

**Jackson Parish Police Jury
Jonesboro, Louisiana**

**Basic Financial Statements
And Independent Auditor's Report
As of and for the Year Ended December 31, 2013**

Jackson Parish Police Jury

TABLE OF CONTENTS

	<u>Statement</u>	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT		5-7
REQUIRED SUPPLEMENTARY INFORMATION		8
Management's Discussion and Analysis (MD&A)		9-16
BASIC FINANCIAL STATEMENTS		
Government-wide Financial Statements (GWFS)		17
Statement of Net Position	A	18
Statement of Activities	B	19
Fund Financial Statements (FFS)		21
Governmental Funds		
Balance Sheet	C	22-23
Reconciliation of the Governmental Funds		
Balance Sheet to the Statement of Net Position	D	25
Statement of Revenues, Expenditures, and Changes		
in Fund Balances	E	26-29
Reconciliation of the Governmental Funds		
Statement of Revenues, Expenditures, and Changes in Fund Balances		
to the Statement of Activities	F	30
Notes to the Basic Financial Statements		
Index		31
Notes		32-46
REQUIRED SUPPLEMENTARY INFORMATION		47
BUDGETARY COMPARISON SCHEDULES		48
General Fund	1-1	49
Road Fund	1-2	50
Solid Waste Fund	1-3	51
Library Fund	1-4	52
Asphalt Fund	1-5	53
Health Unit	1-6	54
Notes to the Budgetary Comparison Schedules		55-56

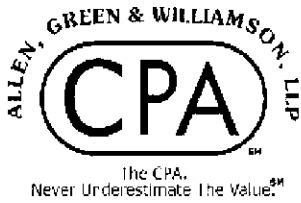
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Jackson Parish Police Jury

TABLE OF CONTENTS

	<u>Exhibit</u>	<u>Page</u>
SUPPLEMENTARY INFORMATION		57
COMBINING NONMAJOR GOVERNMENTAL FUNDS - BY FUND TYPE		58
Combining Balance Sheets - By Fund Type	2	59
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - By Fund Type	3	60
NONMAJOR SPECIAL REVENUE FUNDS		61
Combining Balance Sheet	4	62-63
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	5	64-65
NONMAJOR CAPITAL PROJECT FUNDS		66
Combining Balance Sheet	6	67
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	7	68
GENERAL		
Schedule of Compensation Paid Police Jurors		69
OTHER REPORTS REQUIRED BY <i>GOVERNMENT AUDITING STANDARDS</i>		70
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>		71-72
Schedule of Findings and Questioned Costs		73
OTHER INFORMATION		74
Summary Schedule of Prior Year Audit Findings		75-77
Management Letter		78-79

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Independent Auditor's Report

Police Jurors
Jackson Parish Police Jury
Jonesboro, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Jackson Parish Police Jury, Jonesboro, Louisiana, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the basic financial statements of the Police Jury's primary government as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Basis for Adverse Opinion on the Aggregate Discretely Presented Component Units

The financial statements do not include financial data of the Police Jury's legally separate component units. 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 aggregate discretely presented component units has not been determined.

Adverse Opinion

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on the Aggregate Discretely Presented Component Units” paragraph, the financial statements referred to above do not present fairly, the financial position of the aggregate discretely presented component units of the Police Jury as of December 31, 2013, or the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions

In our opinion, the financial statements referred to previously present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Police Jury as of December 31, 2013, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management’s Discussion and Analysis and Budgetary Comparison Schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of the Police Jury’s primary government. The accompanying supplemental information and other information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying supplemental information, as listed in the table of contents, is the responsibility of management and was derived from and relates 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 primary government's basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information, as listed in the table of contents, is fairly stated, in all material respects, in relation to the primary government's basic financial statements as a whole.

The accompanying other information, as listed in the table of contents, has not been subjected to the auditing procedures applied in the audit of the primary government's basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 14, 2014 on our consideration of the Police Jury's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Police Jury's internal control over financial reporting and compliance.

Allen, Green & Williamson, LLP
ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
July 14, 2014

**Jackson Parish Police Jury
Jonesboro, Louisiana**

REQUIRED SUPPLEMENTARY INFORMATION

**Management's Discussion
And Analysis (MD&A)**

**Jackson Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2013**

Our discussion and analysis of Jackson Parish Police Jury's financial performance provides an overview of the Police Jury's financial activities for the year ended December 31, 2013.

FINANCIAL HIGHLIGHTS The Police Jury implemented GASB Statement No. 61, "The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34". This statement modifies existing requirements for the assessment of potential component units in determining what should be included in the financial reporting entity, and financial reporting display and disclosure requirements.

Our financial statements provide these insights into the results of this year's operations:

Total spending for all our programs was \$8,718,307 for the year. Most of the Police Jury's property and sales taxes were used to support the net cost (after deducting charges for services and restricted grants) of these four areas: public safety \$723,032, public works \$4,390,180, other general government \$441,949 and culture and recreation \$1,151,880.

Governmental activities reported a increase in net position of \$233,734 due largely to the significant increase in ad valorem taxes from 2012; however, there were significant decreases in severance taxes that offset the increase. The Jury continued to set 2013 millage for the Jackson Parish Library at 2.00 mills as a part of their continued plan to slowly eliminate the Library's fund balance.

USING THIS ANNUAL REPORT The Police Jury's annual report consist of a series of financial statements that show information for the Police Jury as a whole, and its funds. The Statement of Net Position and the Statement of Activities provide information about the activities of the Police Jury as a whole and present a longer-term view of the Police Jury's finances. Our fund financial statements are included later in this report. For our governmental activities, these statements tell how we financed our services in the short-term as well as what remains for future spending. Fund statements also may give you some insights into the Police Jury's overall financial health. Fund financial statements also report the Police Jury's operations in more detail than the government-wide financial statements by providing information about the Police Jury's most significant funds - the General Fund, Road Fund, Solid Waste Fund, Library Fund, Asphalt Fund, Health Unit Fund and LCDBG Fund.

**Jackson Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2013**

Required Supplementary Information

Management's Discussion & Analysis (MD&A)

Basic Financial Statements

**Government-wide
Financial Statements**



**Fund
Financial Statements**

Notes to the Basic Financial Statements

Required Supplementary Information

Budgetary Information for Major Funds

Supplementary Information

**Nonmajor Funds Combining Statements
Schedule of Compensation Paid Police Jurors**

Other Report Required By Government Auditing Standards

Jackson Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2013

Our auditor has provided assurance in their independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements, after considering the fact that certain component units are not included, are fairly stated. Varying degrees of assurance is being provided by the auditor regarding the Required Supplementary Information (RSI) and the Supplementary Information. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each part of this report. Separate financial statements may be obtained from the component units that are not included.

Reporting the Police Jury as a Whole

The Statement of Net Position and the Statement of Activities One of the most important questions asked about the Police Jury is, "Is the Police Jury as a whole better off or worse off financially as a result of the year's activities?"

The Statement of Net Position and the Statement of Activities, which appear first in the Police Jury's financial statements, report information on the Police Jury as a whole and its activities in a way that helps you answer this question. We prepare these statements to include all assets, liabilities and deferred inflows/outflows of resources, using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Police Jury's net position - the difference between assets, liabilities and deferred inflows/outflows of resources, as reported in the Statement of Net Position as one way to measure the Police Jury's financial health, or financial position. Over time, increases or decreases in the Police Jury's net position - as reported in the Statement of Activities - are one indicator of whether its financial health is improving or deteriorating. The relationship between revenues and expenses is the Police Jury's operating results. However, the Police Jury's goal is to provide services to our citizens, not to generate profits as commercial entities do. One must consider many other nonfinancial factors, such as the quality of health and welfare services provided to parish citizens and the condition of roads, bridges, and drainage systems to assess the overall health of the Police Jury.

The Statement of Net Position and Statement of Activities report the following activity for the Police Jury:

Governmental activities - All of the Police Jury's services are reported here, including public works and health and welfare services. Property taxes, sales taxes, and state and federal grants finance most of these activities.

Reporting the Police Jury's Most Significant Funds

Fund Financial Statements The Police Jury's fund financial statements, which begin on page 21, provide detailed information about the most significant funds - not the Police Jury as a whole. Some funds are required to be established by State law and by bond covenants. However, the Police Jury establishes many other funds to help it control and manage money for particular purposes (like the solid waste fund). The Police Jury's governmental funds use the following accounting approach:

Governmental funds - All of the Police Jury's services are reported in governmental funds. Governmental fund reporting focuses on showing how money flows into and out of funds and the balances left at year-end that are available for spending. They are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Police Jury's operations and the services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Police Jury's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in the reconciliations on Statements D and F.

Jackson Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2013

THE POLICE JURY AS A WHOLE The Police Jury's net position was \$29,891,962 at December 31, 2013. Of this amount, \$2,990,337 was unrestricted. Restricted net position is reported separately to show legal constraints from debt covenants and enabling legislation that limit the Police Jury's ability to use that net position for day-to-day operations. Our analysis below of the primary government focuses on the net position (Table 1) and change in net position (Table 2) of the Police Jury's governmental activities.

Table 1
Net Position
December 31,

	2013	2012	Variance
Other assets	\$14,448,528	\$14,442,696	\$ 5,832
Capital assets	16,399,628	16,123,674	275,954
Total assets	<u>30,848,156</u>	<u>30,566,370</u>	<u>281,786</u>
Other liabilities	373,314	306,759	66,555
Long-term liabilities	582,880	601,383	(18,503)
Total liabilities	<u>956,194</u>	<u>908,142</u>	<u>48,052</u>
Net position			
Net investment in capital assests	16,399,628	16,123,674	275,954
Restricted	10,501,997	10,839,055	(337,058)
Unrestricted	2,990,337	2,695,499	294,838
Total net position	<u>\$29,891,962</u>	<u>\$29,658,228</u>	<u>\$ 233,734</u>

The \$2,990,337 in unrestricted net position of governmental activities represents the accumulated results of all past years' operations. It means that if we had to pay off all of our bills today including all of our noncapital liabilities (compensated absences for example), we would have \$2,990,337. Net position increased \$233,734 from the prior year. The changes in net position were discussed under the financial highlights section earlier in the MD&A.

The results of this year's operations for the primary government as a whole are reported in the Statement of Activities. Table 2, on the next page, takes the information from that Statement and rearranges them slightly so you can see our total revenues for the year.

Jackson Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2013

Governmental Activities As reported in the Statement of Activities, the cost of all of our governmental activities this year was \$8,718,307, the amount that our taxpayers ultimately financed for these activities through Police Jury taxes and other general revenue was only \$7,655,741 because some of the cost was paid by other governments and organizations who subsidized certain programs with grants and contributions \$851,950; also charges for services totaled \$210,616.

Table 2
Changes in Net Position
For the Year Ended December 31,

	<u>2013</u>	<u>2012</u>	<u>Variance</u>
Revenues:			
Program revenues			
Charges for services	\$ 210,616	\$ 188,134	\$ 22,482
Operating grants and contributions	455,251	536,157	(80,906)
Capital grants and contributions	396,699	58,716	337,983
General revenues			
Ad valorem taxes	4,478,159	3,888,107	590,052
Sales taxes	2,059,337	2,189,113	(129,776)
Severance taxes	847,116	1,217,463	(370,347)
Interest and investment earnings	92,810	103,165	(10,355)
Miscellaneous	412,053	365,641	46,412
Total revenues	<u>8,952,041</u>	<u>8,546,496</u>	<u>405,545</u>
Functions/Program Expenses:			
General government:			
Legislative	130,792	128,194	2,598
Judicial	292,978	260,963	32,015
Elections	24,730	46,775	(22,045)
Finance and administrative	280,311	263,092	17,219
Other general government	535,105	468,964	66,141
Public safety	789,090	650,572	138,518
Public works	5,242,558	5,752,624	(510,066)
Health and welfare	243,700	365,483	(121,783)
Culture and recreation	1,179,043	1,320,736	(141,693)
Total	<u>8,718,307</u>	<u>9,257,403</u>	<u>(539,096)</u>
Increase (decrease) in net position	233,734	(710,907)	944,641
Net Position, beginning	29,658,228	30,369,135	(710,907)
Net Position, ending	<u>\$ 29,891,962</u>	<u>\$ 29,658,228</u>	<u>\$ 233,734</u>

Jackson Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2013

In the table below, we have presented the cost of each of the Police Jury's six largest functions for fiscal year ended December 31, 2013 – Judicial, Finance and administration, Other general government, Public safety, Public works, and Culture and recreation, as well as each program's net cost (total cost less revenues generated by the activities). As discussed above, net cost shows the financial burden that was placed on the Police Jury's taxpayers by each of these functions. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by that function.

Years Ended December 31,
Governmental Activities

	Total Cost of Services 2013	Net Cost of Services 2013	Total Cost of Services 2012	Net Cost of Services 2012
Judicial	\$ 292,978	\$ 269,167	\$ 260,963	\$ 235,837
Finance and administration	280,311	280,311	263,092	263,092
Other general government	535,105	441,949	468,964	263,618
Public safety	789,090	723,032	650,572	586,006
Public works	5,242,558	4,390,180	5,752,624	5,297,773
Culture and recreation	1,179,043	1,151,880	1,320,736	1,287,618
All others	399,222	399,222	540,452	540,452
Totals	\$ 8,718,307	\$ 7,655,741	\$ 9,257,403	\$ 8,474,396

THE POLICE JURY'S FUNDS As we noted earlier, the Police Jury uses funds to help it control and manage money for particular purposes. Looking at funds helps you consider whether the Police Jury is being accountable for the resources taxpayers and others provide to it but may also give you more insight into the Police Jury's overall financial health.

As the Police Jury completed this year, our governmental funds reported a combined fund balance of \$13,720,135 which is a decrease of \$415,802 from last year. The Police Jury's fund balance decrease was caused by decrease of severance tax revenue and the construction in progress at the Chatham Branch Library.

Our General Fund is our principal operating fund. The fund balance in the General Fund increased from \$3,536,885 to \$3,737,807. This increase was mainly due to the Jury reducing transfers to other funds, an increase in ad valorem tax, and the Jury reduced expenditures on special projects significantly in anticipation of a reduction of severance taxes for 2013.

The Road Fund is our road maintenance fund. The fund balance in the Road Fund increased from \$1,609,758 to \$2,121,652. This increase was due to an increase in ad valorem tax revenue; in 2013, the road department reduced their cracked fuel oil program as a result of requiring a signed right of way by property owners; another factor in the increased fund balance was the significant reduction in the purchase of gravel or reclaimed asphalt. During 2012, the road department had done an extensive repair of the Bear Knoll Bridge which had inflated their expenditures for that year.

Jackson Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2013

Our Solid Waste Fund is used to collect, dispose, and maintain garbage throughout Jackson Parish. The fund balance in the Solid Waste Fund decreased from \$2,018,071 to \$1,518,466. This decrease was due mainly to a reduction in sales tax revenue and in 2013, the jury completed 2 model bin sites.

Our Library Fund accounts for the Parish Library activities. The fund balance decreased from \$4,257,421 to \$3,183,660. This decrease was due mainly to the Jury levying 2.00 mills for operation and during 2013 the Library paid for asbestos abatement on the Chatham property and began the construction of the Chatham Branch Library.

Our Asphalt Fund accounts for asphaltting parish roads. The fund balance in the Asphalt Fund increased from \$1,498,089 to \$1,976,527. This increase was due to a small increase in ad valorem taxes. The major contribution to the fund balance was the result of the reduction of the cracked fuel oil program. No Asphalt funds were expended in 2013 for this program.

Our Health Unit Fund accounts for maintenance and operations of the parish health unit. The fund balance in the health unit fund increased from \$50,894 to \$136,184. This increase was mainly due to the passage of a new ad valorem tax of .75 mills effective for the 2013 fiscal year.

Other Nonmajor Funds, which includes the Landfill Closure Fund, Tourism Fund, the Beautification Council Fund, and Capital Funds, increased from \$1,164,809 to \$1,045,829. This increase was due mainly to a reduction of special projects in the Capital Outlay Fund. In 2013, these funds were primarily dependent on the General Fund for funding.

Budgetary Highlights Over the course of the year, the Police Jury revises its budget as it attempts to deal with unexpected changes in revenues and expenditures. (A schedule showing the Police Jury's original and final budget amounts compared with amounts actually paid and received for the General Fund and major special revenue funds with legally adopted budgets is provided later in this report).

The actual amounts available for appropriations for the General Fund were \$992,691 more than the amount budgeted. This was due mainly to planned conservative estimates to ad valorem taxes and severance tax collections. Because of the reduction of the Vernon Natural Gas Field, severance taxes have declined over the last 3 years. Actual charges to appropriations were \$741,104 less than budgeted mainly due to information provided by the Jackson Parish Assessor that the ad valorem tax roll would be regressing because of the depreciation of the Vernon Gas Field. Based on this and the declining sales taxes, all departments were advised to restrict all unnecessary expenditures. All department heads are aware of the necessity of conservative budgetary practices.

The amounts available for appropriations for the General Fund final budget were \$1,214,722 more than the original budget. The original budget was adopted in 2012. The Jury does not consider funds in the Statutory Reserve in building of the budget. These funds are set aside for bona fide emergency use.

The charges to appropriations for the General Fund final budget were \$670,270 more than the original budget. This was due mainly to the awarding of grants that were not anticipated at the beginning of the 2013 fiscal year.

**Jackson Parish Police Jury
Management's Discussion and Analysis (MD&A)
December 31, 2013**

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets At December 31, 2013, the Police Jury had \$16,399,628 invested in a broad range of capital assets, including land, buildings, furniture and equipment and infrastructure assets such as roads and bridges. This amount represents a net increase (including additions, deductions, and depreciation) of just over \$275,954 or 2%, from last year.

	Capital Assets at Year End Governmental Activities	
	<u>2013</u>	<u>2012</u>
Land	\$ 427,562	\$ 388,962
Construction in progress	689,578	406,981
Buildings & Improvements	4,953,544	4,675,613
Vehicles	612,033	671,918
Equipment/Machinery/Furniture	1,999,528	2,046,299
Infrastructure/Roads	<u>7,717,383</u>	<u>7,933,901</u>
Total net capital assets	<u>\$ 16,399,628</u>	<u>\$ 16,123,674</u>

The infrastructure/road classification includes \$1,430,035 in additions for resurfacing of parish roads. See Note 5 for further information regarding Capital Assets of the Police Jury at December 31, 2013.

Debt At the end of this year, the Police Jury had \$160,800 in compensated absences versus \$179,383 last year, a decrease of 10.4%.

The Police Jury had no outstanding bond liability for 2013.

The Police Jury also has an obligation for the landfill closure liability at year end. The landfill liability is \$422,000. We present more detailed information about our long-term liabilities in Note 9 and Note 11 of Notes to the Basic Financial Statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES The Jackson Parish Police Jury has adopted a budget for 2014 based on historical data. Revenue from ad valorem taxes is expected to decrease for the year. Sales tax collections continue on a downward trend that was predicted during the development of the 2014 budget. Severance taxes have declined from 2013 and 2014 collections. This will require constant monitoring of programs and appropriations to groups and boards that the parish funds.

CONTACTING THE POLICE JURY'S FINANCIAL MANAGEMENT Our financial report is designed to provide our citizens, taxpayers, parents, students, and investors and creditors with a general overview of the Police Jury's finances and to show the Police Jury's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Kenneth Pardue, Secretary-Treasurer, at the Jackson Parish Police Jury, 500 E. Main Street, Room 301, Jonesboro, Louisiana 71251, telephone number (318) 259-2361.

BASIC FINANCIAL STATEMENTS

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

JACKSON PARISH POLICE JURY

STATEMENT OF NET POSITION
December 31, 2013

Statement A

	<u>GOVERNMENTAL ACTIVITIES</u>
ASSETS:	
Cash and cash equivalents	\$ 9,622,291
Receivables	4,755,981
Prepaid items	70,256
Capital assets:	
Land and construction in progress	1,117,140
Capital assets, net of depreciation	<u>15,282,488</u>
 TOTAL ASSETS	 <u>30,848,156</u>
LIABILITIES	
Accounts, salaries and other payables	342,065
Security deposits	31,249
Long-term liabilities	
Due within one year	139,468
Due in more than one year	<u>443,412</u>
 TOTAL LIABILITIES	 <u>956,194</u>
NET POSITION	
Net investment in capital assets	16,399,628
Restricted for:	
Road maintenance (Road, Sales Tax and Asphalt Funds)	4,726,132
Waste management	1,518,466
Library	3,226,859
Health unit	152,363
Tourism	45,549
Landfill closure	547,090
Industrial district	252,644
Grant funds	19,871
Grand jury and witness fees	13,023
Unrestricted	<u>2,990,337</u>
 TOTAL NET POSITION	 <u>\$ 29,891,962</u>

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

JACKSON PARISH POLICE JURY

STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2013

Statement B

FUNCTIONS/PROGRAMS	PROGRAM REVENUES				PRIMARY
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	<u>GOVERNMENT GOVERNMENTAL ACTIVITIES</u> NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION
<i>Primary Government: Governmental Activities:</i>					
General government:					
Legislative	\$ 130,792	\$ -	\$ -	\$ -	\$ (130,792)
Judicial	292,978	23,811	-	-	(269,167)
Elections	24,730	-	-	-	(24,730)
Finance and administrative	280,311	-	-	-	(280,311)
Other general government	535,105	15,295	77,861	-	(441,949)
Public safety	789,090	-	66,058	-	(723,032)
Public works	5,242,558	144,347	311,332	396,699	(4,390,180)
Health and welfare	243,700	-	-	-	(243,700)
Culture and recreation	1,179,043	27,163	-	-	(1,151,880)
Total Governmental Activities	\$ 8,718,307	\$ 210,616	\$ 455,251	\$ 396,699	\$ (7,655,741)
General revenues:					
Taxes:					
Property taxes, levied for general purposes					4,478,159
Sales taxes, levied for general purposes					2,059,337
State revenue sharing					83,486
Severance tax					847,116
Miscellaneous taxes					152,965
Licenses and permits					39,004
Interest and investment earnings					92,810
Miscellaneous					136,598
Total general revenues					7,889,475
Changes in net position					233,734
Net position- beginning					29,658,228
Net position - ending					\$ 29,891,962

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Jackson Parish Police Jury

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BASIC FINANCIAL STATEMENTS

Fund Financial Statements (FFS)

JACKSON PARISH POLICE JURY

GOVERNMENTAL FUNDS

Balance Sheet

December 31, 2013

	GENERAL	ROAD FUND	SOLID WASTE	LIBRARY
ASSETS:				
Cash and cash equivalents	\$ 2,555,510	\$ 994,401	\$ 1,355,932	\$ 2,794,786
Receivables	1,313,659	1,278,046	214,761	503,407
Interfund receivables	50,000	-	-	-
Prepaid items	4,916	4,988	5,171	54,788
TOTAL ASSETS	3,924,085	2,277,435	1,575,864	3,352,981
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts, salaries and other payables	83,471	23,438	57,398	126,122
Interfund payables	-	-	-	-
Security deposits	4,525	26,724	-	-
Total Liabilities	87,996	50,162	57,398	126,122
Deferred Inflows of Resources:				
Unavailable revenue-property taxes	98,282	105,621	-	43,199
Total Deferred Inflows of Resources	98,282	105,621	-	43,199
Fund Balances				
Nonspendable - prepaid items	4,916	4,988	5,171	54,788
Restricted	285,538	2,116,664	1,513,295	3,128,872
Committed	1,007,675	-	-	-
Unassigned	2,439,678	-	-	-
Total fund balances	3,737,807	2,121,652	1,518,466	3,183,660
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 3,924,085	\$ 2,277,435	\$ 1,575,864	\$ 3,352,981

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Statement C

ASPHALT FUND	HEALTH UNIT	LCDBG	NONMAJOR GOVERNMENTAL	TOTAL
\$ 1,003,144	\$ 15,445	\$ 10	\$ 903,063	\$ 9,622,291
1,069,740	188,757	44,845	142,766	4,755,981
-	-	-	-	50,000
-	393	-	-	70,256
<u>2,072,884</u>	<u>204,595</u>	<u>44,855</u>	<u>1,045,829</u>	<u>14,498,528</u>
4,559	2,232	44,845	-	342,065
-	50,000	-	-	50,000
-	-	-	-	31,249
<u>4,559</u>	<u>52,232</u>	<u>44,845</u>	<u>-</u>	<u>423,314</u>
91,798	16,179	-	-	355,079
<u>91,798</u>	<u>16,179</u>	<u>-</u>	<u>-</u>	<u>355,079</u>
-	393	-	-	70,256
1,976,527	135,791	-	1,023,173	10,179,860
-	-	10	22,656	1,030,341
-	-	-	-	2,439,678
<u>1,976,527</u>	<u>136,184</u>	<u>10</u>	<u>1,045,829</u>	<u>13,720,135</u>
<u>\$ 2,072,884</u>	<u>\$ 204,595</u>	<u>\$ 44,855</u>	<u>\$ 1,045,829</u>	<u>\$ 14,498,528</u>

Jackson Parish Police Jury

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JACKSON PARISH POLICE JURY

**Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
December 31, 2013**

Statement D

Total fund balances - governmental funds \$ 13,720,135

The cost of capital assets (land, buildings, furniture and equipment and infrastructure) purchased or constructed is reported as an expenditure in governmental funds. The Statement of Net Position includes those capital assets among the assets of the Police Jury as a whole. The cost of those capital assets is allocated over their estimated useful lives (as depreciation expense) to the various programs reported as governmental activities in the Statement of Activities. Because depreciation expense does not affect financial resources, it is not reported in governmental funds.

Costs of capital assets	\$ 32,598,989	
Accumulated depreciation	<u>(16,199,361)</u>	16,399,628

Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds. 355,079

Long-term liabilities applicable to the Police Jury's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities - both current and long term - are reported in the Statement of Net Position.

Balances at December 31, 2013 are:

Long-term liabilities		
Compensated absences payable	(160,880)	
Estimated liability for landfill closure	<u>(422,000)</u>	<u>(582,880)</u>

Net position of governmental activities \$ 29,891,962

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

JACKSON PARISH POLICE JURY

GOVERNMENTAL FUNDS
 Statement of Revenues, Expenditures,
 and Changes in Fund Balances
 For the Year Ended December 31, 2013

	<u>GENERAL</u>	<u>ROAD FUND</u>	<u>SOLID WASTE</u>	<u>LIBRARY</u>
REVENUES				
Local sources:				
Taxes:				
Ad valorem	\$ 1,143,501	\$ 1,228,938	\$ -	\$ 502,632
Sales and use	-	-	1,235,602	-
Other taxes, penalties and interest	152,965	-	-	-
Licenses and permits	39,004	-	-	-
Intergovernmental revenues:				
State funds:				
Severance taxes	847,116	-	-	-
Parish transportation funds	-	288,962	-	-
State revenue sharing (net)	24,402	25,964	-	10,529
State aid grants	92,530	22,370	-	-
Federal revenue	51,389	-	-	-
Fees, charges, and commissions for services	25,921	-	144,347	-
Fines and forfeitures	13,185	-	-	27,163
Miscellaneous revenues	34,038	24,939	63,345	8,776
Use of money and property	23,177	10,314	12,587	28,316
	<u>2,447,228</u>	<u>1,601,487</u>	<u>1,455,881</u>	<u>577,416</u>
Total Revenues				
EXPENDITURES				
Current:				
General government:				
Legislative	122,697	-	-	-
Judicial	276,495	-	-	-
Elections	21,713	-	-	-
Finance and administrative	265,105	-	-	-
Other general government	499,249	-	-	-
Public safety	750,097	-	-	-
Public works	-	1,057,726	1,555,957	-
Health and welfare	122,139	-	-	-
Culture and recreation	26,811	-	-	952,653
Capital outlay	-	1,031,867	399,529	698,524
	<u>2,084,306</u>	<u>2,089,593</u>	<u>1,955,486</u>	<u>1,651,177</u>
Total Expenditures				
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES				
	<u>\$ 362,922</u>	<u>\$ (488,106)</u>	<u>\$ (499,605)</u>	<u>\$ (1,073,761)</u>

Statement E

ASPHALT FUND	HEALTH UNIT	LCDBG	NONMAJOR GOVERNMENTAL	TOTAL
\$ 1,068,096	\$ 179,913	\$ -	\$ -	\$ 4,123,080
-	-	-	823,735	2,059,337
-	-	-	-	152,965
-	-	-	-	39,004
-	-	-	-	847,116
-	-	-	-	288,962
22,591	-	-	-	83,486
-	-	-	-	114,900
-	-	396,699	-	448,088
-	-	-	-	170,268
-	-	-	-	40,348
-	-	-	5,500	136,598
9,500	242	-	8,674	92,810
<u>1,100,187</u>	<u>180,155</u>	<u>396,699</u>	<u>837,909</u>	<u>8,596,962</u>
-	-	-	-	122,697
-	-	-	-	276,495
-	-	-	-	21,713
-	-	-	-	265,105
-	-	-	8,239	507,488
-	-	-	-	750,097
516,346	-	-	32,899	3,162,928
-	94,865	-	-	217,004
-	-	-	14,252	993,716
105,403	-	396,699	63,499	2,695,521
<u>621,749</u>	<u>94,865</u>	<u>396,699</u>	<u>118,889</u>	<u>9,012,764</u>
\$ 478,438	\$ 85,290	\$ -	\$ 719,020	\$ (415,802)

(Continued)

JACKSON PARISH POLICE JURY

GOVERNMENTAL FUNDS
 Statement of Revenues, Expenditures,
 and Changes in Fund Balances
 For the Year Ended December 31, 2013

	<u>GENERAL</u>	<u>ROAD FUND</u>	<u>SOLID WASTE</u>	<u>LIBRARY</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ -	\$ 1,000,000	\$ -	\$ -
Transfers out	(162,000)	-	-	-
Total Other Financing Sources (Uses)	<u>(162,000)</u>	<u>1,000,000</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	200,922	511,894	(499,605)	(1,073,761)
FUND BALANCES - BEGINNING	<u>3,536,885</u>	<u>1,609,758</u>	<u>2,018,071</u>	<u>4,257,421</u>
FUND BALANCES - ENDING	<u>\$ 3,737,807</u>	<u>\$ 2,121,652</u>	<u>\$ 1,518,466</u>	<u>\$ 3,183,660</u>

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Statement E				
ASPHALT FUND	HEALTH UNIT	LCDBG	NONMAJOR GOVERNMENTAL	TOTAL
\$ -	\$ -	\$ -	\$ 12,000	\$ 1,012,000
-	-	-	(850,000)	(1,012,000)
-	-	-	(838,000)	-
478,438	85,290	-	(118,980)	(415,802)
1,498,089	50,894	10	1,164,809	14,135,937
<u>\$ 1,976,527</u>	<u>\$ 136,184</u>	<u>\$ 10</u>	<u>\$ 1,045,829</u>	<u>\$ 13,720,135</u>

(Concluded)

JACKSON PARISH POLICE JURY

**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, 2013**

		Statement F
Total net change in fund balances - governmental funds	\$	(415,802)
Amounts reported for governmental activities in the Statement of Activities are different because:		
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 capital outlays exceeds depreciation expense in the period:		
Capital outlay	\$ 2,695,521	
Depreciation expense	<u>(2,419,567)</u>	275,954
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		355,079
In the Statement of Activities, certain operating expenses-compensated absences (vacations and sick leave) - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year, vacation and sick time used (\$139,468) exceeded the amounts earned (\$120,965) by \$18,503.		<u>18,503</u>
Change in net position of governmental activities.	\$	<u><u>233,734</u></u>

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Jackson Parish Police Jury
Notes to the Basic Financial Statements
December 31, 2013

INDEX

Page

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	32
A. REPORTING ENTITY	32
B. FUNDS	33
C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING	34
D. ENCUMBRANCES.....	36
E. CASH AND CASH EQUIVALENTS	36
F. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES.....	36
G. ELIMINATION AND RECLASSIFICATIONS	36
H. PREPAID ITEMS.....	36
I. CAPITAL ASSETS	36
J. COMPENSATED ABSENCES.....	37
K. LIABILITIES.....	37
L. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES	38
M. RESTRICTED NET POSITION	38
N. FUND BALANCES OF FUND FINANCIAL STATEMENTS	38
O. INTERFUND TRANSACTIONS.....	39
P. SALES TAXES	39
Q. USE OF ESTIMATES.....	39
NOTE 2 - LEVIED TAXES.....	39
NOTE 3 - CASH DEPOSITS.....	40
NOTE 4 - RECEIVABLES	41
NOTE 5 - CAPITAL ASSETS.....	41
NOTE 6 - RETIREMENT SYSTEMS.....	42
NOTE 7 - ACCOUNTS, SALARIES AND OTHER PAYABLES	43
NOTE 8 - COMPENSATED ABSENCES	43
NOTE 9 - LONG-TERM LIABILITIES	43
NOTE 10 - LEASES	43
NOTE 11 - SOLID WASTE LANDFILL COSTS	44
NOTE 12 - INTERFUND TRANSACTIONS.....	44
NOTE 13 - LITIGATION AND CLAIMS	45
NOTE 14 - RISK MANAGEMENT	45
NOTE 15 - FUND BALANCE CLASSIFICATION DETAILS	46
NOTE 16 - CHANGES IN PRESENTATION	46
NOTE 17 - NEW GASB STANDARD	46
NOTE 18 - SUBSEQUENT EVENTS.....	46

Jackson Parish Police Jury
Notes to the Basic Financial Statements
December 31, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES The Jackson Parish Police Jury (the Police Jury) is the governing authority for Jackson Parish and is a political subdivision of the state of Louisiana. The Police Jury is governed by seven jurors representing the various districts within the parish. The jurors serve four-year terms which expire in January 2016.

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

In accomplishing its objectives, the Police Jury also has the authority to create special districts (component units) within the parish. The districts perform specialized functions, such as fire protection, library facilities, and health care facilities.

A. REPORTING ENTITY As the governing authority of the parish, for reporting purposes, the Jackson Parish Police Jury is the financial reporting entity for Jackson Parish. The financial reporting entity consists of (a) the primary government (Police Jury), (b) organizations for which the primary government is financially accountable and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board (GASB) Statements establish criteria for determining the governmental reporting entity and component units that should be considered part of the Jackson Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and:
 - a. The ability of the Police Jury to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Police Jury.
2. Organizations for which the Police Jury does not appoint a voting majority but are fiscally dependent on the Police Jury and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the Police Jury.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Jackson Parish Police Jury
Notes to the Basic Financial Statements
December 31, 2013

Based on the previous criteria, the Police Jury has determined that the following component units are part of the reporting entity:

<u>Component Unit</u>	<u>Method of Inclusion</u>	<u>Fiscal Year End</u>	<u>Criteria Used</u>
Included within the reporting entity:			
Jackson Parish Library	Blended	December 31, 2013	1a
Jackson Parish Hospital Service District #1	Not included	September 30, 2013	1a
Jackson Parish Recreation District	Not included	December 31, 2013	1a
Ward 2 Fire Protection District	Not included	December 31, 2013	1a
Ward 3 Fire Protection District	Not included	December 31, 2013	1a
Ward 4 Fire Protection District	Not included	December 31, 2013	1a
Quitman Fire Protection District No. 1	Not included	December 31, 2013	1a
Jonesboro Fire Protection District No. 1	Not included	June 30, 2013	1a
Jackson Parish Ambulance Service District	Not included	December 31, 2013	1a
Jackson Parish Watershed District	Not included	December 31, 2013	1a
Jackson Parish Assessor	Not included	December 31, 2013	2
Jackson Parish Clerk of Court	Not included	June 30, 2013	2

The Police Jury has chosen to include the library in the basic financial statements as a blended component unit. The other component units are not included. The financial statements only present data of the primary government; however, the data of the component units is necessary in order for the Police Jury to report in conformity with GAAP. Separate financial statements may be obtained from the respective governments.

Considered in the determination of component units of the reporting entity were the Jackson Parish School Board, Jackson Parish Communications District, Jackson Parish Sales Tax Agency, Jackson Parish Council on Aging, Jackson Parish Sheriff, the District Attorney and Judges for the Second Judicial District, and the various municipalities in the parish. It was determined that these governmental entities are not component units of the Jackson Parish Police Jury reporting entity because they have separately elected governing bodies, are legally separate, and are fiscally independent of the Jackson Parish Police Jury.

B. FUNDS The accounts of the Police Jury are organized and operated on the basis of funds. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

The governmental funds are divided into separate "fund types." Governmental funds are used to account for government's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of attention is on the recovering the cost of providing services to the public or other agencies through service charges or user fees. The Police Jury's current operations require the use of governmental funds. The fund types used by the Police Jury are described as follows:

Governmental funds

General Fund - The general fund is the general operating fund of the Police Jury. It accounts for all activities except those required to be accounted for in other funds.

Jackson Parish Police Jury
Notes to the Basic Financial Statements
December 31, 2013

Road Fund - The road fund accounts for maintenance of parish highways, streets and bridges. Funding is provided by a parish-wide ad valorem tax, state revenue sharing funds, state aid grants, operation transfers from the general fund, interest earned on investments, and miscellaneous revenues.

Solid Waste Fund - The solid waste fund accounts for the construction, maintenance and operation of the solid waste system. Funding is provided by a parish-wide sales tax, interest on investments, and other miscellaneous revenues.

Library Fund - The library fund accounts for maintenance and operation of the parish library. Funding is provided by a parish-wide ad valorem tax, state revenue sharing funds, State Library of Louisiana funds, interest earned on investments, and fine and program revenues.

Asphalt Fund - The asphalt fund accounts for asphaltting parish roads. Financing is provided by a parish-wide ad valorem tax, state revenue sharing funds, and interest earned on investments.

Health Unit - The health unit fund accounts for a portion of the maintenance and operation of the parish health unit. Financing is provided by a parish-wide ad valorem tax, state revenue funds, and interest earned on investments.

LCDBG - The fund accounts for capital improvements that are funded by the Louisiana Community Development Block Grant (LCDBG) within Jackson Parish.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Government-Wide Financial Statements (GWFS) The Statement of Net Position and the Statement of Activities displays information about the reporting government as a whole. The Statement of Net Position and the Statement of Activities was prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, liabilities and deferred inflows/outflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, liabilities and deferred inflows/outflows of resources resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 "Accounting and Financial Reporting for Nonexchange Transactions." Fiduciary funds are not included in the government-wide financial statements.

Program revenues Program revenues included in the Statement of Activities derive directly from the program itself or from parties outside the Police Jury's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the Police Jury's general revenues.

Allocation of indirect expenses The Police Jury reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Jackson Parish Police Jury
Notes to the Basic Financial Statements
December 31, 2013

Fund Financial Statements (FFS)

Governmental Funds The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting revenues are recognized when susceptible to accrual (i.e., when they are "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 government considers all revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured principal and interest on 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.

With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The governmental funds use the following practices in recording revenues and expenditures:

Revenues Ad valorem taxes and the related state revenue sharing are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar-year basis and attach as an enforceable lien and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. The taxes are normally collected in December of the current year and January and February of the ensuing year.

Sales taxes are susceptible to accrual.

Federal and state grants are recognized when the Police Jury is entitled to the funds.

Fines, forfeitures, and court costs are recognized in the year they are received by the parish tax collector.

Interest income on time deposits is recognized when the time deposits have matured and the interest is available.

Substantially all other revenues are recognized when they become available to the Police Jury.

Based on the above criteria, ad valorem taxes, sales taxes, federal and state grants, and fines, forfeitures, and court costs have been treated as susceptible to accrual.

Expenditures Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for principal and interest on long-term obligations, which are recognized when due.

Other Financing Sources (Uses) Sale of fixed assets, increases in capital lease purchases, and transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses) and are recognized when the underlying events occur.

**Jackson Parish Police Jury
Notes to the Basic Financial Statements
December 31, 2013**

D. ENCUMBRANCES Outstanding encumbrances' lapse at year-end. Authorization for the eventual expenditure will be included in the following year's budget appropriations. Encumbrance accounting is employed in governmental funds.

Encumbrance accounting (e.g., purchase orders, contracts) is recognized within the accounting records for budgetary control purposes.

E. CASH AND CASH EQUIVALENTS Cash includes amounts in demand deposits and interest-bearing demand deposits, and time deposit accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days 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 and national banks having their principal offices in Louisiana.

F. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES During the course of operations, numerous transactions occur between individual funds for services rendered. These receivables and payables are classified as interfund receivables/payables on the balance sheet. Short-term interfund loans are also classified as interfund receivables/payables.

G. ELIMINATION AND RECLASSIFICATIONS In the process of aggregating data for the statement of net position and the statement of activities some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

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

I. CAPITAL ASSETS Capital assets are recorded at either historical cost or estimated historical cost and depreciated over their estimated useful lives (excluding salvage value) for items of \$5,000 or more. Donated capital assets are recorded at their estimated fair value at the date of donation. General and infrastructure assets (e.g. roads, bridges, and other assets that are immovable and of value only to the government) are capitalized and valued at historical cost or estimated historical cost. The Police Jury elected not to retroactively report major general infrastructure assets. Interest during construction was not capitalized on capital assets. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Vehicles and trailers are assigned a salvage value of 10% of historical costs. Straight line depreciation is used based on the following estimated useful lives:

Buildings	40 years
Portable buildings	10 to 20 years
Office equipment	6 or 10 years
Furniture and fixtures	6 or 10 years
Construction equipment	4 to 10 years
Vehicles	4 or 9 years
Books, periodicals and law books	10 years
Infrastructure:	
Airport hangars	40 years
Road surface	25 years
Bridges	40 to 50 years
Intangibles - software	4 to 10 years

Jackson Parish Police Jury
Notes to the Basic Financial Statements
December 31, 2013

J. COMPENSATED ABSENCES All full-time employees of the Police Jury earn annual leave at rates varying from ten to twenty-one days per year, depending on length of service. Employees may accumulate and carry forward no more than twenty days of annual leave. All full-time permanent employees earn five to twenty-one days of sick leave each year. Sick leave can be accumulated without limitation. Upon retirement, unused sick leave of up to 25 days is paid to employees. Upon retirement, resignation, termination or death, an employee (or beneficiary) will be paid for a maximum of 160 hours (20 days) of unused vacation leave that an employee has accrued on the date of his/her separation.

Full-time employees of the Jackson Parish Library earn from ten to 20 days of annual leave, depending on their length of service with the library. Part-time employees working 20 hours or more per week earn one-half of full-time employee leave each year. Vacation leave can be accumulated up to 25 days. All 12-month employees earn 12 days of sick leave each year. Sick leave can be accumulated up to 60 days. Sick leave lapses upon termination of employment.

The cost of leave privileges, computed in accordance with the previous codification, is recognized as current-year expenditure within the various funds when leave is actually taken or when employees are paid for accrued vacation leave upon retirement.

The Police Jury's recognition and measurement criteria for compensated absences are as follows:

GASB Statement No. 16 provides that vacation leave and other compensated absences with similar characteristics should be accrued as liability as the benefits are earned by the employees if both of the following conditions are met:

The employees' right to receive compensation is attributable to services already rendered.

It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

GASB Statement No. 16 provides that a liability for sick leave should be accrued using one of the following termination approaches:

An accrual for earned sick leave should be made only to the extent it is probable that the benefits will result in termination payments, rather than be taken as absences due to illness or other contingencies, such as medical appointments and funerals.

Alternatively, a governmental entity should estimate its accrued sick leave liability based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as well as other employees who are expected to become eligible in the future to receive such payments.

K. LIABILITIES For government-wide reporting, the costs associated with the bonds, except any portion related to prepaid insurance costs, are recognized as an expense in the period incurred as established by GASB No. 65.

For fund financial reporting, bond premiums and discounts, as well as issuance costs, are recognized in the period the bonds are issued. Bond proceeds are reported as other financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

Jackson Parish Police Jury
Notes to the Basic Financial Statements
December 31, 2013

L. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow or resources (expense/expenditure) until then. The Police Jury does not have any item that qualifies for reporting in this category.

In addition to liabilities, the Statement of Net 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 (revenues) until that time. The Police Jury has 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 as unavailable property taxes. These amounts are referred and recognized as an inflow of resources in the period that the amounts become available.

M. RESTRICTED NET POSITION For the government-wide statement of net position, net position is reported as restricted if either of the following conditions exist:

- Restrictions are externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments;
- Restrictions are imposed by law through constitutional provisions or enabling legislation.

It is the Police Jury's policy to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available. Restricted net position reported in the statement of net position for road maintenance, waste management, library and health unit are restricted by enabling legislation.

N. FUND BALANCES OF FUND FINANCIAL STATEMENTS GASB 54 requires the fund balance amounts to be reported within the fund balance categories as follows:

Non-spendable: Fund balance that is not in spendable form or legally or contractually required to be maintained intact. This category includes items that are not easily converted to cash such as inventories and prepaid items.

Restricted: Fund balance that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

Committed: Fund balance that can only be used for specific purposes determined by the Police Jury's highest level of decision making authority. The Jury is the highest level of decision making authority of the Police Jury that can, by adoption of a resolution prior to fiscal year, commit fund balance. Committed amounts cannot be used for any other purpose unless the Jury removes or changes the specified use by taking the same type of action it employed to previously commit the funds.

Assigned: Fund balance that is constrained by the Police Jury's intent to be used for specific purposes, but are neither restricted nor committed. Intent should be expressed by the Jury.

Unassigned: Fund balance that is the residual classification for the general fund.

The Police Jury reduces committed amounts, followed by assigned amounts and then unassigned amounts when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications

**Jackson Parish Police Jury
Notes to the Basic Financial Statements
December 31, 2013**

could be used. The Police Jury considers restricted amounts to have been spent when an expenditure has been incurred for purposes for which both restricted and unrestricted fund balance is available.

O. INTERFUND TRANSACTIONS Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

P. SALES TAXES The Police Jury has a 4/10% sales and use tax, which was passed by the voters on April 20, 1996, for a period of ten years. The net proceeds of the tax (after necessary costs of collection) are to be used to black top or seal parish roads and streets. The Policy Jury has a 6/10% sales and use tax, which was passed by the voters on April 20, 1996 for a period of 10 years. The net proceeds of the tax (after necessary costs of collection) are to be used for waste management. Both of these sales taxes were renewed in 2005 for a period of 10 years.

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

NOTE 2 - LEVIED TAXES The Police Jury levies taxes on real and business personal property located within Jackson Parish's boundaries. Property taxes are levied by the Police Jury on property values assessed by the Jackson Parish Tax Assessor and approved by the State of Louisiana Tax Commission.

The Jackson Parish sheriff's office bills and collects property taxes for the Police Jury. Collections are remitted to the Police Jury monthly.

Property Tax Calendar

Levy date	July 1, 2013
Tax bills mailed	On or about November 1, 2013
Due date	December 31, 2013
Lien date	January 1, 2014
Tax sale – 2013 delinquent property	May 15, 2014

Assessed values are established by the Jackson Parish Tax Assessor each year on a uniform basis at the following ratios of assessed value to fair market value.

10% land	15% machinery
10% residential improvements	15% commercial improvements
15% industrial improvements	25% public service properties, excluding land

A revaluation of all property is required after 1978 to be completed no less than every four years. The last revaluation was completed in January, 2012. Total assessed value was \$271,267,910 in calendar year 2013.

Jackson Parish Police Jury
Notes to the Basic Financial Statements
December 31, 2013

Louisiana state law exempts the first \$75,000 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was \$19,564,830 of the assessed value in calendar year 2013.

State law requires the sheriff to collect property taxes in the calendar year in which the assessment is made. Property taxes become delinquent January 1 of the following year. If taxes are not paid by the due date, taxes bear interest at the rate of 1.25% per month until the taxes are paid. After notice is given to the delinquent taxpayers, the sheriff is required by the *Constitution of the State of Louisiana* to sell the least quantity of property necessary to settle the taxes and interest owed.

All property taxes are recorded in the general fund, road, library, asphalt, and tourism funds. Revenues in such funds are recognized in the accounting period in which they become measurable and available. Property taxes are considered measurable in the calendar year of the tax levy. Estimated uncollectible taxes are those taxes based on past experience which will not be collected in the subsequent year and are primarily due to subsequent adjustments to the tax roll. Available means due, or past due, and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter to pay liabilities of the current period. The remaining property taxes receivable are considered available because they are substantially collected within 60 days subsequent to year-end.

The tax roll is prepared by the parish tax assessor in November of each year; therefore, the amount of 2013 property taxes to be collected occurs in December and January and February of the next year. Historically, virtually all ad valorem taxes receivable were collected since they are secured by property; therefore, there is no allowance for uncollectible taxes.

The following is a summary of the maximum millages allowed and the amounts levied for ad valorem taxes for the year ended December 31, 2013:

	<u>Maximum Allowed Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Parish-wide taxes:			
General fund	5.04	4.55	-
Road maintenance	5.35	4.89	2019
Asphalt fund	4.65	4.25	2019
Library tax	9.45	2.00	2018
Health Unit	0.75	0.75	2022
Forest protection	8 cents/acre	8 cents/acre	-

NOTE 3 - CASH DEPOSITS

Interest Rate Risk: Police Jury's policy does not address interest rate risk.

Credit Risk: The Police Jury invests in certificates of deposit which do not have credit ratings. The Police Jury's policy does not address credit rate risk.

Custodial Credit Risk-Deposits: In the case of deposits, this is the risk that in the event of a bank failure, the government's deposits may not be returned to it. As of December 31, 2013 the Police Jury had a bank balance of \$9,668,205, in which \$9,168,205 was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the Police Jury's name.

Jackson Parish Police Jury
Notes to the Basic Financial Statements
December 31, 2013

Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Police Jury that the fiscal agent has failed to pay deposited funds upon request.

At December 31, 2013, the Police Jury had cash and cash equivalents (book balances) as follows:

Demand deposits (cash and cash equivalents per Statement A) \$9,622,291

NOTE 4 - RECEIVABLES The following is a summary of receivables at December 31, 2013:

	General Fund	Road Fund	Solid Waste Fund	Library	Asphalt Fund	Health Unit	LCDBG	Other Governmental	Total
Taxes:									
Ad Valorem	\$ 1,145,262	\$ 1,230,830	\$ -	\$ 503,407	\$ 1,069,740	\$ 188,757	\$ -	\$ -	\$ 4,137,996
Sales Tax	-	-	214,149	-	-	-	-	142,766	356,915
Governmental Revenues:									
Federal	-	-	-	-	-	-	44,845	-	44,845
State	167,669	47,175	-	-	-	-	-	-	214,844
Other local	728	41	612	-	-	-	-	-	1,381
Total	\$ 1,313,659	\$ 1,278,046	\$ 214,761	\$ 503,407	\$ 1,069,740	\$ 188,757	\$ 44,845	\$ 142,766	\$ 4,755,981

Historically, virtually all ad valorem taxes receivable were collected since they are secured by property; therefore, no allowance for doubtful accounts has been established for ad valorem taxes. The balance of accounts receivable is expected to be collected in full; no allowance for doubtful accounts has been established.

NOTE 5 - CAPITAL ASSETS The following schedule presents changes in capital assets for the Police Jury:

	Balance Beginning	Additions	Deletions	Balance Ending
Governmental activities				
Not subject to depreciation:				
Land	\$ 388,962	\$ 38,600	\$ -	\$ 427,562
Construction in progress	406,981	779,309	496,712	689,578
Total nondepreciable capital assets	795,943	817,909	496,712	1,117,140
Subject to depreciation:				
Buildings & Improvements	6,999,747	482,867	-	7,482,614
Vehicles	2,212,472	58,818	-	2,271,290
Equipment/Machinery/Furniture	3,761,823	402,604	158,951	4,005,476
Infrastructure/Roads	16,292,434	1,430,035	-	17,722,469
Total depreciable capital assets	29,266,476	2,374,324	158,951	31,481,849
Less accumulated depreciation:				
Buildings & Improvements	2,324,134	204,936	-	2,529,070
Vehicles	1,540,554	118,703	-	1,659,257
Equipment/Machinery/Furniture	1,715,524	449,375	158,951	2,005,948
Infrastructure/Roads	8,358,533	1,646,553	-	10,005,086
Total	13,938,745	2,419,567	158,951	16,199,361
Total depreciable capital assets, net	15,327,731	(45,243)	-	15,282,488
Governmental activities				
Capital assets, net	\$16,123,674	\$ 772,666	\$ 496,712	\$16,399,628

Jackson Parish Police Jury
Notes to the Basic Financial Statements
December 31, 2013

Capital outlay of \$2,695,521 as stated on Statement E equals current year additions of \$3,192,233 less \$496,712 reclassified from construction in progress to buildings and improvements.

Depreciation expense was charged to governmental activities for the Police Jury as follows:

Legislative	\$ 8,095
Judicial	16,483
Elections	3,017
Finance and administrative	16,596
Other general government	29,251
Public safety	39,788
Public works	2,090,305
Health and welfare	30,424
Culture and recreation	185,608
Total	\$ 2,419,567

NOTE 6 - RETIREMENT SYSTEMS Substantially all employees of the Police Jury are members of the Parochial Employees Retirement System of Louisiana (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. The System is composed of two plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the Police Jury are members of Plan A.

All permanent employees working at least twenty-eight hours per week who are paid wholly or in part from parish funds and all elected parish officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least ten years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3% of their final average salary for each year of creditable service. However, for those employees who were members of the supplemental plan only before January 1, 1980, the benefit is equal to 1% of final average salary plus \$24 for each year of supplemental-plan-only service earned before January 1, 1980, plus 3% of final-average salary for each salary for each year of service credited after the revision date. Final average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefits accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

Under Plan A, members are required by state statute to contribute 9.50% of their annual covered salary and the Police Jury is required to contribute at an actuarially determined rate. The current rate is 16.75% of annual covered payroll. Contributions to the system also include one-fourth of 1% (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the Police Jury are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Police Jury's contributions to the System under Plan A for the years ending December 31, 2013, 2012, and 2011, were \$270,155, \$261,214, and \$244,675 respectively, equal to the required contribution for each year.

Jackson Parish Police Jury
Notes to the Basic Financial Statements
December 31, 2013

The System issues an annual publicly available report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employees' Retirement System of Louisiana, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (225) 928-1361.

NOTE 7 - ACCOUNTS, SALARIES AND OTHER PAYABLES

	General Fund	Road Fund	Solid Waste	Library Fund	Asphalt Fund	Health Unit	LCDBG	Total
Vendors	\$ 83,471	\$ 23,438	\$ 57,398	\$126,122	\$ 4,559	\$ 2,232	\$ -	\$ 297,220
Retainage	-	-	-	-	-	-	44,845	44,845
	<u>\$ 83,471</u>	<u>\$ 23,438</u>	<u>\$ 57,398</u>	<u>\$126,122</u>	<u>\$ 4,559</u>	<u>\$ 2,232</u>	<u>\$ 44,845</u>	<u>\$ 342,065</u>

NOTE 8 - COMPENSATED ABSENCES Employees of the Police Jury had accumulated and vested \$160,880 of employee leave benefits at December 31, 2013, computed in accordance with GASB Codification, Section C60. This amount has been recorded as a long-term obligation.

NOTE 9 - LONG-TERM LIABILITIES The following is a summary of the long-term liabilities transactions and balances for the year ended December 31, 2013:

	Beginning Balance	Additions	Deletions	Ending Balance	Amounts Due Within One Year
Governmental activities:					
Compensated absences	\$ 179,383	\$ 120,965	\$ 139,468	\$ 160,880	\$ 139,468
Estimated liability for landfill closure	422,000	-	-	422,000	-
Total Long-term liabilities	<u>\$ 601,383</u>	<u>\$ 120,965</u>	<u>\$ 139,468</u>	<u>\$ 582,880</u>	<u>\$ 139,468</u>

Compensated absences are liquidated by the General Fund, Road Fund, Solid Waste Fund, and Library Fund.

NOTE 10 - LEASES The Jackson Parish Police Jury had three operating leases at December 31, 2013, for equipment. The equipment is used by the Road Department and the monthly lease payments are paid out of the Road Fund. The following are the operating lease for fiscal year ended December 31, 2013:

<u>Asset</u>	<u>Contract Date</u>	<u>Term</u>	<u>Monthly Rental</u>	<u>Minimum Rental Payment for December 31, 2013</u>
2 Volvo 940B Motor Graders	November 13, 2012	36 months	\$ 3,156	\$ 37,872
Caterpillar Truck-type Tractor	December 5, 2012	48 months	1,298	15,576
Caterpillar 315DL Excavator	March 19, 2010	60 months	2,634	31,608

Jackson Parish Police Jury
Notes to the Basic Financial Statements
December 31, 2013

The future minimum rental payments are as follows:

	Minimum Rental Payment
2014	\$ 85,056
2015	58,194
2016	14,278
Total	<u>\$ 157,528</u>

NOTE 11 - SOLID WASTE LANDFILL COSTS State and federal laws and regulations require the Jackson Parish Police Jury to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure.

The Jackson Parish Landfill is a Type III facility that accepts only construction and demolition debris. The Jackson Parish Landfill has an estimated final closing during 2023. However, the current permit expires during 2019.

The estimated liability for landfill closure and post closure care costs has a balance of \$422,000 as of December 31, 2013, which is based on 80% usage of the landfill. The recognition of the liability for closure and post closure cost is based on landfill capacity used to date.

The estimated total cost of the landfill closure and post closure care is \$422,000. This is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of December 31, 2013. However, the actual cost of closure and post closure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

The Jackson Parish Police Jury has established a special revenue fund to account for the contributions to finance closure costs and post closure care. The Jackson Parish Police Jury had fully funded the estimated closure costs as of December 31, 2013.

NOTE 12 - INTERFUND TRANSACTIONS

Transfers In/Out: Operating transfers for the year ended December 31, 2013, were as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General fund	\$ -	\$ 162,000
Road fund	1,000,000	-
Nonmajor governmental	12,000	850,000
Totals	<u>\$1,012,000</u>	<u>\$ 1,012,000</u>

The purpose of the interfund transfers were to assist in covering operating expenses and to fund the current year road program.

Jackson Parish Police Jury
Notes to the Basic Financial Statements
December 31, 2013

Interfund Receivables/Payables: Interfund receivables and payables for the year ended December 31, 2013 were as follows:

<u>Fund</u>	<u>Receivable Fund</u>	<u>Payable Fund</u>
General fund	\$ 50,000	\$ -
Health Unit	-	50,000
Totals	<u>\$ 50,000</u>	<u>\$ 50,000</u>

The purpose of the interfund receivables and payables were to assist the Health Unit in covering expenses until the ad valorem taxes were received due to the new passage of the tax.

NOTE 13 - LITIGATION AND CLAIMS

Litigation Per legal counsel, the Police Jury was not involved in any lawsuits at December 31, 2013.

Grant Disallowances - The Police Jury participates in a number of state and federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grant.

Construction Contracts - The Police Jury had an ongoing construction project for Jackson Parish Library - Chatham Branch. The construction contract total is \$1,049,750 in which \$360,172 was the remaining construction commitment at December 31, 2013 year end.

NOTE 14 - RISK MANAGEMENT The Police Jury is at risk for property damage, liability and theft which are covered by insurance policies. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Jackson Parish Police Jury
Notes to the Basic Financial Statements
December 31, 2013

NOTE 15 - FUND BALANCE CLASSIFICATION DETAILS

	General	Road Fund	Solid Waste	Library	Asphalt Fund	Health Unit	LCDBG	Nonmajor Governmental	Total
Nonspendable:									
Prepaid expense	\$ 4,916	\$ 4,988	\$ 5,171	\$ 54,788	\$ -	\$ 393	\$ -	\$ -	\$ 70,256
Restricted:									
Road maintenance	-	2,116,664	-	-	1,976,527	-	-	430,534	4,523,725
Solid waste	-	-	1,513,295	-	-	-	-	-	1,513,295
Library	-	-	-	3,128,872	-	-	-	-	3,128,872
Health unit	-	-	-	-	-	135,791	-	-	135,791
Landfill closure	-	-	-	-	-	-	-	547,090	547,090
Tourism	-	-	-	-	-	-	-	45,549	45,549
Court and witness fees	13,023	-	-	-	-	-	-	-	13,023
Industrial district	252,800	-	-	-	-	-	-	-	252,800
Grant funds	19,715	-	-	-	-	-	-	-	19,715
Committed:									
Contingencies	1,007,675	-	-	-	-	-	10	-	1,007,685
Facility improvements	-	-	-	-	-	-	-	22,656	22,656
Unassigned	2,439,678	-	-	-	-	-	-	-	2,439,678
Total	\$ 3,737,807	\$ 2,121,652	\$ 1,518,466	\$ 3,183,660	\$ 1,976,527	\$ 136,184	\$ 10	\$ 1,045,829	\$ 13,720,135

NOTE 16 - CHANGES IN PRESENTATION For fiscal year ended December 31, 2012, the General fund, Road fund, Solid Waste fund, Library fund, Sales Tax fund, and Asphalt fund were reported as major funds; however, for fiscal year ended December 31, 2013, the General fund, Road fund, Solid Waste fund, Library fund, Asphalt fund, Health Unit fund and LCDBG fund are being reported as major funds.

NOTE 17 - NEW GASB STANDARDS In fiscal year 2013, the Police Jury implemented GASB Statement No. 61, “The Financial Reporting Entity – Omnibus: An Amendment of GASB Statements No. 14 and No. 34”. The Reporting Entity of the Police Jury is discussed further in Note 1.A.

NOTE 18 - SUBSEQUENT EVENTS In January of 2014, the Police Jury received \$70,000 in reimbursement from the Louisiana DOTD relating to a bridge repair paid for in prior years. These monies were deposited into the Road Fund.

REQUIRED SUPPLEMENTARY INFORMATION

Budgetary Comparison Schedules

Jackson Parish Police Jury

Budgetary Comparison Schedules

General Fund and Major Special Revenue Funds with Legally Adopted Annual Budgets

GENERAL FUND - The general fund accounts for all activities of the Police Jury except those that are accounted for in other funds.

ROAD FUND - The road fund accounts for maintenance of parish highways, streets and bridges. Funding is provided by a parish-wide ad valorem tax, state revenue sharing funds, parish transportation funds, state aid grants, operating transfers from the general fund, interest earned on investments and miscellaneous revenues.

SOLID WASTE - The solid waste fund accounts for the construction, maintenance and operation of solid waste system. Funding is provided by a parish-wide sales tax, interest on investments, and other miscellaneous revenues.

LIBRARY FUND - The library fund accounts for maintenance and operation of the parish library. Funding is provided by a parish-wide ad valorem tax, state revenue sharing funds, State Library of Louisiana funds, interest earned on investments, and fine and program revenues.

ASPHALT FUND - The asphalt fund accounts for asphaltting parish roads. Financing is provided by a parish-wide ad valorem tax, state revenue sharing funds, and interest earned on investments.

HEALTH UNIT - The health unit fund accounts for a portion of the maintenance and operation of the parish health unit. Financing is provided by a parish-wide ad valorem tax, state revenue funds, and interest earned on investments.

JACKSON PARISH POLICE JURY

**GENERAL FUND
Budgetary Comparison Schedule
For the Year Ended December 31, 2013**

Exhibit 1-1

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS (BUDGETARY BASIS)	FINAL BUDGET POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES, BEGINNING	\$ 1,418,700	\$ 2,280,017	\$ 3,536,885	\$ 1,256,868
Resources (inflows)				
Local sources:				
Taxes:				
Ad valorem	1,000,000	1,000,000	1,143,501	143,501
Other taxes, penalties and interest	131,000	150,700	152,965	2,265
Licenses and permits	21,000	27,000	39,004	12,004
Intergovernmental revenues:				
State funds:				
Severance taxes	1,050,000	800,000	847,116	47,116
State revenue sharing (net)	22,000	22,000	24,402	2,402
State aid grants	88,000	137,000	92,530	(44,470)
Federal revenue	39,000	487,000	51,389	(435,611)
Fees, charges, and commissions for services	13,750	31,300	25,921	(5,379)
Fines and forfeitures	6,000	10,500	13,185	2,685
Miscellaneous revenues	39,000	25,315	34,038	8,723
Use of money and property	15,250	20,590	23,177	2,587
Transfers from other funds	112,450	179,450	179,450	-
Amounts available for appropriations	<u>3,956,150</u>	<u>5,170,872</u>	<u>6,163,563</u>	<u>992,691</u>
Charges to appropriations (outflows)				
Current:				
General government:				
Legislative	129,000	135,000	122,697	12,303
Judicial	270,500	307,600	276,495	31,105
Elections	23,200	23,200	21,713	1,487
Finance and administrative	268,700	280,000	265,105	14,895
Other general government	540,600	568,100	499,249	68,851
Public safety	821,640	1,267,310	750,097	517,213
Health and welfare	120,500	214,200	122,139	92,061
Culture and recreation	25,000	30,000	26,811	3,189
Transfers to other funds	297,450	341,450	341,450	-
Total charges to appropriations	<u>2,496,590</u>	<u>3,166,860</u>	<u>2,425,756</u>	<u>741,104</u>
BUDGETARY FUND BALANCES, ENDING	<u>\$ 1,459,560</u>	<u>\$ 2,004,012</u>	<u>\$ 3,737,807</u>	<u>\$ 1,733,795</u>

JACKSON PARISH POLICE JURY

ROAD FUND
 Budgetary Comparison Schedule
 For the Year Ended December 31, 2013

Exhibit 1-2

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS (BUDGETARY BASIS)	FINAL BUDGET POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES, BEGINNING	\$ 167,958	\$ 1,609,758	\$ 1,609,758	\$ -
Resources (inflows)				
Local sources:				
Taxes:				
Ad valorem	1,075,000	1,075,000	1,228,938	153,938
Intergovernmental revenues:				
State funds:				
Parish transportation funds	190,000	215,000	288,962	73,962
State revenue sharing (net)	22,000	22,000	25,964	3,964
State aid grant	50,000	50,000	22,370	(27,630)
Miscellaneous revenues	-	7,430	24,939	17,509
Use of money and property	10,000	9,200	10,314	1,114
Transfers from other funds	850,000	1,000,000	1,000,000	-
Amounts available for appropriations	<u>2,364,958</u>	<u>3,988,388</u>	<u>4,211,245</u>	<u>222,857</u>
Charges to appropriations (outflows)				
Current:				
Public works	1,489,600	1,549,600	1,057,726	491,874
Capital outlay	850,000	1,050,000	1,031,867	18,133
Total charges to appropriations	<u>2,339,600</u>	<u>2,599,600</u>	<u>2,089,593</u>	<u>510,007</u>
BUDGETARY FUND BALANCES, ENDING	<u>\$ 25,358</u>	<u>\$ 1,388,788</u>	<u>\$ 2,121,652</u>	<u>\$ 732,864</u>

JACKSON PARISH POLICE JURY

SOLID WASTE FUND
 Budgetary Comparison Schedule
 For the Year Ended December 31, 2013

Exhibit 1-3

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS (BUDGETARY BASIS)	FINAL BUDGET POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES, BEGINNING	\$ 1,469,766	\$ 2,018,071	\$ 2,018,071	\$ -
Resources (inflows)				
Local sources:				
Taxes:				
Sales and use	1,225,000	1,150,000	1,235,602	85,602
Fees, charges, and commissions for services	167,000	177,500	144,347	(33,153)
Miscellaneous revenues	10,000	100	63,345	63,245
Use of money and property	12,500	12,500	12,587	87
Amounts available for appropriations	<u>2,884,266</u>	<u>3,358,171</u>	<u>3,473,952</u>	<u>115,781</u>
Charges to appropriations (outflows)				
Current:				
Public works	2,097,750	2,270,750	1,555,957	714,793
Capital outlay	-	-	399,529	(399,529)
Total charges to appropriations	<u>2,097,750</u>	<u>2,270,750</u>	<u>1,955,486</u>	<u>315,264</u>
BUDGETARY FUND BALANCES, ENDING	<u>\$ 786,516</u>	<u>\$ 1,087,421</u>	<u>\$ 1,518,466</u>	<u>\$ 431,045</u>

JACKSON PARISH POLICE JURY

LIBRARY FUND
 Budgetary Comparison Schedule
 For the Year Ended December 31, 2013

Exhibit 1-4

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS (BUDGETARY BASIS)	FINAL BUDGET POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES, BEGINNING	\$ 3,991,277	\$ 4,257,421	\$ 4,257,421	\$ -
Resources (inflows)				
Local sources:				
Taxes:				
Ad valorem	516,700	515,409	502,632	(12,777)
Intergovernmental revenues:				
State funds:				
State revenue sharing (net)	-	7,005	10,529	3,524
State aid grants	-	7,000	-	(7,000)
Fines and forfeitures	25,000	30,900	27,163	(3,737)
Miscellaneous revenues	2,000	2,200	8,776	6,576
Use of money and property	55,000	31,100	28,316	(2,784)
Amounts available for appropriations	<u>4,589,977</u>	<u>4,851,035</u>	<u>4,834,837</u>	<u>(16,198)</u>
Charges to appropriations (outflows)				
Current:				
Culture and recreation	2,844,850	1,782,700	952,653	830,047
Capital outlay	-	-	698,524	(698,524)
Total charges to appropriations	<u>2,844,850</u>	<u>1,782,700</u>	<u>1,651,177</u>	<u>131,523</u>
BUDGETARY FUND BALANCES, ENDING	<u>\$ 1,745,127</u>	<u>\$ 3,068,335</u>	<u>\$ 3,183,660</u>	<u>\$ 115,325</u>

JACKSON PARISH POLICE JURY

ASPHALT FUND
 Budgetary Comparison Schedule
 For the Year Ended December 31, 2013

Exhibit 1-5

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS (BUDGETARY BASIS)	FINAL BUDGET POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES, BEGINNING	\$ 340,249	\$ 1,498,089	\$ 1,498,089	\$ -
Resources (inflows)				
Local sources:				
Taxes:				
Ad valorem	925,000	925,000	1,068,096	143,096
Intergovernmental revenues:				
State funds:				
State revenue sharing (net)	19,000	19,000	22,591	3,591
Use of money and property	5,000	5,000	9,500	4,500
Amounts available for appropriations	<u>1,289,249</u>	<u>2,447,089</u>	<u>2,598,276</u>	<u>151,187</u>
Charges to appropriations (outflows)				
Current:				
Public works	45,000	49,000	516,346	(467,346)
Capital outlay	1,157,250	1,095,750	105,403	990,347
Total charges to appropriations	<u>1,202,250</u>	<u>1,144,750</u>	<u>621,749</u>	<u>523,001</u>
BUDGETARY FUND BALANCES, ENDING	<u>\$ 86,999</u>	<u>\$ 1,302,339</u>	<u>\$ 1,976,527</u>	<u>\$ 674,188</u>

JACKSON PARISH POLICE JURY

HEALTH UNIT

Budgetary Comparison Schedule
For the Year Ended December 31, 2013

Exhibit 1-6

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS (BUDGETARY BASIS)	FINAL BUDGET POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES, BEGINNING	\$ 33,824	\$ 50,894	\$ 50,894	\$ -
Resources (inflows)				
Local sources:				
Taxes:				
Ad valorem	-	175,000	179,913	4,913
Use of money and property	500	500	242	(258)
Transfers from other funds	85,000	-	-	-
Amounts available for appropriations	<u>119,324</u>	<u>226,394</u>	<u>231,049</u>	<u>4,655</u>
Charges to appropriations (outflows)				
Current:				
Health and welfare	<u>119,000</u>	<u>119,000</u>	<u>94,865</u>	<u>24,135</u>
Total charges to appropriations	<u>119,000</u>	<u>119,000</u>	<u>94,865</u>	<u>24,135</u>
BUDGETARY FUND BALANCES, ENDING	<u>\$ 324</u>	<u>\$ 107,394</u>	<u>\$ 136,184</u>	<u>\$ 28,790</u>

Jackson Parish Police Jury
Notes to Budgetary Comparison Schedules
For the Year Ended December 31, 2013

A. BUDGETS

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

The secretary-treasurer presents necessary budget amendments to the Police Jury during the year when, in his judgment, actual operations are differing materially from those anticipated in the original budget. During a regular meeting, the Police Jury reviews the proposed amendments, makes changes as it deems necessary, and formally adopts the amendments. The adoption of the amendments is included in Police Jury minutes published in the official journal.

The Police Jury exercises budgetary control at the functional level. Within functions the secretary-treasurer has the discretion to make changes as he deems necessary for proper control. Unexpended appropriations lapse at year end and must be reappropriated in the next year's budget to be expended. Formal budgetary integration is employed as a management control device.

For the year ended December 31, 2013, cash basis budgets were adopted for the general fund and all special revenue funds, except the criminal court special revenue fund, which is exempt from the requirements Louisiana Revised Statutes 30:1301-1314 (Local Government Budget Act).

Encumbrances Encumbrance accounting is not recognized within the accounting records for budgetary control purposes. Authorization for the eventual expenditure will be included in the following year's budget appropriations.

Budget Basis of Accounting All governmental funds' budgets are prepared on the cash basis of accounting. Budgeted amounts are as originally adopted or as amended by the Jury. Legally, the Jury 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 Jury to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by 5% or more and/or expenditures within a fund are expected to exceed budgeted expenditures by 5% or more.

Jackson Parish Police Jury
Notes to Budgetary Comparison Schedules
For the Year Ended December 31, 2013

**B. BUDGET TO GAAP RECONCILIATION - EXPLANATION OF DIFFERENCES BETWEEN
BUDGETARY INFLOWS AND OUTFLOWS AND GAAP REVENUES AND EXPENDITURES**

	<u>General</u>	<u>Road</u>	<u>Solid Waste</u>	<u>Library</u>	<u>Asphalt</u>	<u>Health Unit</u>
<u>Sources/inflows of resources:</u>						
Actual amounts (budgetary basis) "available for appropriation" from the Budgetary Comparison Schedule	\$ 6,163,563	\$ 4,211,245	\$ 3,473,952	\$ 4,834,837	\$ 2,598,276	\$ 231,049
The fund balance at the beginning of the year is a budgetary resource but is not a current-year revenue for financial reporting purposes	(3,536,885)	(1,609,758)	(2,018,071)	(4,257,421)	(1,498,089)	(50,894)
Transfers from other funds and insurance proceeds are classified as revenue for budgetary purposes but are not revenues for financial reporting	(179,450)	(1,000,000)	-	-	-	-
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	2,447,228	1,601,487	1,455,881	577,416	1,100,187	180,155
<u>Uses/Outflows of resources:</u>						
Actual amounts (budgetary basis) "Total charges to appropriations" from the Budgetary Comparison Schedule	2,425,756	2,089,593	1,955,486	1,651,177	621,749	94,865
Transfers to other funds classified as expenditures for budgetary purposes and as an operating transfer for financial reporting	(341,450)	-	-	-	-	-
Total expenditures as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	\$ 2,084,306	\$ 2,089,593	\$ 1,955,486	\$ 1,651,177	\$ 621,749	\$ 94,865

SUPPLEMENTARY INFORMATION

**COMBINING
NONMAJOR GOVERNMENTAL FUNDS -
BY FUND TYPE**

JACKSON PARISH POLICE JURY

NONMAJOR GOVERNMENTAL FUNDS
 Combining Balance Sheet - By Fund Type
 December 31, 2013

Exhibit 2

	<u>SPECIAL REVENUE</u>	<u>CAPITAL PROJECTS</u>	<u>TOTAL</u>
ASSETS			
Cash and cash equivalents	\$ 880,407	\$ 22,656	\$ 903,063
Receivables	142,766	-	142,766
TOTAL ASSETS	<u>1,023,173</u>	<u>22,656</u>	<u>1,045,829</u>
FUND BALANCES			
Restricted	1,023,173	-	1,023,173
Committed	-	22,656	22,656
TOTAL FUND BALANCES	<u>\$ 1,023,173</u>	<u>\$ 22,656</u>	<u>\$ 1,045,829</u>

JACKSON PARISH POLICE JURY

NONMAJOR GOVERNMENTAL FUNDS
 Combining Statement of Revenues, Expenditures,
 and Changes in Fund Balances - By Fund Type
 For the Year Ended December 31, 2013

Exhibit 3

	SPECIAL REVENUE	CAPITAL PROJECTS	TOTAL
REVENUES			
Local sources:			
Taxes:			
Sales and use	\$ 823,735	\$ -	\$ 823,735
Miscellaneous revenue	5,500	-	5,500
Use of money and property	8,156	518	8,674
	<u>837,391</u>	<u>518</u>	<u>837,909</u>
Total Revenues	<u>837,391</u>	<u>518</u>	<u>837,909</u>
EXPENDITURES			
Current:			
General government:			
Other general government	8,239	-	8,239
Public works	13,224	19,675	32,899
Culture and recreation	14,252	-	14,252
Capital outlay	-	63,499	63,499
	<u>35,715</u>	<u>83,174</u>	<u>118,889</u>
Total Expenditures	<u>35,715</u>	<u>83,174</u>	<u>118,889</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>801,676</u>	<u>(82,656)</u>	<u>719,020</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	12,000	-	12,000
Transfers out	(850,000)	-	(850,000)
	<u>(838,000)</u>	<u>-</u>	<u>(838,000)</u>
Total Other Financing Sources (Uses)	<u>(838,000)</u>	<u>-</u>	<u>(838,000)</u>
Net Change in Fund Balances	(36,324)	(82,656)	(118,980)
FUND BALANCES - BEGINNING	<u>1,059,497</u>	<u>105,312</u>	<u>1,164,809</u>
FUND BALANCES - ENDING	<u>\$ 1,023,173</u>	<u>\$ 22,656</u>	<u>\$ 1,045,829</u>

Jackson Parish Police Jury

NONMAJOR SPECIAL REVENUE FUNDS

SALES TAX FUND The road sales tax fund accounts for the blacktopping and sealing of parish roads financed by a parish-wide sales tax and interest earned on investments.

LANDFILL CLOSURE The landfill closure fund accounts for estimated closure cost and post-closure care expenses of the parish landfill site. Financing is provided by contributions and interest on investments.

TOURISM The tourism fund accounts for promoting tourism in the parish. Financing is provided by a hotel/motel tax and interest earned on investments.

BEAUTIFICATION COUNCIL The beautification council accounts for beautification projects to areas of the Parish.

JACKSON PARISH POLICE JURY

NONMAJOR SPECIAL REVENUE FUNDS

Combining Balance Sheet

December 31, 2013

	<u>SALES TAX</u>	<u>LANDFILL CLOSURE</u>	<u>TOURISM</u>
ASSETS:			
Cash and cash equivalents	\$ 287,768	\$ 547,090	\$ 45,549
Receivables	142,766	-	-
	<u>430,534</u>	<u>547,090</u>	<u>45,549</u>
TOTAL ASSETS	<u>430,534</u>	<u>547,090</u>	<u>45,549</u>
FUND BALANCES			
Restricted	<u>430,534</u>	<u>547,090</u>	<u>45,549</u>
	<u>\$ 430,534</u>	<u>\$ 547,090</u>	<u>\$ 45,549</u>
TOTAL FUND BALANCES	<u>\$ 430,534</u>	<u>\$ 547,090</u>	<u>\$ 45,549</u>

Exhibit 4

<u>BEAUTIFICATION</u> <u>COUNCIL</u>	<u>TOTAL</u>
\$ -	\$ 880,407
-	142,766
<u>-</u>	<u>1,023,173</u>
<u>-</u>	<u>1,023,173</u>
<u>\$ -</u>	<u>\$ 1,023,173</u>

JACKSON PARISH POLICE JURY

NONMAJOR SPECIAL REVENUE FUNDS
 Combining Statement of Revenues, Expenditures,
 and Changes in Fund Balances
 For the Year Ended December 31, 2013

	SALES TAX	LANDFILL CLOSURE	TOURISM
REVENUES			
Local sources:			
Taxes:			
Sales and use	\$ 823,735	\$ -	\$ -
Miscellaneous revenue	-	-	5,500
Use of money and property	3,451	4,354	331
Total Revenues	827,186	4,354	5,831
EXPENDITURES			
Current:			
General government:			
Other general government	-	-	-
Public works	13,224	-	-
Culture and recreation	-	-	14,252
Total Expenditures	13,224	-	14,252
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	813,962	4,354	(8,421)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	12,000
Transfers out	(850,000)	-	-
Total Other Financing Sources (Uses)	(850,000)	-	12,000
Net Change in Fund Balances	(36,038)	4,354	3,579
FUND BALANCES - BEGINNING	466,572	542,736	41,970
FUND BALANCES - ENDING	\$ 430,534	\$ 547,090	\$ 45,549

Exhibit 5

<u>BEAUTIFICATION COUNCIL</u>	<u>TOTAL</u>
\$ -	\$ 823,735
-	5,500
<u>20</u>	<u>8,156</u>
 20	 837,391
 8,239	 8,239
-	13,224
<u>-</u>	<u>14,252</u>
 8,239	 35,715
 (8,219)	 801,676
-	12,000
<u>-</u>	<u>(850,000)</u>
 -	 (838,000)
 (8,219)	 (36,324)
 8,219	 1,059,497
<u>\$ -</u>	<u>\$ 1,023,173</u>

Jackson Parish Police Jury

NONMAJOR CAPITAL PROJECT FUNDS

CAPTIAL FUND This fund accounts for capital improvements as well as significant repairs and maintenance throughout Jackson Parish.

GATE CITY SEWER DISTRICT The fund accounts for capital improvements for Gate City Sewer District.

JACKSON PARISH POLICE JURY

NONMAJOR CAPITAL PROJECT FUNDS
 Combining Balance Sheet
 December 31, 2013

Exhibit 6

	<u>CAPITAL FUND</u>	<u>GATE CITY SEWER DISTRICT</u>	<u>TOTAL</u>
ASSETS:			
Cash and cash equivalents	\$ 16,404	\$ 6,252	\$ 22,656
TOTAL ASSETS	<u>16,404</u>	<u>6,252</u>	<u>22,656</u>
FUND BALANCE:			
Committed	<u>16,404</u>	<u>6,252</u>	<u>22,656</u>
TOTAL FUND BALANCES	<u>\$ 16,404</u>	<u>\$ 6,252</u>	<u>\$ 22,656</u>

JACKSON PARISH POLICE JURY

NONMAJOR CAPITAL PROJECT FUNDS
 Combining Statement of Revenues, Expenditures,
 and Changes in Fund Balances
 For the Year Ended December 31, 2013

Exhibit 7

	<u>CAPITAL FUND</u>	<u>GATE CITY SEWER DISTRICT</u>	<u>TOTAL</u>
REVENUES			
Use of money and property	\$ 466	\$ 52	\$ 518
Total Revenues	<u>466</u>	<u>52</u>	<u>518</u>
EXPENDITURES			
Current:			
Public works	19,179	496	19,675
Capital outlay	63,499	-	63,499
Total Expenditures	<u>82,678</u>	<u>496</u>	<u>83,174</u>
Net Change in Fund Balances	(82,212)	(444)	(82,656)
FUND BALANCES - BEGINNING	<u>98,616</u>	<u>6,696</u>	<u>105,312</u>
FUND BALANCES - ENDING	<u>\$ 16,404</u>	<u>\$ 6,252</u>	<u>\$ 22,656</u>

Jackson Parish Police Jury

**Schedule of Compensation Paid Police Jurors
As of and For the Year Ended December 31, 2013**

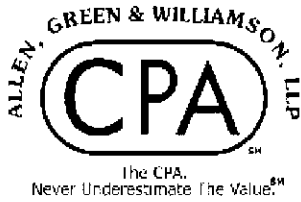
COMPENSATION PAID POLICE JURORS The schedule of compensation paid to police jurors is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the Jackson Parish Police Jury members is included in the general administrative expenditures of the general fund. Members of the governing board receive compensation pursuant to Louisiana Revised Statute 33:1233.

Todd Culpepper, President	\$ 16,200
Maxie F. Monroe, Vice President	14,400
Eddie Langston	14,400
Josh Peterson	14,400
Billy Bryant	14,400
Charles Garrett	14,400
Lynn Treadway	14,400
Total	<u><u>\$ 102,600</u></u>

Jackson Parish Police Jury

OTHER REPORTS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

The report following this page is a report on compliance and on internal control over financial reporting based on an audit of financial statements performed in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States of America. The section of the report on compliance is based solely on the audit of the financial statements and presents, where applicable, compliance matters that would be material to the financial statements. The section of the report on internal control over financial reporting is, likewise, based solely on the audit of the financial statements and includes, where appropriate, any significant deficiencies and/or material weaknesses.



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Ernest L. Allen, CPA
(Retired) 1963 - 2000

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*

Independent Auditor's Report

Police Jurors
Jackson Parish Police Jury
Jonesboro, Louisiana

We 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 the Jackson Parish Police Jury, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Police Jury's basic financial statements, and have issued our report thereon dated July 14, 2014. We issued an adverse opinion on the aggregate discretely presented component units due to the omission of the discretely presented component units and an unmodified opinion on the governmental activities, each major fund, and the aggregate remaining fund information on the primary government.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we 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, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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

Allen, Green & Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
July 14, 2014

**Jackson Parish Police Jury
Schedule of Findings and Questioned Costs
December 31, 2013**

PART I - Summary of the Auditors' Results

Financial Statement Audit

- i. The type of audit report issued was an adverse opinion on the aggregate discretely presented component units and an unmodified opinion on the governmental activities, each major fund, and the aggregate remaining fund information on the primary government.
- ii. There were no significant deficiencies required to be disclosed by Government Auditing Standards issued by the Comptroller General of the United States of America.
- iii. There were no instances of noncompliance, as defined by the Government Auditing Standards, to the basic financial statements.

OTHER INFORMATION

**Jackson Parish Police Jury
Summary Schedule of Prior Year Audit Findings
December 31, 2013**

Reference # and title: **12-F1** **Parish Road Listing**

Origination Date: This finding originated fiscal year ended December 31, 2006.

Entity-wide or program/department specific: This finding is specific to the Road Department.

Condition: Revised Statute 48:753 states “each parish and municipal governing authority shall make a determination of whether a road, or portion thereof, within their respective road systems, meets the definition of a public road for the purpose of the parish transportation system”. The statute also defines a public road as “any road, or portion thereof, dedicated as a public road and/or accepted for maintenance by a parish or municipal governing authority, or constructed or maintained for an uninterrupted period of three years, by a parish or municipal governing authority, provided such road, or portion thereof, serves a public purpose that is in the best interest of the parish or municipality and their respective road systems”.

In 2006, the road superintendent identified forty-two roads which he believed might not serve a public interest. He stated “These roads are either dead end, serve only one residence, or do not serve as emergency routes. Also, there are no rights of ways on the road. These roads do not follow a road alignment for future transportation routes nor do they go to a public facility such as a drainage pump station or public building”. We randomly selected and inspected ten of the forty-two roads in 2006. After completing this inspection, we also believed that these roads might not serve a public interest.

During 2007, the Police Jury passed a resolution to hire a third party to perform a property ownership survey of who owns property through which the roads in question pass. No action was taken to follow through with the intent of the resolution by the Police Jury.

During 2008, the Police Jury hired a third party to perform a property ownership survey of who owns property through which the roads in question pass. However, this survey was not completed until 2009. Therefore, the Police Jury had not held any public meetings to address the roads in question.

In 2009, the property ownership survey was completed and a report given to the Police Jury regarding the roads in question.

As of December 31, 2012, the Police Jury had not held a public hearing. The Police Jury adopted a motion in the October 8, 2012 meeting to schedule a meeting of the Road Committee prior to the regular October meeting to list roads that may not serve the public and may be subject to removal from the parish road system, and to schedule a public hearing for November 12, 2012 to receive comments from the public explaining how these roads serve the public. The public hearing was not held as planned.

Corrective action taken: In October 2012, the Jackson Parish Police Jury adopted a resolution stating that to remain in the parish road system, all property owners on each road would be required to sign a forty foot right of way to remain in the parish system. The Jury engaged Riley Company of Louisiana, Inc. to formally contact property owners on those parish’s roads that were listed as not serving the public and to request a signed right of way from the named landowners. Based on the initial responses of property owners refusing to give rights of way, the Jury conducted a public hearing on twelve roads on April 8, 2013 to receive comments from the public on how the listed roads serve the public. Ten the roads were formally removed. Two of the roads (McKeever Road and Tree Road) were left in the system based on comments by the property owners that their families utilized the roads. This finding is considered cleared.

**Jackson Parish Police Jury
Summary Schedule of Prior Year Audit Findings
December 31, 2013**

Reference # and title: **12-F2** **Public Bid Law Violation**

Origination Date: This finding originated fiscal year ended December 31, 2012.

Entity-wide or program/department specific: This finding is specific to the Solid Waste Department.

Condition: The Louisiana State Bid Law R. S. 38:2212.1 reads in part, “all purchases of materials and supplies exceeding the sum of thirty thousand dollars to be paid out of public funds shall be advertised and let by contract to the lowest responsible bidder”.

Bins were purchased during the year from a vendor in the amount of \$40,572 and were not advertised for bids.

Corrective action taken: In January 2013, the Secretary-Treasurer realized that the purchase of waste bins for the Solid Waste Department had exceeded the bid law. In completing the Compliance Questionnaire for 2012, the President and Secretary-Treasurer acknowledged that the bid law had been violated on one occasion. The Secretary-Treasurer informed the Supervising Auditor of the violation during their initial conversation upon arrival for the field work. All materials / supplies will be bid annually for future years. Administrative personnel will confirm that major purchases comply with state bid law prior to issuance of purchase orders. This finding is considered cleared.

Reference # and Title: **12-F3** **Inadequate Internal Controls over Capital Assets**

Origination Date: This finding originated fiscal year ended December 31, 2011.

Entity-wide or program/department specific: This finding is specific to the Library.

Condition: Proper internal controls over construction projects ensures that a listing is maintained for all construction contracts that are currently being performed during the year to ensure all expenditures, including but not limited to work performed by contractors and any subcontractors; which are paid directly by the Library are being maintained. The listing will ensure that the total costs of construction projects is kept tracked of until the construction is complete and then the full amount paid during the life of the construction contract will be capitalized and depreciated over an estimated useful life. Also, all assets purchased should be added to the capital asset listing of the Library as soon as the information is known.

While testing current year additions for construction in progress, it was noted that the Library did not maintain a listing by construction project showing the expenditures made for each construction project during the year. The list had equipment and cost of construction projects listed together. The construction in progress had to be recalculated for the year end to ensure all costs were included in the balance for each construction project.

Corrective action taken: Contract accountant keeps a listing of assets and expenditures for any construction performed during the year. A schedule will be available monthly for the Board to review until the construction is complete and can be capitalized and depreciated. Internal control procedures will be updated by the contract accountant as recommended. This finding is considered cleared.

**Jackson Parish Police Jury
Summary Schedule of Prior Year Audit Findings
December 31, 2013**

Reference # and title: **12-F4** **Library Financial Management**

Origination Date: This finding originated fiscal year ended December 31, 2011.

Entity-wide or program/department specific: This finding is specific to the Library.

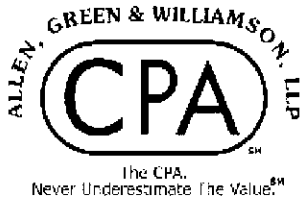
Condition: Good internal control over time records require that time records are documented daily by employees, supervisors approve in writing all leave taken by employees, and that accurate written leave records are maintain by the Library on all employees eligible for leave. Also, good internal control over disbursements requires that all payments be made from the original invoice or the original receipts.

In testing, the following was noted:

- In testing leave records for 14 employees, it was noted that there was one instance in which leave time was not documented by the employee, one instance in which the employee's leave time was not approved by the supervisor, and 12 instances in which accurate written leave records were not maintained on all eligible employees.

- In testing 10 disbursements from the Library Special Fund bank account, it was noted that there were three instances in which payments were not made from the original invoice and three exceptions in which evidence of receipt of goods or services could not be determined. Also, there was an electronic payment for a vendor in which the check and the receipt were not maintained as supporting documentation.

Corrective action taken: The corrective action was implemented during the last half of 2012 and continues. The Library will ensure that staff members fill out leave sheets completely. This finding is considered cleared.



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Management Letter

Police Jurors
Jackson Parish Police Jury
Jonesboro, Louisiana

In planning and performing our audit of the financial statements of the governmental activities, each major fund, and the aggregate fund information of the Jackson Parish Police Jury, for the year ended December 31, 2013, we considered the Police Juror's internal control to plan our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control.

However, during our audit, we noted a certain matter involving internal control that is presented for your consideration. This letter does not affect our report dated July 14, 2014, on the financial statements of the Police Jury. We will review the status of this comment during our next audit engagement. Our comment and recommendation, which has been discussed with appropriate members of management, is intended to improve the internal control or result in other operating efficiencies. We will be pleased to discuss this comment in further detail at your convenience, to perform any additional study of this matter, or to assist you in implementing the recommendation. Our comments and management's response are summarized as follows:

2013-M1 Accounting Functions

Comment: In testing receivables and payable the following was noted:

- There was one payable and the corresponding receivable that related to the 12/31/2013 year end that was not recorded.
- There was one payable for equipment that was recorded in 12/31/2013 year end that should not have been recorded.

In testing of 52 leave records, there were two exceptions noted, which are as follows:

- For a Solid Waste employee, there was one exception noted in which an employee's sick day taken was not properly recorded in the leave system.
- For a Library employee, there was one exception noted were an employee's leave balance was negative 74.75 hours. A maximum of 40 hours from the leave bank could be applied to offset the negative; however it was noted that no hours were applied.

In testing of compensated absences, it was noted that the balances provide for the employees of the Police Jury did not include the activity for the current year which resulted in an understatement of the accrued liability.

The Police Jury approved a new personnel policy effective January 2013, which requires evaluations to be performed annually. It was noted that the evaluation process was not fully implemented by fiscal year end.

Recommendation: The Police Jury should establish monitoring procedures to ensure adequate internal controls over accounting are being followed. Additionally, procedures should be established to ensure all policy changes are properly and fully implemented.

Management's response: The Police Jury will endeavor to make certain that all transactions are recorded in the proper year; decisions of what fiscal year a payable should be charged to is sometimes difficult based on date of order and then the anticipated placement of purchases into service.

In regard to the leave of the Solid Waste employee, his request for sick leave was inadvertently recorded as annual leave. The employee in question had adequate annual leave in excess of the three hours; he was not paid for time that he did not have; in the future all posting errors will be corrected by the Payroll department to reflect the actual request of the employee.

In regard to the negative leave of the Library employee, the matter will be presented to the Jackson Parish Police Jury with a recommendation that the employee be required to repay the 74.75 hours and that an internal investigation be performed to determine how an employee could be paid for work with a negative leave balance.

The Payroll department is now aware of the proper time frame for the reporting of compensated absences for future audits.

We assure that employee evaluations will be performed annually on all employees of the Jackson Parish Police Jury as required by the Personnel Policy.

Our audit procedures are designed primarily to enable us to form opinions on the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Police Jury, as of and for the year ended December 31, 2013, which collectively comprise the Police Jury primary government's basic financial statements, and therefore, may not reveal all weaknesses in policies and procedures that may exist.

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

This report is intended solely for the information and use of the Police Jury, management, 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. Although the intended use of this letter may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

Allen, Green & Williamson, LLP

Allen, Green & Williamson, LLP
Monroe, Louisiana

July 14, 2014