other financing sources (uses)	(282,226)	(835,337)	(477,144)	358,193
<b>Excess (deficiency) of revenues and other sources over (under) expenditures and other uses</b>	94,788	(424,501)	208,707	633,208
<b>Beginning fund balance</b>	1,517,355	1,517,355	1,517,355	-
<b>Ending fund balance</b>	\$ 1,612,143	\$ 1,092,854	\$ 1,726,062	\$ 633,208

See notes to the required supplementary information.

**Budgetary (GAAP Basis) Comparison Schedule  
Courthouse Sales Tax Special Revenue Fund  
for the Year Ended December 31, 2017**

	Budgeted Amounts		Actual	Variance Over (Under)
	Original	Final		
<b>Revenues:</b>				
Local sources:				
Taxes:				
Sales and use taxes	\$ 1,344,000	\$ 1,348,571	\$ 1,334,044	\$ (14,527)
Interest income	-	1,675	1,674	(1)
Other	-	500	500	-
Total revenues	<u>1,344,000</u>	<u>1,350,746</u>	<u>1,336,218</u>	<u>(14,528)</u>
<b>Expenditures:</b>				
Public works	494,127	433,139	437,163	(4,024)
Capital projects	1,811,633	1,591,544	1,591,544	-
Debt service	1,200,699	1,070,909	1,070,909	-
Total expenditures	<u>3,506,459</u>	<u>3,095,592</u>	<u>3,099,616</u>	<u>(4,024)</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	(2,162,459)	(1,744,846)	(1,763,398)	(18,552)
<b>Other financing sources (uses):</b>				
Transfers in/out	107,272	107,272	223,173	115,901
Total other financing sources (uses)	<u>107,272</u>	<u>107,272</u>	<u>223,173</u>	<u>115,901</u>
<b>Excess (deficiency) of revenues and other sources over (under) expenditures and other uses</b>	(2,055,187)	(1,637,574)	(1,540,225)	97,349
<b>Beginning fund balance</b>	<u>2,840,181</u>	<u>2,840,181</u>	<u>2,840,181</u>	<u>-</u>
<b>Ending fund balance</b>	<u>\$ 784,994</u>	<u>\$ 1,202,607</u>	<u>\$ 1,299,956</u>	<u>\$ 97,349</u>

See notes to the required supplementary information.

**Schedule of Employer's Proportionate Share  
of Net Pension Liability**

<u>Measurement Date</u>	<u>Employer's Proportion of the Net Pension Liability</u>	<u>Employer's Proportionate Share of the Net Pension Liability</u>	<u>Employer's Covered Payroll</u>	<u>Proportionate Share of NPL as a % of Covered Payroll</u>	<u>Plan Fiduciary Net Position as a % of Total Pension Liability</u>
<b>PERS:</b>					
12/31/14	0.40953%	\$ 111,970	\$ 2,389,325	4.69%	99.15%
12/31/15	0.41802%	\$ 1,100,338	\$ 2,372,838	46.37%	92.23%
12/31/16	0.39889%	\$ 821,521	\$ 2,236,352	36.73%	94.15%
<b>ROVERS:</b>					
06/30/15	0.14795%	\$ 36,234	\$ 23,175	156.35%	76.86%
06/30/16	0.11331%	\$ 32,152	\$ 19,800	162.38%	73.98%
06/30/17	0.15264%	\$ 33,506	\$ 23,041	145.42%	80.51%

See accompanying notes to the required supplementary information.

**Schedule of Employer Pension Contributions**

<u>Date</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractually Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Payroll</u>	<u>Contributions as a % of Covered Payroll</u>
<b>PERS:</b>					
2015	\$ 346,453	\$ 346,453	\$ -	\$ 2,389,325	14.5%
2016	\$ 308,469	\$ 308,469	\$ -	\$ 2,372,838	13.0%
2017	\$ 279,544	\$ 279,544	\$ -	\$ 2,236,352	12.5%
<b>ROVERS:</b>					
2015	\$ 3,990	\$ 3,990	\$ -	\$ 23,175	17.2%
2016	\$ 3,308	\$ 3,308	\$ -	\$ 19,800	16.7%
2017	\$ 3,796	\$ 3,796	\$ -	\$ 23,041	16.5%

See accompanying notes to the required supplementary information.

**BEAUREGARD PARISH POLICE JURY  
DeRidder, Louisiana**

**Notes to the Required Supplementary Information  
As of and for the Year Ended December 31, 2017**

**1. BUDGETS**

Formal budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the division, departmental, or project level. However, when projected revenues within a fund fail to meet budgeted revenues and/or projected expenditures within a fund exceed budgeted expenditures by five percent or more, a budget amendment is adopted by the Police Jury in an open meeting.

Budgets are prepared for all governmental funds of the Police Jury. The budgets are prepared on the modified accrual basis of accounting (GAAP). Budgeted amounts are as originally adopted or as amended by the Board. Legally, the Board must adopt a balanced budget; that is, total budgeted revenues and other financing sources (including fund balance) must equal or exceed total budgeted expenditures and other financing uses. State statutes require the Board to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures plus projected expenditures within a fund are expected to exceed budgeted expenditures by five percent or more. The Police Jury approves budgets at the function level and management can transfer amounts between line items within a function.

**2. PENSIONS**

Changes in Assumptions– For ROVERS, the discount rate was decreased 0.25 percentage points to 6.75%.

## SUPPLEMENTAL INFORMATION SCHEDULES

**BEAUREGARD PARISH POLICE JURY**  
**DeRidder, Louisiana**  
**Nonmajor Funds**

**Special revenue funds:**

Building Code Compliance. Accounts for permit fees and building code compliance activities .

Hyatt Community Center. Accounts for activities for the Hyatt Community Center and revenues generated thereon.

Special Federal Fund. Accounts for activities of certain federal programs. These activities are funded primarily through federal grants.

Road Districts Nos. 1-5 and 7-8. Accounts for road maintenance activities in each of the eight wards of the parish. These activities are funded primarily through ad valorem taxes on property within the respective districts.

Tourist Commission. Accounts for tourism promotion activities that are funded via a hotel occupancy tax.

Fire Protection Districts Nos. 2 and 4. Accounts for fire protection activities in the two respective districts. These activities are funded primarily through ad valorem taxes assessed on property within the respective districts.

Merryville Visitor Center. Accounts for the activities of the Merryville Visitor Center.

Beauregard Covered Arena. Accounts for the expenditure of a state grant and other funds dedicated to the Beauregard Covered Arena.

War Memorial Civic Center. Accounts for the activities of the War Memorial Civic Center that are primarily funded through ad valorem taxes.

Air Flight Station Maintenance. Accounts for funds dedicated for the Air Flight Station facility.

Louisiana Emergency Shelter Grant. Accounts for a grant for the June Jenkins women's shelter.

**Capital projects funds:**

Admin Building. Accounts for funds dedicated to the construction of the new Police Jury headquarters.

Road Districts No. 6. Accounts for funds dedicated to the construction projects within Road District 6.

South Beauregard Recreation District. Accounts for funds dedicated to construction projects in South Beauregard Recreation District No. 2.

Temporary Courthouse Renovation. Accounts for \$960,000 in proceeds of certificates of indebtedness to be used to purchase temporary courthouse facility.

Courthouse Renovation. Accounts for ¼ cent sales tax to be used for renovation of old courthouse.

**Debt service funds:**

Parish Government Building. Accounts for funds dedicated funding the debt service on the certificates of indebtedness related to construction of the new Police Jury headquarters.

South Beauregard Recreation District. Accounts for funds dedicated funding the debt service on long-term debt related to construction projects within the recreation district.

Fire Protection Districts No. 2 and 4. Accounts for funds dedicated to funding debt service on long-term debt related to construction projects in respective districts.

Combining Balance Sheet - Nonmajor Governmental Funds by Type  
December 31, 2017

	Special Revenue Funds	Capital Projects Funds	Debt Service Funds	Total Nonmajor Governmental Funds
<b>Assets</b>				
Equity in pooled cash and investments	\$ 5,148,535	\$ 81,385	\$ 77,758	\$ 5,307,678
Receivables	2,633,865	-	51,023	2,684,888
Inventory	177,626	-	-	177,626
<b>Total assets</b>	<b>\$ 7,960,026</b>	<b>\$ 81,385</b>	<b>\$ 128,781</b>	<b>\$ 8,170,192</b>
<b>Liabilities</b>				
Accounts payable	\$ 86,060	\$ -	\$ 1,815	\$ 87,875
Retainage payable	-	127,640	36	127,676
Payroll liabilities	118,716	-	-	118,716
Due to other funds	4,135	41,601	-	45,736
Total liabilities	208,911	169,241	1,851	380,003
<b>Deferred Inflows of Resources</b>				
Unavailable revenue	127,889	-	961	128,850
Total deferred inflows of resources	127,889	-	961	128,850
<b>Fund balances</b>				
Non-spendable	177,626	-	-	177,626
Restricted:				
Public works	4,814,619	-	-	4,814,619
Public safety	2,060,038	-	-	2,060,038
Culture and recreation	442,925	-	-	442,925
Other general government	128,018	-	-	128,018
Capital projects	-	(87,856)	-	(87,856)
Debt service	-	-	125,969	125,969
Total fund balances	7,623,226	(87,856)	125,969	7,661,339
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 7,960,026</b>	<b>\$ 81,385</b>	<b>\$ 128,781</b>	<b>\$ 8,170,192</b>

**Combining Schedule of Revenues, Expenditures, and Changes  
in Fund Balances - Nonmajor Governmental Funds by Type  
For the Year Ended December 31, 2017**

	Special Revenue Funds	Capital Projects Funds	Debt Service Funds	Total Nonmajor Governmental Funds
<b>Revenues:</b>				
Local sources:				
Taxes:				
Ad valorem	\$ 2,696,233	\$ -	\$ 53,763	\$ 2,749,996
Sales	619,962	-	-	619,962
Other	107,969	-	-	107,969
Fines and forfeitures	734,160	-	-	734,160
Licenses and permits	200,284	-	-	200,284
Interest income	6,838	74	52	6,964
Other	252,076	-	-	252,076
State sources:				
State revenue sharing	55,379	-	-	55,379
Other state funds	191,546	-	-	191,546
Total revenues	<u>4,864,447</u>	<u>74</u>	<u>53,815</u>	<u>4,918,336</u>
<b>Expenditures:</b>				
General government:				
Judicial	864,260	-	-	864,260
Other general government	6,080	-	-	6,080
Public safety	955,683	-	-	955,683
Public works	2,579,428	82,926	-	2,662,354
Culture and recreation	757,732	-	-	757,732
Other activities	100,856	-	-	100,856
Capital projects	-	1,800,183	-	1,800,183
Debt Service	-	40,679	424,886	465,565
Total expenditures	<u>5,264,039</u>	<u>1,923,788</u>	<u>424,886</u>	<u>7,612,713</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	(399,592)	(1,923,714)	(371,071)	(2,694,377)
<b>Other financing sources (uses):</b>				
Transfers in/(out)	(249,676)	1,693,899	388,484	1,832,707
Proceeds from sale of assets	45,737	-	-	45,737
Total other financing sources (uses)	<u>(203,939)</u>	<u>1,693,899</u>	<u>388,484</u>	<u>1,878,444</u>
<b>Excess (deficiency) of revenues and other sources over (under) expenditures and other uses</b>	(603,531)	(229,815)	17,413	(815,933)
<b>Beginning fund balances</b>	<u>8,226,757</u>	<u>141,959</u>	<u>108,556</u>	<u>8,477,272</u>
<b>Ending fund balances</b>	<u>\$ 7,623,226</u>	<u>\$ (87,856)</u>	<u>\$ 125,969</u>	<u>\$ 7,661,339</u>

Combining Balance Sheet - Nonmajor Special Revenue Funds  
December 31, 2017

	Building Code Compliance	Hyatt Community Center	Special Federal Fund	Road District No. 1	Road District No. 2	Road District No. 3	Road District No. 4	Road District No. 5	Road District No. 7	Road District No. 8
<b>Assets</b>										
Equity in pooled cash	\$ 56,731	\$ (169)	\$ 3	\$ 488,406	\$ 696,545	\$ 498,203	\$ 653,418	\$ 347,372	\$ 467,345	\$ 360,533
Receivables	1,428	2,606	-	759	261,708	371,746	382,047	168,189	195,033	87,419
Inventory	-	-	-	39,976	36,417	32,529	35,003	10,950	15,247	7,504
<b>Total assets</b>	<b>\$ 58,159</b>	<b>\$ 2,437</b>	<b>\$ 3</b>	<b>\$ 529,141</b>	<b>\$ 994,670</b>	<b>\$ 902,478</b>	<b>\$ 1,070,468</b>	<b>\$ 526,511</b>	<b>\$ 677,625</b>	<b>\$ 455,456</b>
<b>Liabilities</b>										
Accounts payable	\$ -	\$ 438	\$ 8,006	\$ 2,634	\$ 4,861	\$ 2,847	\$ 12,433	\$ 120	\$ 284	\$ 391
Payroll liabilities	1,094	-	-	672	10,695	15,655	15,955	6,770	7,784	3,963
Due to other funds	-	-	-	-	-	-	-	-	-	-
<b>Total liabilities</b>	<b>1,094</b>	<b>438</b>	<b>8,006</b>	<b>3,306</b>	<b>15,556</b>	<b>18,502</b>	<b>28,388</b>	<b>6,890</b>	<b>8,068</b>	<b>4,354</b>
<b>Deferred Inflows of Resources</b>										
Unavailable revenue	-	-	-	-	11,323	29,372	9,913	8,847	25,229	5,638
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,323</b>	<b>29,372</b>	<b>9,913</b>	<b>8,847</b>	<b>25,229</b>	<b>5,638</b>
<b>Fund balances</b>										
Non-spendable - inventory	-	-	-	39,976	36,417	32,529	35,003	10,950	15,247	7,504
Restricted:										
Public works	-	-	-	485,859	931,374	822,075	997,164	499,824	629,081	437,960
Public safety	-	-	-	-	-	-	-	-	-	-
Culture and recreation	-	1,999	-	-	-	-	-	-	-	-
Other general government	57,065	-	(8,003)	-	-	-	-	-	-	-
<b>Total fund balances</b>	<b>57,065</b>	<b>1,999</b>	<b>(8,003)</b>	<b>525,835</b>	<b>967,791</b>	<b>854,604</b>	<b>1,032,167</b>	<b>510,774</b>	<b>644,328</b>	<b>445,464</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 58,159</b>	<b>\$ 2,437</b>	<b>\$ 3</b>	<b>\$ 529,141</b>	<b>\$ 994,670</b>	<b>\$ 902,478</b>	<b>\$ 1,070,468</b>	<b>\$ 526,511</b>	<b>\$ 677,625</b>	<b>\$ 455,456</b>

Combining Balance Sheet - Nonmajor Special Revenue Funds (Concluded)  
December 31, 2017

	Tourist Commission	Fire Protection District No. 2	Merryville Visitor Center	Beauregard Covered Arena	War Memorial Civic Center	Air Flight Station Maintenance	Fire Protection District No. 4	Criminal Court	Louisiana Emergency Shelter Grant	Total
<b>Assets</b>										
Equity in pooled cash	\$ 11	\$ 537,784	\$ 4,354	\$ -	\$ 199,810	\$ 11,282	\$ 766,046	\$ 60,861	\$ -	\$ 5,148,535
Receivables	7,018	435,613	-	1,085	276,764	-	395,617	46,833	-	2,633,865
Inventory	-	-	-	-	-	-	-	-	-	177,626
<b>Total assets</b>	<b>\$ 7,029</b>	<b>\$ 973,397</b>	<b>\$ 4,354</b>	<b>\$ 1,085</b>	<b>\$ 476,574</b>	<b>\$ 11,282</b>	<b>\$ 1,161,663</b>	<b>\$ 107,694</b>	<b>\$ -</b>	<b>\$ 7,960,026</b>
<b>Liabilities</b>										
Accounts payable	\$ 2,051	\$ 6,701	\$ 19	\$ 5,966	\$ 8,378	\$ -	\$ 8,107	\$ 22,824	\$ -	\$ 86,060
Payroll liabilities	1,481	15,496	314	792	12,867	-	16,067	9,111	-	118,716
Due to other funds	-	-	-	3,835	-	-	-	-	300	4,135
Total liabilities	3,532	22,197	333	10,593	21,245	-	24,174	31,935	300	208,911
<b>Deferred Inflows of Resources</b>										
Unavailable revenue	-	8,208	-	-	8,916	-	20,443	-	-	127,889
Total deferred inflows of resources	-	8,208	-	-	8,916	-	20,443	-	-	127,889
<b>Fund balances</b>										
Nonexpendable - inventory	-	-	-	-	-	-	-	-	-	177,626
Restricted:										
Public works	-	-	-	-	-	11,282	-	-	-	4,814,619
Public safety	-	942,992	-	-	-	-	1,117,046	-	-	2,060,038
Culture and recreation	-	-	4,021	(9,508)	446,413	-	-	-	-	442,925
Other general government	3,497	-	-	-	-	-	-	75,759	(300)	128,018
Total fund balances	3,497	942,992	4,021	(9,508)	446,413	11,282	1,117,046	75,759	(300)	7,623,226
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 7,029</b>	<b>\$ 973,397</b>	<b>\$ 4,354</b>	<b>\$ 1,085</b>	<b>\$ 476,574</b>	<b>\$ 11,282</b>	<b>\$ 1,161,663</b>	<b>\$ 107,694</b>	<b>\$ -</b>	<b>\$ 7,960,026</b>

Combining Schedule of Revenues, Expenditures, and  
Changes in Fund Balances - Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2017

	Building Code Compliance	Hyatt Community Center	Special Federal Fund	Road District No. 1	Road District No. 2	Road District No. 3	Road District No. 4	Road District No. 5	Road District No. 7	Road District No. 8
<b>Revenues:</b>										
Local sources:										
Taxes:										
Ad valorem	\$ -	\$ -	\$ -	\$ -	\$ 251,571	\$ 375,934	\$ 417,441	\$ 174,652	\$ 190,731	\$ 94,407
Sales	-	-	-	88,566	88,566	88,566	88,566	88,566	88,566	88,566
Other taxes	-	-	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-	-	-
Licenses and permits	193,034	-	-	2,500	1,000	-	2,750	1,000	-	-
Interest income	156	-	-	637	930	733	802	505	477	357
Other	78	5,294	-	2,308	8,142	11,788	8,910	4,401	5,926	5,926
State sources:										
State revenue sharing	-	-	-	-	4,785	21,772	3,966	2,434	22,422	-
Other state funds	-	-	-	1,235	4,484	-	-	476	(1,875)	-
Total revenues	193,268	5,294	-	95,246	359,478	498,793	522,435	272,034	306,247	189,256
<b>Expenditures:</b>										
General government:										
Judicial	-	-	-	-	-	-	-	-	-	-
Other general government	6,080	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-	-
Public works	197,192	-	8,006	305,567	388,247	488,061	462,799	241,411	304,135	184,010
Culture and recreation	-	17,882	-	-	-	-	-	-	-	-
Other activities	97,208	-	-	-	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-	-	-	-	-
Total expenditures	300,480	17,882	8,006	305,567	388,247	488,061	462,799	241,411	304,135	184,010
<b>Excess (deficiency) of revenues over (under) expenditures</b>	(107,212)	(12,588)	(8,006)	(210,321)	(28,769)	10,732	59,636	30,623	2,112	5,246
<b>Other financing sources (uses):</b>										
Transfers in/(out)	-	14,587	-	(98,526)	(265,527)	(147,513)	(3,113)	(178,802)	50,000	50,000
Proceeds from sale of assets	-	-	-	760	800	16,984	2,452	760	124	124
Total other financing sources (uses)	-	14,587	-	(97,766)	(264,727)	(130,529)	(661)	(178,042)	50,124	50,124
<b>Excess (deficiency) of revenues and other sources over (under) expenditures and other uses</b>	(107,212)	1,999	(8,006)	(308,087)	(293,496)	(119,797)	58,975	(147,419)	52,236	55,370
<b>Beginning fund balances</b>	164,277	-	3	833,922	1,261,287	974,401	973,192	658,193	592,092	390,094
<b>Ending fund balances</b>	\$ 57,065	\$ 1,999	\$ (8,003)	\$ 525,835	\$ 967,791	\$ 854,604	\$ 1,032,167	\$ 510,774	\$ 644,328	\$ 445,464

**BEAUREGARD PARISH POLICE JURY**  
**DeRidder, Louisiana**

**Schedule 4**

**Combining Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Nonmajor Special Revenue Funds (concluded)  
For the Year Ended December 31, 2017**

	Tourist Commission	Fire Protection District No. 2	Merryville Visitor Center	Beauregard Covered Arena	War Memorial Civic Center	Air Flight Station Maintenance	Fire Protection District No. 4	Criminal Court	Louisiana Emergency Shelter Grant	Total
<b>Revenues:</b>										
Local sources:										
Taxes:										
Ad valorem	\$ -	\$ 466,683	\$ -	\$ -	\$ 299,990	\$ -	\$ 424,824	\$ -	\$ -	\$ 2,696,233
Sales	-	-	-	-	-	-	-	-	-	619,962
Other taxes	107,969	-	-	-	-	-	-	-	-	107,969
Fines and forfeitures	-	-	-	-	-	-	-	734,160	-	734,160
Licenses and permits	-	-	-	-	-	-	-	-	-	200,284
Interest income	58	638	6	-	387	8	808	336	-	6,838
Other	45,371	12,185	63	107,607	23,503	3,400	43	7,131	-	252,076
State sources:										
State revenue sharing	-	-	-	-	-	-	-	-	-	55,379
Other state funds	26,320	24,843	26,320	72,619	-	-	37,124	-	-	191,546
<b>Total revenues</b>	<b>179,718</b>	<b>504,349</b>	<b>26,389</b>	<b>180,226</b>	<b>323,880</b>	<b>3,408</b>	<b>462,799</b>	<b>741,627</b>	<b>-</b>	<b>4,864,447</b>
<b>Expenditures:</b>										
General government:										
Judicial	-	-	-	-	-	-	-	864,260	-	864,260
Other general government	-	-	-	-	-	-	-	-	-	6,080
Public safety	-	471,497	-	-	-	-	295,056	189,130	-	955,683
Public works	-	-	-	-	-	-	-	-	-	2,579,428
Culture and recreation	186,482	-	38,148	186,134	329,086	-	-	-	-	757,732
Other activities	-	-	-	-	-	3,648	-	-	-	100,856
Capital outlay	-	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>186,482</b>	<b>471,497</b>	<b>38,148</b>	<b>186,134</b>	<b>329,086</b>	<b>3,648</b>	<b>295,056</b>	<b>1,053,390</b>	<b>-</b>	<b>5,264,039</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(6,764)</b>	<b>32,852</b>	<b>(11,759)</b>	<b>(5,908)</b>	<b>(5,206)</b>	<b>(240)</b>	<b>167,743</b>	<b>(311,763)</b>	<b>-</b>	<b>(399,592)</b>
<b>Other financing sources (uses):</b>										
Transfers in/(out)	10,261	(19,071)	8,858	(3,599)	-	-	(54,447)	387,520	(304)	(249,676)
Proceeds from sale of assets	-	7,699	-	-	-	-	16,034	-	-	45,737
<b>Total other financing sources (uses)</b>	<b>10,261</b>	<b>(11,372)</b>	<b>8,858</b>	<b>(3,599)</b>	<b>-</b>	<b>-</b>	<b>(38,413)</b>	<b>387,520</b>	<b>(304)</b>	<b>(203,939)</b>
<b>Excess (deficiency) of revenues and other sources over (under) expenditures and other uses</b>	<b>3,497</b>	<b>21,480</b>	<b>(2,901)</b>	<b>(9,507)</b>	<b>(5,206)</b>	<b>(240)</b>	<b>129,330</b>	<b>75,757</b>	<b>(304)</b>	<b>(603,531)</b>
<b>Beginning fund balances</b>	<b>-</b>	<b>921,512</b>	<b>6,922</b>	<b>(1)</b>	<b>451,619</b>	<b>11,522</b>	<b>987,716</b>	<b>2</b>	<b>4</b>	<b>8,226,757</b>
<b>Ending fund balances</b>	<b>\$ 3,497</b>	<b>\$ 942,992</b>	<b>\$ 4,021</b>	<b>\$ (9,508)</b>	<b>\$ 446,413</b>	<b>\$ 11,282</b>	<b>\$ 1,117,046</b>	<b>\$ 75,759</b>	<b>\$ (300)</b>	<b>\$ 7,623,226</b>

Combining Balance Sheet - Nonmajor Capital Projects Funds  
December 31, 2017

	Road District No. 3	Road District No. 4	Road District No. 6	South Beauregard Recreation District	Gothic Jail	Total
<b>Assets</b>						
Equity in pooled cash	\$ -	\$ 75,257	\$ -	\$ 6,128	\$ -	\$ 81,385
Investments	-	-	-	-	-	-
Receivables	-	-	-	-	-	-
Interfund receivable	-	-	-	-	-	-
Inventory	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ -</b>	<b>\$ 75,257</b>	<b>\$ -</b>	<b>\$ 6,128</b>	<b>\$ -</b>	<b>\$ 81,385</b>
<b>Liabilities and fund equity</b>						
Liabilities:						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retainage payable	127,640	-	-	-	-	127,640
Payroll liabilities	-	-	-	-	-	-
Deferred revenues	-	-	-	-	-	-
Due to other funds	41,601	-	-	-	-	41,601
Total liabilities	169,241	-	-	-	-	169,241
Fund equity:						
Fund balances:						
Nonexpendable - Inventory	(169,241)	75,257	-	6,128	-	(87,856)
Restricted - capital projects	(169,241)	75,257	-	6,128	-	(87,856)
Total fund equity	(169,241)	75,257	-	6,128	-	(87,856)
Total liabilities and fund equity	\$ -	\$ 75,257	\$ -	\$ 6,128	\$ -	\$ 81,385

Combining Schedule of Revenues, Expenditures, and  
Changes in Fund Balances - Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2017

	Consolidated Road District	Road District No. 4	Road District No. 6	South Beauregard Recreation District	Gothic Jail	Total
<b>Revenues:</b>						
Local sources:						
Interest income	\$ -	\$ 68	\$ -	\$ 6	\$ -	\$ 74
Total revenues	-	68	-	6	-	74
<b>Expenditures:</b>						
Public works	91	-	63,629	19,206	-	82,926
Capital projects	1,800,183	-	-	-	-	1,800,183
Debt Service	-	-	-	40,679	-	40,679
Total expenditures	1,800,274	-	63,629	59,885	-	1,923,788
<b>Excess (deficiency) of revenues over (under) expenditures</b>	(1,800,274)	68	(63,629)	(59,879)	-	(1,923,714)
<b>Other financing sources (uses):</b>						
Transfers in/(out)	1,631,034	(68)	63,629	23,901	(24,597)	1,693,899
Total other financing sources (uses)	1,631,034	(68)	63,629	23,901	(24,597)	1,693,899
<b>Excess (deficiency) of revenues and other sources over (under) expenditures and other uses</b>	(169,240)	-	-	(35,978)	(24,597)	(229,815)
<b>Beginning fund balances</b>	(1)	75,257	-	42,106	24,597	141,959
<b>Ending fund balances</b>	\$ (169,241)	\$ 75,257	\$ -	\$ 6,128	\$ -	\$ (87,856)

Combining Balance Sheet - Nonmajor Debt Service Funds  
December 31, 2017

	South Beauregard Recreation District	Fire Protection District No. 4	Fire Protection District No. 2	Temporary Courthouse	Total
<b>Assets</b>					
Equity in pooled cash	\$ -	\$ -	\$ 77,758	\$ -	\$ 77,758
Receivables	-	-	51,023	-	51,023
<b>Total assets</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 128,781</b>	<b>\$ -</b>	<b>\$ 128,781</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Equity</b>					
Liabilities:					
Accounts payable	\$ 36	\$ -	\$ -	\$ -	\$ 36
Payroll liabilities	-	-	1,815	-	1,815
Total liabilities	36	-	1,815	-	1,851
Deferred inflows of resources:					
Unavailable revenue	-	-	961	-	961
Total deferred inflows of resources	-	-	961	-	961
Fund equity:					
Fund balances:					
Restricted - debt service	(36)	-	126,005	-	125,969
Total fund equity	(36)	-	126,005	-	125,969
Total liabilities and fund equity	\$ -	\$ -	\$ 128,781	\$ -	\$ 128,781

Combining Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Nonmajor Debt Service Funds  
For the Year Ended December 31, 2017

	South Beauregard Recreation District	Fire Protection District No. 4	Fire Protection District No. 2	Temporary Courthouse	Total
<b>Revenues:</b>					
Local sources:					
Taxes:					
Ad valorem	\$ -	\$ -	\$ 53,763	\$ -	\$ 53,763
Interest income	-	-	52	-	52
Total revenues	<u>-</u>	<u>-</u>	<u>53,815</u>	<u>-</u>	<u>53,815</u>
<b>Expenditures:</b>					
Debt Service	196,488	54,447	55,438	118,513	424,886
Total expenditures	<u>196,488</u>	<u>54,447</u>	<u>55,438</u>	<u>118,513</u>	<u>424,886</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	(196,488)	(54,447)	(1,623)	(118,513)	(371,071)
<b>Other financing sources (uses):</b>					
Transfers in/(out)	196,453	54,447	19,071	118,513	388,484
Total other financing sources (uses)	196,453	54,447	19,071	118,513	388,484
<b>Excess (deficiency) of revenues and other sources over (under) expenditures and other uses</b>	(35)	-	17,448	-	17,413
Beginning fund balances	<u>(1)</u>	<u>-</u>	<u>108,557</u>	<u>-</u>	<u>108,556</u>
Ending fund balances	<u>\$ (36)</u>	<u>\$ -</u>	<u>\$ 126,005</u>	<u>\$ -</u>	<u>\$ 125,969</u>

**BEAUREGARD PARISH POLICE JURY**  
**DeRidder, Louisiana**

**Schedule 9**

**Schedule of Compensation Paid to Jury Members**  
**For the Year Ended December 31, 2017**

<u>MEMBERS</u>	<u>DISTRICT</u>	<u>AMOUNT</u>
Gerald M. "Mike" McLeod	1	\$ 19,200
N. R. "Rusty" Williamson	2	19,200
Carlos R. Archield	3-A	19,200
S. E. "Teddy" Welch	3-B	19,200
Elvin "Doc" Holliday	3-C	19,200
Michael E. Harper	3-D	19,200
Jerry L. Shirley	3-E	19,200
John A. Stebins	4-A	19,200
Ronnie L. Jackson	4-B	19,200
Ronald P. Libick	5	19,200
		<u>\$ 192,000</u>

Schedule of Compensation, Benefits and Other Payments to  
Agency Head or Chief Executive Officer

For the Year Ended December 31, 2017

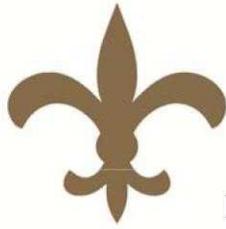
**Agency Head Name: ROBERT "BOBBY" HENNIGAN (January – March 2017)**

<b>Purpose</b>	<b>Amount</b>
Salary	\$13,253.52
Benefits-insurance	0.00
Benefits-retirement	1,656.69
Benefits-	0.00
Car allowance	0.00
Vehicle provided by government	0.00
Per diem	0.00
Reimbursements	241.13
Travel (PERSONAL VEHICLE)	0.00
Registration fees	0.00
Conference travel	0.00
Continuing professional education fees	0.00
Housing	0.00
Unvouchered expenses	0.00
Special meals	0.00

**Agency Head Name: JAMES BRYAN MCREYNOLDS**

<b>Purpose</b>	<b>Amount</b>
Salary	\$78,461.46
Benefits-insurance	9,842.80
Benefits-retirement	9,423.19
Benefits-	0.00
Car allowance	0.00
Vehicle provided by government	0.00
Per diem	1,026.78
Reimbursements	57.15
Travel (PERSONAL VEHICLE)	0.00
Registration fees	248.93
Conference travel	0.00
Continuing professional education fees	0.00
Housing	0.00
Unvouchered expenses	0.00
Special meals	0.00

REPORTS AND ADDITIONAL INFORMATION REQUIRED BY  
*GOVERNMENT AUDITING STANDARDS*



# J. Aaron Cooper , CPA, LLC

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P.O. Box 918 • 510 North Cutting Avenue • Jennings, Louisiana 70546  
768 Parish Line Road • DeRidder, Louisiana 70634

*Member of the American Institute of Certified Public Accountants and the Society of Louisiana Certified Public Accountants*

**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***

Beauregard Parish Police Jury  
DeRidder, Louisiana

I have audited, 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Beauregard Parish Police Jury as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Police Jury's basic financial statements and have issued my report thereon dated June 30, 2018.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the Police Jury's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Police Jury's internal controls over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Police Jury's internal control over financial reporting.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the 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.

My consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the internal control that might be material weaknesses or significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Police Jury's financial statements are free of material misstatement, I 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 my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed instances of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and are described in the accompanying schedule of findings and questioned costs as Findings 2017-1(C) and 2017-2(C).

Police Jury's Response to Findings

The Police Jury's response to the findings identified in my audit is described in the accompanying schedule of findings and questioned costs. I did not audit the Police Jury's response and, accordingly, I express no opinion on it.

Purpose of this Report

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

This report is intended solely for the information and use of the Beauregard Parish Police Jury, the Police Jury's management, the Legislative Auditor of the State of Louisiana, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Handwritten signature in blue ink that reads "J. Aaron Cozart, CPA, LLC".

DeRidder, Louisiana  
June 30, 2018

**BEAUREGARD PARISH POLICE JURY**  
**DeRidder, Louisiana**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended December 31, 2017**

**Section I - Summary of Audit Results**

Financial Statements

Type of auditors' report issued:

Opinion Unit

Governmental Activities  
 Aggregate Discretely Presented Component Units  
 General Fund  
 Parishwide Road Special Revenue Fund  
 Road District No. 6 Special Revenue Fund  
 Sales Tax District No. 1 Special Revenue Fund  
 Health Unit Fund Special Revenue Fund  
 Criminal Court Fund Special Revenue Fund  
 S. Beau. Recreation District No. 2 Special Revenue Fund  
 S. Beau. Recreation District No. 2 Capital Projects Fund  
 Aggregate Remaining Fund Information

Type of Opinion

Unmodified  
 Adverse  
 Unmodified  
 Unmodified  
 Unmodified  
 Unmodified  
 Unmodified  
 Unmodified  
 Unmodified  
 Unmodified  
 Unmodified

Internal control over financial reporting:

- Material weaknesses identified? No
- Significant deficiencies identified that are not considered to be material weaknesses? No

Noncompliance material to financial statements noted? No

Federal Programs – N/A

**BEAUREGARD PARISH POLICE JURY**  
**DeRidder, Louisiana**  
**Corrective Action Plan for Current Year Findings**  
**For the Year Ended December 31, 2017**

**Internal Control - Financial Statements:**

None

**Compliance - Financial Statement Audit:**

*Finding 2017-1(C) – Compliance with Bid Law (RESOLVED)*

Finding. The Police Jury did not bid out some of its fuel purchases during the year ended December 31, 2017.

Criteria. State law requires that materials purchases over \$30,000 to be bid out.

Effect. Failure to bid fuel purchases caused the Police Jury to be out of compliance with state law.

Cause. Due to fluctuating prices of fuel, the Police Jury would get phone quotes every time it purchased fuel.

Recommendation. The Police Jury recognized that it was not in compliance with bid law during the year and bid out fuel purchases based on the published spot rate. It appears that the issue has been corrected; no recommendation is necessary.

Management's Response. Management feels that the issue has been corrected.

Contact Person. Shantel Alleman, Secretary/Treasurer

*Finding 2017-2(C) – Compliance with Budget Law*

Finding. The budget variances on the Sales Tax Fund exceeded 5%.

Criteria. State law requires that budgeted revenues and expenditures be within 5% of actual.

Effect. Failure to properly amend the budget caused the Police Jury to be out of compliance with state law.

Cause. It appears that end-of-the-year accruals caused the variance.

Recommendation. The Police Jury should amend its budget when it realizes that there is a variance in excess of 5%.

Management's Response. Management is monitoring the budget during the year and proposed three amendments during the year which were approved. However, it appears some year end accruals were different than expected, causing the variances noted above.

Contact Person. Shantel Alleman, Secretary/Treasurer

**BEAUREGARD PARISH POLICE JURY**  
**DeRidder, Louisiana**  
**Schedule of Prior Year Findings**  
**For the Year Ended December 31, 2017**

**Internal Control - Financial Statements:**

*Finding 2016-1(IC) – Management Review of Accounting Records (RESOLVED)*

Finding. For the first half of the year, the work of the accounting staff was not consistently signed off as reviewed by a member of management. After that point, the issue appears to have been resolved.

Criteria. Review of staff work by a member of management is an effective internal control procedure.

Effect. Without proper internal control, errors within the financial records or fraud could occur and go undetected.

Cause. There was inconsistent management review of the accounting records in place during the first half of the year.

Recommendation. No recommendation is necessary as finding appears to have been resolved.

Corrective Action Taken. Once new management was informed of the issue during last year's audit, the auditor's recommendation was implemented.

*Finding 2016-2(IC) – Master Bank Accounts Reconciliation (RESOLVED)*

Finding. The activity in the payroll liability accounts in the Master Bank Fund was reconciled each month during the year, however, the year end accruals were not correct. However, once the year end accruals were corrected, it appears that the master bank accounts were correct going forward.

Criteria. All balance sheet accounts in all funds should be reconciled timely and such reconciliations reviewed by a member of management.

Effect. At the end of the year, some of the payroll liability accounts had to be adjusted.

Cause. It appears that there were some prior year amounts remaining in the general ledger that needed to be corrected.

Recommendation. Management should make sure going forward that the payroll liability accounts are correct.

Corrective Action Taken. The payroll liabilities in the Master Bank Account were reconciled for the year ended December 31, 2017.

**BEAUREGARD PARISH POLICE JURY**  
**DeRidder, Louisiana**  
**Schedule of Prior Year Findings (continued)**  
**For the Year Ended December 31, 2017**

*Finding 2016-3(IC) – Fixed Asset Inventory System*

Finding. The beginning balances per the new fixed asset system does not reconcile to last year's audited amounts.

Criteria. The inventory of fixed assets should be reconciled to the other accounting records.

Effect. The finding could result in a misstatement in the financial statements.

Cause. It appears that the conversion from the old system to the new system contained errors.

Recommendation. Management should reconcile the new system to the old system and make adjustments.

Corrective Action Taken. The fixed assets system was corrected for the year ended December 31, 2017.

**Compliance - Financial Statement Audit:**

*Finding 2016-1(C) – Compliance with Open Meetings Law (RESOLVED)*

Finding. The Police Jury did not publish the minutes of its meetings in its official journal for nine months.

Criteria. State law requires that the minutes of meetings of the Police Jury be published in the official journal.

Effect. Failure to publish the minutes caused the Police Jury to be out of compliance with state law.

Cause. It was the responsibility of the former secretary/treasurer to ensure that the minutes were published.

Recommendation. The Police Jury has been in compliance since new Secretary/Treasurer assumed responsibility. No further action considered necessary.

Corrective Action Taken. The Police Jury complied with Open Meetings Law during the year ended December 31, 2017.

**BEAUREGARD PARISH POLICE JURY**  
**DeRidder, Louisiana**  
**Schedule of Prior Year Findings (concluded)**  
**For the Year Ended December 31, 2017**

*Finding 2016-2(C) – Collateralization of bank deposits (RESOLVED)*

Finding. A portion of the Police Jury’s bank deposits were not adequately collateralized by pledged securities at year end. The issue was rectified by the end of January 2017.

Criteria. State law requires that all public funds held in bank accounts be adequately collateralized at all times.

Effect. Failure to maintain adequate collateral caused the Police Jury to be out of compliance with state law and potentially put the Police Jury’s bank deposits at risk.

Cause. It appears that information regarding several pledged securities transactions was not forwarded to the person responsible for tracking pledged securities.

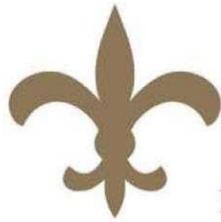
Recommendation. The Police Jury should monitor the adequacy of pledged securities, making sure that information regarding the pledge and release of collateral is forwarded to the person responsible for compliance. Additionally, there should be communication with the banks when large deposits are anticipated so that there is enough time for the bank to add collateral.

Corrective Action Taken. The Police Jury’s bank deposits were fully collateralized at December 31, 2017.

**BEAUREGARD PARISH POLICE JURY**

**STATEWIDE AGREED-UPON  
PROCEDURES REPORT**

**For the Year Ended December 31, 2017**



# J. Aaron Cooper , CPA, LLC

P.O. Box 918 • 510 North Cutting Avenue • Jennings, Louisiana 70546

*Member of the American Institute of Certified Public Accountants and the Society of Louisiana Certified Public Accountants.*

*Recipient of Advanced Single Audit Certificate*

## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Beauregard Parish Police Jury  
DeRidder, Louisiana

I have performed the procedures enumerated below, which were agreed to by the Beauregard Parish Police Jury and the Legislative Auditor, State of Louisiana, on the control and compliance areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2017 through December 31, 2017. The Entity's management is responsible for those control and compliance 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 the report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

### ***Written Policies and Procedures***

---

1. Obtain the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the entity does not have any written policies and procedures), as applicable:
  - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget
  - b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.
  - c) ***Disbursements***, including processing, reviewing, and approving
  - d) ***Receipts***, including receiving, recording, and preparing deposits
  - e) ***Payroll/Personnel***, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.

- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process
- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, and (5) monitoring card usage
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy. Note: Ethics requirements are not applicable to nonprofits.
- j) **Debt Service**, including (1) debt issuance approval, (2) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

*The Police Jury maintains written policies for all of the foregoing areas.*

***Board (or Finance Committee, if applicable)***

---

- 2. Obtain and review the board/committee minutes for the fiscal period, and:
  - a) Report whether the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.
  - b) Report whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and any additional funds identified as major funds in the entity's prior audit (GAAP-basis).
    - If the budget-to-actual comparisons show that management was deficit spending during the fiscal period, report whether there is a formal/written plan to eliminate the deficit spending for those entities with a fund balance deficit. If there is a formal/written plan, report whether the meeting minutes for at least one board meeting during the fiscal period reflect that the board is monitoring the plan.
  - c) Report whether the minutes referenced or included non-budgetary financial information (e.g. approval of contracts and disbursements) for at least one meeting during the fiscal period.

*The Police Jury and the Finance Committee meet monthly. No meetings without a quorum were noted. The minutes of the meetings mentioned monthly budget-to-actual reports. There were numerous references to non-budgetary financial information in the minutes during the year.*

### **Bank Reconciliations**

---

3. Obtain a listing of client bank accounts from management and management's representation that the listing is complete.
4. Using the listing provided by management, select all of the entity's bank accounts (if five accounts or less) or one-third of the bank accounts on a three year rotating basis (if more than 5 accounts). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. For each of the bank accounts selected, obtain bank statements and reconciliations for all months in the fiscal period and report whether:
  - a) Bank reconciliations have been prepared;
  - b) Bank reconciliations include evidence that a member of management or a board member (with no involvement in the transactions associated with the bank account) has reviewed each bank reconciliation; and
  - c) If applicable, management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months as of the end of the fiscal period.

<i>All bank reconciliations were tested. The reconciliations were all prepared and properly approved. There were no stale-dated checks noted.</i>
---

### **Collections**

---

5. Obtain a listing of cash/check/money order (cash) collection locations and management's representation that the listing is complete.
6. Using the listing provided by management, select all of the entity's cash collection locations (if five locations or less) or one-third of the collection locations on a three year rotating basis (if more than 5 locations). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. **For each cash collection location selected:**
  - a) Obtain existing written documentation (e.g. insurance policy, policy manual, job description) and report whether each person responsible for collecting cash is (1) bonded, (2) not responsible for depositing the cash in the bank, recording the related transaction, or reconciling the related bank account (report if there are compensating controls performed by an outside party), and (3) not required to share the same cash register or drawer with another employee.
  - b) Obtain existing written documentation (e.g. sequentially numbered receipts, system report, reconciliation worksheets, policy manual) and report whether the entity has a formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, by a person who is not responsible for cash collections in the cash collection location selected.

- c) Select the highest (dollar) week of cash collections from the general ledger or other accounting records during the fiscal period and:
  - Using entity collection documentation, deposit slips, and bank statements, trace daily collections to the deposit date on the corresponding bank statement and report whether the deposits were made within one day of collection. If deposits were not made within one day of collection, report the number of days from receipt to deposit for each day at each collection location.
  - Using sequentially numbered receipts, system reports, or other related collection documentation, verify that daily cash collections are completely supported by documentation and report any exceptions.
7. Obtain existing written documentation (e.g. policy manual, written procedure) and report whether the entity has a process specifically defined (identified as such by the entity) to determine completeness of all collections, including electronic transfers, for each revenue source and agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation) by a person who is not responsible for collections.

*Cash collection is performed at the main office. The Police Jury does not have a formal process to reconcile cash collections to the general ledger. No exceptions were noted during testing of receipts.*

***Disbursements – General (excluding credit card/debit card/fuel card/P-Card purchases or payments)***

---

8. Obtain a listing of entity disbursements from management or, alternately, obtain the general ledger and sort/filter for entity disbursements. Obtain management's representation that the listing or general ledger population is complete.
9. Using the disbursement population from #8 above, randomly select 25 disbursements (or randomly select disbursements constituting at least one-third of the dollar disbursement population if the entity had less than 25 transactions during the fiscal period), excluding credit card/debit card/fuel card/P-card purchases or payments. Obtain supporting documentation (e.g. purchase requisitions, system screens/logs) for each transaction and report whether the supporting documentation for each transaction demonstrated that:
  - a) Purchases were initiated using a requisition/purchase order system or an equivalent electronic system that separates initiation from approval functions in the same manner as a requisition/purchase order system.
  - b) Purchase orders, or an electronic equivalent, were approved by a person who did not initiate the purchase.
  - c) Payments for purchases were not processed without (1) an approved requisition and/or purchase order, or electronic equivalent; a receiving report showing receipt of goods purchased, or electronic equivalent; and an approved invoice.

10. Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the person responsible for processing payments is prohibited from adding vendors to the entity's purchasing/disbursement system.
11. Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the persons with signatory authority or who make the final authorization for disbursements have no responsibility for initiating or recording purchases.
12. Inquire of management and observe whether the supply of unused checks is maintained in a locked location, with access restricted to those persons that do not have signatory authority, and report any exceptions. Alternately, if the checks are electronically printed on blank check stock, review entity documentation (electronic system control documentation) and report whether the persons with signatory authority have system access to print checks.
13. If a signature stamp or signature machine is used, inquire of the signer whether his or her signature is maintained under his or her control or is used only with the knowledge and consent of the signer. Inquire of the signer whether signed checks are likewise maintained under the control of the signer or authorized user until mailed. Report any exceptions.

*I downloaded a listing of all disbursements from the accounting system and randomly selected 25 for testing (excluding credit card transactions). No exceptions were noted. Only the bookkeeper with no other accounts payable responsibilities has authorization within the accounting system to add vendors. Signatories do not have a responsibility for initiating or recording purchases. Check stock is stored in the safe and the Secretary/Treasurer's office (which remains locked when she is not there). The signature stamp is properly controlled; however, the signatories do not maintain the signed checks until mailed.*

#### **Credit Cards/Debit Cards/Fuel Cards/P-Cards**

---

14. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards), including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
15. Using the listing prepared by management, randomly select 10 cards (or at least one-third of the cards if the entity has less than 10 cards) that were used during the fiscal period, rotating cards each year. If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner.

Obtain the monthly statements, or combined statements if multiple cards are on one statement, for the selected cards. Select the monthly statement or combined statement with the largest dollar activity for each card (for a debit card, select the monthly bank statement with the largest dollar amount of debit card purchases) and:

- a) Report whether there is evidence that the monthly statement or combined statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder. [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) Report whether finance charges and/or late fees were assessed on the selected statements.
16. Using the monthly statements or combined statements selected under #15 above, obtain supporting documentation for all transactions for each of the 10 cards selected (i.e. each of the 10 cards should have one month of transactions subject to testing).
- a) For each transaction, report whether the transaction is supported by:
    - An original itemized receipt (i.e., identifies precisely what was purchased)
    - Documentation of the business/public purpose. For meal charges, there should also be documentation of the individuals participating.
    - Other documentation that may be required by written policy (e.g., purchase order, written authorization.)
  - b) For each transaction, compare the transaction's detail (nature of purchase, dollar amount of purchase, supporting documentation) to the entity's written purchasing/disbursement policies and the Louisiana Public Bid Law (i.e. transaction is a large or recurring purchase requiring the solicitation of bids or quotes) and report any exceptions.
  - c) For each transaction, compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. cash advances or non-business purchases, regardless whether they are reimbursed). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

*I obtained a listing of all credit cards and selected 10 for testing. For each card, I determined the month with the largest activity and performed the foregoing tests. I noted that there were missing receipts especially on the fuel cards used by Fire District No. 4. Additionally, there were interest and late charges on some of the credit card statements.*

## ***Travel and Expense Reimbursement***

---

17. Obtain from management a listing of all travel and related expense reimbursements, by person, during the fiscal period or, alternately, obtain the general ledger and sort/filter for travel reimbursements. Obtain management's representation that the listing or general ledger is complete.
18. Obtain the entity's written policies related to travel and expense reimbursements. Compare the amounts in the policies to the per diem and mileage rates established by the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)) and report any amounts that exceed GSA rates.
19. Using the listing or general ledger from #17 above, select the three persons who incurred the most travel costs during the fiscal period. Obtain the expense reimbursement reports or prepaid expense documentation of each selected person, including the supporting documentation, and choose the largest travel expense for each person to review in detail. For each of the three travel expenses selected:
  - a) Compare expense documentation to written policies and report whether each expense was reimbursed or prepaid in accordance with written policy (e.g., rates established for meals, mileage, lodging). If the entity does not have written policies, compare to the GSA rates (#18 above) and report each reimbursement that exceeded those rates.
  - b) Report whether each expense is supported by:
    - An original itemized receipt that identifies precisely what was purchased. [Note: An expense that is reimbursed based on an established per diem amount (e.g., meals) does not require a receipt.]
    - Documentation of the business/public purpose (Note: For meal charges, there should also be documentation of the individuals participating).
    - Other documentation as may be required by written policy (e.g., authorization for travel, conference brochure, certificate of attendance)
  - c) Compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. hotel stays that extend beyond conference periods or payment for the travel expenses of a spouse). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.
  - d) Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

*I received a report from the Police Jury containing all employees with travel reimbursements and selected three employees with the largest travel reimbursements. The largest reimbursement for each employee was selected for testing. The reimbursements appear to be for a proper purpose and in accordance with Police Jury policy, however, the per diem rates that were reimbursed exceeded GSA rates.*

## **Contracts**

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20. Obtain a listing of all contracts in effect during the fiscal period or, alternately, obtain the general ledger and sort/filter for contract payments. Obtain management's representation that the listing or general ledger is complete.
21. Using the listing above, select the five contract "vendors" that were paid the most money during the fiscal period (excluding purchases on state contract and excluding payments to the practitioner). Obtain the related contracts and paid invoices and:
  - a) Report whether there is a formal/written contract that supports the services arrangement and the amount paid.
  - b) Compare each contract's detail to the Louisiana Public Bid Law or Procurement Code. Report whether each contract is subject to the Louisiana Public Bid Law or Procurement Code and:
    - If yes, obtain/compare supporting contract documentation to legal requirements and report whether the entity complied with all legal requirements (e.g., solicited quotes or bids, advertisement, selected lowest bidder)
    - If no, obtain supporting contract documentation and report whether the entity solicited quotes as a best practice.
  - c) Report whether the contract was amended. If so, report the scope and dollar amount of the amendment and whether the original contract terms contemplated or provided for such an amendment.
  - d) Select the largest payment from each of the five contracts, obtain the supporting invoice, compare the invoice to the contract terms, and report whether the invoice and related payment complied with the terms and conditions of the contract.
  - e) Obtain/review contract documentation and board minutes and report whether there is documentation of board approval, if required by policy or law (e.g. Lawrason Act or Home Rule Charter).

*I downloaded the check register and filtered the data by accounts that could potentially contain contractor payments. The Police Jury used the list to identify the five largest contractors and provided copies of the contracts. Payments on those contracts were selected for testing. No exceptions were noted during testing.*

## ***Payroll and Personnel***

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22. Obtain a listing of employees (and elected officials, if applicable) with their related salaries, and obtain management's representation that the listing is complete. Randomly select five employees/officials, obtain their personnel files, and:
  - a) Review compensation paid to each employee during the fiscal period and report whether payments were made in strict accordance with the terms and conditions of the employment contract or pay rate structure.
  - b) Review changes made to hourly pay rates/salaries during the fiscal period and report whether those changes were approved in writing and in accordance with written policy.
23. Obtain attendance and leave records and randomly select one pay period in which leave has been taken by at least one employee. Within that pay period, randomly select 25 employees/officials (or randomly select one-third of employees/officials if the entity had less than 25 employees during the fiscal period), and:
  - a) Report whether 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) Report whether there is written documentation that supervisors approved, electronically or in writing, the attendance and leave of the selected employees/officials.
  - c) Report whether there is written documentation that the entity maintained written leave records (e.g., hours earned, hours used, and balance available) on those selected employees/officials that earn leave.
24. Obtain from management a list of those employees/officials that terminated during the fiscal period and management's representation that the list is complete. If applicable, select the two largest termination payments (e.g., vacation, sick, compensatory time) made during the fiscal period and obtain the personnel files for the two employees/officials. Report whether the termination payments were made in strict accordance with policy and/or contract and approved by management.
25. Obtain supporting documentation (e.g. cancelled checks, EFT documentation) relating to payroll taxes and retirement contributions during the fiscal period. Report whether the employee and employer portions of payroll taxes and retirement contributions, as well as the required reporting forms, were submitted to the applicable agencies by the required deadlines.

*I randomly selected 25 employees for testing of compensation paid. No exceptions were noted. For testing of leave documentation, I selected the month of November 2017 for testing using the same 25 employees. No exceptions were noted. I then downloaded a listing of employees who received severance pay during the year and agreed the two largest payments to the underlying documentation. Finally, using the general ledger I identified payments made during the year for retirement and payroll taxes and identified the related pay date. All payments were made timely.*

***Ethics (excluding nonprofits)***

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26. Using the five randomly selected employees/officials from procedure #22 under “Payroll and Personnel” above, obtain ethics compliance documentation from management and report whether the entity maintained documentation to demonstrate that required ethics training was completed.
27. Inquire of management whether any alleged ethics violations were reported to the entity during the fiscal period. If applicable, review documentation that demonstrates whether management investigated alleged ethics violations, the corrective actions taken, and whether management’s actions complied with the entity’s ethics policy. Report whether management received allegations, whether management investigated allegations received, and whether the allegations were addressed in accordance with policy.

*I randomly selected five employees from the previous sample of 25 employees tested and obtained the certificates documenting the ethics training for those employees. According to management, no ethics violations were reported during the year.*

***Debt Service (excluding nonprofits)***

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28. If debt was issued during the fiscal period, obtain supporting documentation from the entity, and report whether State Bond Commission approval was obtained.
29. If the entity had outstanding debt during the fiscal period, obtain supporting documentation from the entity and report whether the entity made scheduled debt service payments and maintained debt reserves, as required by debt covenants.
30. If the entity had tax millages relating to debt service, obtain supporting documentation and report whether millage collections exceed debt service payments by more than 10% during the fiscal period. Also, report any millages that continue to be received for debt that has been paid off.

*No new debt was issued during the year. All debt service payments were properly and timely made. For the year ended December 31, 2017, debt service payments exceeded ad valorem taxes collected for such purposes.*

***Other***

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31. Inquire of management whether the entity had any misappropriations of public funds or assets. If so, obtain/review supporting documentation and report whether the entity reported the misappropriation to the legislative auditor and the district attorney of the parish in which the entity is domiciled.
32. Observe and report whether the entity has posted on its premises and website, the notice required by R.S. 24:523.1. This notice (available for download or print at [www.la.la.gov/hotline](http://www.la.la.gov/hotline)) concerns the reporting of misappropriation, fraud, waste, or abuse of public funds.

*Management is not aware of any misappropriation of public funds or assets. Notice of the hotline information is posted on the employee bulletin board and website.*

I was not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the use of management of Beauregard Parish Police Jury, the Louisiana Department of Education, the Louisiana Legislature, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

J. Aaron Cozart, CPA, LLC

June 30, 2017